



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

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

Permanent General Assurance Corporation of Ohio

NAIC Group Code	0473 (Current)	0473 (Prior)	NAIC Company Code	22906	Employer's ID Number	62-1482846
Organized under the Laws of	Ohio			State of Domicile or Port of Entry	OH	
Country of Domicile	United States of America					
Incorporated/Organized	12/18/1991			Commenced Business	04/09/1992	
Statutory Home Office	9700 Rockside Road, Suite 250 (Street and Number)			Valley View , OH, US 44125 (City or Town, State, Country and Zip Code)		
Main Administrative Office	2636 Elm Hill Pike, Suite 510 (Street and Number)					
	Nashville , TN, US 37214 (City or Town, State, Country and Zip Code)			615-242-1961 (Area Code) (Telephone Number)		
Mail Address	P.O. Box 305054 (Street and Number or P.O. Box)			Nashville , TN, US 37230-5054 (City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	2636 Elm Hill Pike, Suite 510 (Street and Number)					
	Nashville , TN, US 37214 (City or Town, State, Country and Zip Code)			615-744-1221 (Area Code) (Telephone Number)		
Internet Website Address	www.pgac.com					
Statutory Statement Contact	R Burton Barnes Jr. (Name)			615-744-1221 (Area Code) (Telephone Number)		
	bbarnes@pgac.com (E-mail Address)			615-744-1608 (FAX Number)		

OFFICERS

Sr. V.P., Chief Administrative Officer	David Lee Hettinger	President & Chief Operating Officer	John Allen Hollar
Chief Financial Officer, Treasurer & Assistant Secretary	Brian Michael Donovan		

OTHER

Sherrill Cleek Kaiser, Secretary	Andrew Peter Martin, Sr.V.P., Corporate-wide Sales & Distribution	Elizabeth Ann Roberts, V.P., Human Resources
Robert Eugene Nelson, Assistant Secretary		

DIRECTORS OR TRUSTEES

John Allen Hollar	David Lee Hettinger	Andrew Peter Martin
Brian Michael Donovan	Elizabeth Ann Roberts	

State of Tennessee SS:
County of Davidson

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.

David Lee Hettinger Sr. V.P., Chief Administrative Officer	Brian Michael Donovan Chief Financial Officer, Treasurer & Assistant Secretary	John Allen Hollar President & Chief Operating Officer
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Subscribed and sworn to before me this 20 day of February

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

Susan Hawk
Notary Public
May 6, 2019

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	87,633,215		87,633,215	85,058,727
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	0
2.2 Common stocks	36,634,977		36,634,977	31,333,870
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$			0	0
encumbrances)				
4.2 Properties held for the production of income (less				
\$ encumbrances)			0	0
4.3 Properties held for sale (less \$				
encumbrances)			0	0
5. Cash (\$0, Schedule E - Part 1), cash equivalents				
(\$, Schedule E - Part 2) and short-term				
investments (\$8,319,464, Schedule DA)	8,319,464		8,319,464	11,669,622
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives (Schedule DB)			0	0
8. Other invested assets (Schedule BA)			0	0
9. Receivable for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL)			0	0
11. Aggregate write-ins for invested assets	2,824	0	2,824	468
12. Subtotals, cash and invested assets (Lines 1 to 11)	132,590,480	0	132,590,480	128,062,687
13. Title plants less \$ charged off (for Title insurers				
only)			0	0
14. Investment income due and accrued	816,930		816,930	688,679
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	9,481,953	9,479	9,472,474	5,500,873
15.2 Deferred premiums and agents' balances and installments booked but				
deferred and not yet due (including \$				
earned but unbilled premiums)	65,810,656		65,810,656	44,002,674
15.3 Accrued retrospective premiums (\$) and				
contracts subject to redetermination (\$)			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	3,394,911		3,394,911	140,250
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	2,906,617		2,906,617	709,688
18.2 Net deferred tax asset	5,847,643	236,472	5,611,171	4,563,474
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets				
(\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	0
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other than invested assets	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and				
Protected Cell Accounts (Lines 12 to 25)	220,849,190	245,951	220,603,239	183,668,325
27. From Separate Accounts, Segregated Accounts and Protected Cell				
Accounts			0	0
28. Total (Lines 26 and 27)	220,849,190	245,951	220,603,239	183,668,325
DETAILS OF WRITE-INS				
1101. Income due on security	2,824		2,824	468
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	2,824	0	2,824	468
2501. Other Miscellaneous			0	0
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	46,346,179	29,210,761
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	0	2,493,471
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	6,164,646	4,071,851
4. Commissions payable, contingent commissions and other similar charges	1,579,947	831,191
5. Other expenses (excluding taxes, licenses and fees)	11,798	
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	2,660,095	1,471,690
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$80,949,020 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$0 for medical loss ratio rebate per the Public Health Service Act)	63,572,698	51,479,462
10. Advance premium	100,043	74,601
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	5,103,375	4,213,730
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	0	0
14. Amounts withheld or retained by company for account of others		
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	2,051,634	6,932,132
20. Derivatives	0	0
21. Payable for securities	142,249	2,639,547
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	127,732,664	103,418,436
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	127,732,664	103,418,436
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	3,000,000	2,000,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		
34. Gross paid in and contributed surplus	73,218,117	48,018,117
35. Unassigned funds (surplus)	16,652,458	30,231,772
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		
36.2 shares preferred (value included in Line 31 \$)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	92,870,575	80,249,889
38. TOTALS (Page 2, Line 28, Col. 3)	220,603,239	183,668,325
DETAILS OF WRITE-INS		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	0	0
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	130,806,358	99,438,792
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	96,061,883	60,983,208
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	12,354,116	8,612,451
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	49,525,159	37,161,099
5. Aggregate write-ins for underwriting deductions	0	0
6. Total underwriting deductions (Lines 2 through 5)	157,941,158	106,756,758
7. Net income of protected cells		
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	(27,134,800)	(7,317,966)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	1,564,505	1,830,526
10. Net realized capital gains or (losses) less capital gains tax of \$ (Exhibit of Capital Gains (Losses))	502,105	3,041,916
11. Net investment gain (loss) (Lines 9 + 10)	2,066,610	4,872,442
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)	0	0
13. Finance and service charges not included in premiums	14,415,063	7,324,144
14. Aggregate write-ins for miscellaneous income	8,901	8,626
15. Total other income (Lines 12 through 14)	14,423,964	7,332,770
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(10,644,226)	4,887,246
17. Dividends to policyholders		0
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)	(10,644,226)	4,887,246
19. Federal and foreign income taxes incurred	(2,865,530)	2,473,452
20. Net income (Line 18 minus Line 19)(to Line 22)	(7,778,696)	2,413,794
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	80,249,889	64,384,154
22. Net income (from Line 20)	(7,778,696)	2,413,794
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	(5,398,893)	693,202
25. Change in net unrealized foreign exchange capital gain (loss)		
26. Change in net deferred income tax	1,165,129	1,061,267
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	(66,854)	97,472
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	0	0
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	1,000,000	
32.2 Transferred from surplus (Stock Dividend)		
32.3 Transferred to surplus		
33. Surplus adjustments:		
33.1 Paid in	25,200,000	12,600,000
33.2 Transferred to capital (Stock Dividend)		
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders	(1,500,000)	(1,000,000)
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	12,620,686	15,865,735
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	92,870,575	80,249,889
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above)	0	0
1401. MISC INCOME		0
1402. FINANCE ROYALTY INCOME		0
1403. OTHER INTEREST (EXPENSE)	21	667
1498. Summary of remaining write-ins for Line 14 from overflow page	8,880	7,959
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	8,901	8,626
3701. OTHER INCREASES / (DECREASES)		0
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	118,085,676	73,875,108
2. Net investment income	2,974,074	3,552,871
3. Miscellaneous income	14,423,964	7,332,770
4. Total (Lines 1 through 3)	135,483,714	84,760,749
5. Benefit and loss related payments	84,674,597	51,398,226
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	57,837,521	43,767,218
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	(668,601)	2,298,398
10. Total (Lines 5 through 9)	141,843,517	97,463,842
11. Net cash from operations (Line 4 minus Line 10)	(6,359,803)	(12,703,093)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	61,051,438	131,582,536
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	0	(632,021)
12.8 Total investment proceeds (Lines 12.1 to 12.7)	61,051,438	130,950,515
13. Cost of investments acquired (long-term only):		
13.1 Bonds	64,661,641	124,440,544
13.2 Stocks	10,700,000	5,100,000
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	2,499,654	(3,287,782)
13.7 Total investments acquired (Lines 13.1 to 13.6)	77,861,295	126,252,762
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(16,809,857)	4,697,753
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	26,200,000	12,600,000
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	1,500,000	1,000,000
16.6 Other cash provided (applied)	(4,880,498)	6,488,549
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	19,819,502	18,088,549
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)	(3,350,158)	10,083,209
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	11,669,622	1,586,413
19.2 End of period (Line 18 plus Line 19.1)	8,319,464	11,669,622

Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001.Proceeds from bonds sold	576,317	3,173,277
20.0002.Proceeds from stocks sold	0	0
20.0003.Cost of bonds acquired	582,133	3,173,277
20.0004.Cost of stocks acquired	0	0
20.0005. Investment Income Received	5,816	

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	0	0	0	0
2.	Allied lines	0	0	0	0
3.	Farmowners multiple peril	0	0	0	0
4.	Homeowners multiple peril	0	0	0	0
5.	Commercial multiple peril	0	0	0	0
6.	Mortgage guaranty	0	0	0	0
8.	Ocean marine	0	0	0	0
9.	Inland marine	0	0	0	0
10.	Financial guaranty	0	0	0	0
11.1	Medical professional liability - occurrence	0	0	0	0
11.2	Medical professional liability - claims-made	0	0	0	0
12.	Earthquake	0	0	0	0
13.	Group accident and health	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0
15.	Other accident and health	0	0	0	0
16.	Workers' compensation	0	0	0	0
17.1	Other liability - occurrence	0	0	0	0
17.2	Other liability - claims-made	0	0	0	0
17.3	Excess workers' compensation	0	0	0	0
18.1	Products liability - occurrence	0	0	0	0
18.2	Products liability - claims-made	0	0	0	0
19.1, 19.2	Private passenger auto liability	102,085,683	37,531,450	45,451,130	94,166,003
19.3, 19.4	Commercial auto liability	0	0	0	0
21.	Auto physical damage	40,813,911	13,948,012	18,121,568	36,640,355
22.	Aircraft (all perils)	0	0	0	0
23.	Fidelity	0	0	0	0
24.	Surety	0	0	0	0
26.	Burglary and theft	0	0	0	0
27.	Boiler and machinery	0	0	0	0
28.	Credit	0	0	0	0
29.	International	0	0	0	0
30.	Warranty	0	0	0	0
31.	Reinsurance - nonproportional assumed property	0	0	0	0
32.	Reinsurance - nonproportional assumed liability	0	0	0	0
33.	Reinsurance - nonproportional assumed financial lines	0	0	0	0
34.	Aggregate write-ins for other lines of business	0	0	0	0
35.	TOTALS	142,899,594	51,479,462	63,572,698	130,806,358
DETAILS OF WRITE-INS					
3401.	.....			
3402.	.....			
3403.	.....			
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1	2	3	4	5
		Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire					0
2.	Allied lines					0
3.	Farmowners multiple peril					0
4.	Homeowners multiple peril					0
5.	Commercial multiple peril					0
6.	Mortgage guaranty					0
8.	Ocean marine					0
9.	Inland marine					0
10.	Financial guaranty					0
11.1	Medical professional liability - occurrence					0
11.2	Medical professional liability - claims-made					0
12.	Earthquake					0
13.	Group accident and health					0
14.	Credit accident and health (group and individual)					0
15.	Other accident and health					0
16.	Workers' compensation					0
17.1	Other liability - occurrence					0
17.2	Other liability - claims-made					0
17.3	Excess workers' compensation					0
18.1	Products liability - occurrence					0
18.2	Products liability - claims-made					0
19.1, 19.2	Private passenger auto liability	45,451,130				45,451,130
19.3, 19.4	Commercial auto liability					0
21.	Auto physical damage	18,121,568				18,121,568
22.	Aircraft (all perils)					0
23.	Fidelity					0
24.	Surety					0
26.	Burglary and theft					0
27.	Boiler and machinery					0
28.	Credit					0
29.	International					0
30.	Warranty					0
31.	Reinsurance - nonproportional assumed property					0
32.	Reinsurance - nonproportional assumed liability					0
33.	Reinsurance - nonproportional assumed financial lines					0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0
35.	TOTALS	63,572,698	0	0	0	63,572,698
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					
38.	Balance (Sum of Line 35 through 37)					63,572,698
DETAILS OF WRITE-INS						
3401.	.....				
3402.	.....				
3403.	.....				
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0	0	0	0

(a) State here basis of computation used in each case Daily Pro-Rata

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN						
Line of Business	1	Reinsurance Assumed		Reinsurance Ceded		6
	Direct Business (a)	2	3	4	5	Net Premiums Written Cols. 1+2+3-4-5
		From Affiliates	From Non-Affiliates	To Affiliates	To Non-Affiliates	
1. Fire	0					0
2. Allied lines	0					0
3. Farmowners multiple peril	0					0
4. Homeowners multiple peril	0					0
5. Commercial multiple peril	0					0
6. Mortgage guaranty	0					0
8. Ocean marine	0					0
9. Inland marine	0					0
10. Financial guaranty	0					0
11.1 Medical professional liability - occurrence						0
11.2 Medical professional liability - claims-made						0
12. Earthquake	0					0
13. Group accident and health	0					0
14. Credit accident and health (group and individual)	0					0
15. Other accident and health	0					0
16. Workers' compensation	0					0
17.1 Other liability - occurrence	0					0
17.2 Other liability - claims-made	0					0
17.3 Excess workers' compensation	0					0
18.1 Products liability - occurrence						0
18.2 Products liability - claims-made						0
19.1, 19.2 Private passenger auto liability	127,247,105	102,085,683		126,249,502	997,603	102,085,683
19.3, 19.4 Commercial auto liability	0					0
21. Auto physical damage	54,125,104	40,813,911		54,125,104		40,813,911
22. Aircraft (all perils)	0					0
23. Fidelity	0					0
24. Surety	0					0
26. Burglary and theft	0					0
27. Boiler and machinery	0					0
28. Credit	0					0
29. International						0
30. Warranty	0					0
31. Reinsurance - nonproportional assumed property	XXX					0
32. Reinsurance - nonproportional assumed liability	XXX					0
33. Reinsurance - nonproportional assumed financial lines	XXX					0
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0
35. TOTALS	181,372,209	142,899,594	0	180,374,606	997,603	142,899,594
DETAILS OF WRITE-INS						
3401.						
3402.						
3403.						
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0	0	0	0	0

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

		Losses Paid Less Salvage				5	6	7	8
		1	2	3	4				
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Recovered	Net Payments (Cols. 1 + 2 -3)	Net Losses Unpaid Current Year (Part 2A , Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire	0			0	0	0	0	0.0
2.	Allied lines	0			0	0	0	0	0.0
3.	Farmowners multiple peril	0			0	0	0	0	0.0
4.	Homeowners multiple peril	0			0	0	0	0	0.0
5.	Commercial multiple peril	0			0	0	0	0	0.0
6.	Mortgage guaranty	0			0	0	0	0	0.0
8.	Ocean marine	0			0	0	0	0	0.0
9.	Inland marine	0			0	0	0	0	0.0
10.	Financial guaranty	0			0	0	0	0	0.0
11.1	Medical professional liability - occurrence				0	0	0	0	0.0
11.2	Medical professional liability - claims-made				0	0	0	0	0.0
12.	Earthquake	0			0	0	0	0	0.0
13.	Group accident and health	0			0	0	0	0	0.0
14.	Credit accident and health (group and individual)	0			0	0	0	0	0.0
15.	Other accident and health	0			0	0	0	0	0.0
16.	Workers' compensation	0			0	0	0	0	0.0
17.1	Other liability - occurrence	0			0	0	0	0	0.0
17.2	Other liability - claims-made	0			0	0	0	0	0.0
17.3	Excess workers' compensation	0			0	0	0	0	0.0
18.1	Products liability - occurrence				0	0	0	0	0.0
18.2	Products liability - claims-made				0	0	0	0	0.0
19.1, 19.2	Private passenger auto liability	54,478,165	55,034,993	54,478,165	55,034,993	43,616,072	28,061,536	70,589,529	75.0
19.3, 19.4	Commercial auto liability	0			0	0	0	0	0.0
21.	Auto physical damage	30,270,599	23,891,472	30,270,599	23,891,472	2,730,107	1,149,225	25,472,354	69.5
22.	Aircraft (all perils)	0			0	0	0	0	0.0
23.	Fidelity	0			0	0	0	0	0.0
24.	Surety	0			0	0	0	0	0.0
26.	Burglary and theft	0			0	0	0	0	0.0
27.	Boiler and machinery	0			0	0	0	0	0.0
28.	Credit	0			0	0	0	0	0.0
29.	International				0	0	0	0	0.0
30.	Warranty	0			0	0	0	0	0.0
31.	Reinsurance - nonproportional assumed property	XXX			0	0	0	0	0.0
32.	Reinsurance - nonproportional assumed liability	XXX			0	0	0	0	0.0
33.	Reinsurance - nonproportional assumed financial lines	XXX			0	0	0	0	0.0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0.0
35.	TOTALS	84,748,764	78,926,465	84,748,764	78,926,465	46,346,179	29,210,761	96,061,883	73.4
DETAILS OF WRITE-INS									
3401.	.....							
3402.	.....							
3403.	.....							
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0.0
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0	0	0	0	0	0	0.0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

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				0				0	
2.	Allied lines				0				0	
3.	Farmowners multiple peril				0				0	
4.	Homeowners multiple peril				0				0	
5.	Commercial multiple peril				0				0	
6.	Mortgage guaranty				0				0	
8.	Ocean marine				0				0	
9.	Inland marine				0				0	
10.	Financial guaranty				0				0	
11.1	Medical professional liability - occurrence				0				0	
11.2	Medical professional liability - claims-made				0				0	
12.	Earthquake				0				0	
13.	Group accident and health				0				(a) 0	
14.	Credit accident and health (group and individual)				0				0	
15.	Other accident and health				0				(a) 0	
16.	Workers' compensation				0				0	
17.1	Other liability - occurrence				0				0	
17.2	Other liability - claims-made				0				0	
17.3	Excess workers' compensation				0				0	
18.1	Products liability - occurrence				0				0	
18.2	Products liability - claims-made				0				0	
19.1, 19.2	Private passenger auto liability	33,355,950	29,888,883	33,355,950	29,888,883	12,190,511	13,727,189	12,190,511	43,616,072	5,797,396
19.3, 19.4	Commercial auto liability				0				0	
21.	Auto physical damage	4,698,464	3,183,129	4,698,464	3,183,129	(402,664)	(453,022)	(402,664)	2,730,107	367,250
22.	Aircraft (all perils)				0				0	
23.	Fidelity				0				0	
24.	Surety				0				0	
26.	Burglary and theft				0				0	
27.	Boiler and machinery				0				0	
28.	Credit				0				0	
29.	International				0				0	
30.	Warranty				0				0	
31.	Reinsurance - nonproportional assumed property	XXX			0	XXX			0	
32.	Reinsurance - nonproportional assumed liability	XXX			0	XXX			0	
33.	Reinsurance - nonproportional assumed financial lines	XXX			0	XXX			0	
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0
35.	TOTALS	38,054,414	33,072,012	38,054,414	33,072,012	11,787,847	13,274,167	11,787,847	46,346,179	6,164,646
DETAILS OF WRITE-INS										
3401.	.....								
3402.	.....								
3403.	.....								
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0	0	0	0	0	0	0	0

(a) Including \$ 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	2,921,603			2,921,603
1.2 Reinsurance assumed	3,322,862			3,322,862
1.3 Reinsurance ceded	2,921,602			2,921,602
1.4 Net claim adjustment service (1.1 + 1.2 - 1.3)	3,322,863	0	0	3,322,863
2. Commission and brokerage:				
2.1 Direct excluding contingent		26,231,339		26,231,339
2.2 Reinsurance assumed, excluding contingent	9,031,254	35,165,689		44,196,943
2.3 Reinsurance ceded, excluding contingent	10,669,748	44,513,284		55,183,032
2.4 Contingent - direct		232,385		232,385
2.5 Contingent - reinsurance assumed				0
2.6 Contingent - reinsurance ceded				0
2.7 Policy and membership fees				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	(1,638,494)	17,116,129	0	15,477,635
3. Allowances to managers and agents			104,623	104,623
4. Advertising		100,145		100,145
5. Boards, bureaus and associations				0
6. Surveys and underwriting reports	1,205,875	3,683,531		4,889,406
7. Audit of assureds' records				0
8. Salary and related items:				
8.1 Salaries	6,762,019	10,247,598		17,009,617
8.2 Payroll taxes	501,743	616,456		1,118,199
9. Employee relations and welfare	104,820	1,893,590		1,998,410
10. Insurance		187,348		187,348
11. Directors' fees				0
12. Travel and travel items	416,913	236,263		653,176
13. Rent and rent items	162,678	946,100		1,108,778
14. Equipment	55,796	1,310,530		1,366,326
15. Cost or depreciation of EDP equipment and software				0
16. Printing and stationery	41,660	185,875		227,535
17. Postage, telephone and telegraph, exchange and express	130,270	1,437,324		1,567,594
18. Legal and auditing	271,528	240,560		512,088
19. Totals (Lines 3 to 18)	9,653,302	21,085,320	104,623	30,843,245
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$0		4,285,928		4,285,928
20.2 Insurance department licenses and fees	20,883	125,425		146,308
20.3 Gross guaranty association assessments		1,591		1,591
20.4 All other (excluding federal and foreign income and real estate)		(3,177)		(3,177)
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	20,883	4,409,767	0	4,430,650
21. Real estate expenses				0
22. Real estate taxes				0
23. Reimbursements by uninsured plans				0
24. Aggregate write-ins for miscellaneous expenses	995,562	6,913,943	0	7,909,505
25. Total expenses incurred	12,354,116	49,525,159	104,623 (a)	61,983,898
26. Less unpaid expenses - current year	6,164,646	4,251,840	0	10,416,486
27. Add unpaid expenses - prior year	4,071,851	2,302,881	0	6,374,732
28. Amounts receivable relating to uninsured plans, prior year				0
29. Amounts receivable relating to uninsured plans, current year				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	10,261,321	47,576,200	104,623	57,942,144
DETAILS OF WRITE-INS				
2401. Bank Fees		1,109,698		1,109,698
2402. Dues & Subscriptions	639,938	59,731		699,669
2403. Miscellaneous Expenses	3,611	7,400		11,011
2498. Summary of remaining write-ins for Line 24 from overflow page	352,013	5,737,114	0	6,089,127
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)	995,562	6,913,943	0	7,909,505

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

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) .....191,983	.....182,702
1.1	Bonds exempt from U.S. tax	(a) .....887,571	.....1,050,292
1.2	Other bonds (unaffiliated)	(a) .....440,175	.....417,604
1.3	Bonds of affiliates	(a) .....	.....
2.1	Preferred stocks (unaffiliated)	(b) .....	.....
2.11	Preferred stocks of affiliates	(b) .....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans	(c) .....	.....
4.	Real estate	(d) .....	.....
5	Contract loans .....	.....	.....
6	Cash, cash equivalents and short-term investments	(e) .....21,148	.....18,530
7	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....0	.....0
10.	Total gross investment income	1,540,877	1,669,128
11.	Investment expenses		(g) .....104,623
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) .....0
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total deductions (Lines 11 through 15) .....		.....104,623
17.	Net investment income (Line 10 minus Line 16)		1,564,505
DETAILS OF WRITE-INS			
0901.	.....	
0902.	.....	
0903.	.....	
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$109,874 accrual of discount less \$1,653,510 amortization of premium and less \$415,256 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$40,159 amortization of premium and less \$75 paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	90,789	0	90,789	0	0
1.1	Bonds exempt from U.S. tax	501,117	0	501,117	0	0
1.2	Other bonds (unaffiliated)	(89,801)	0	(89,801)	0	0
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	0	0	0	0	0
2.21	Common stocks of affiliates	0	0	0	(5,398,893)	0
3.	Mortgage loans		0	0	0	0
4.	Real estate		0	0	0	0
5.	Contract loans	0	0	0	0	0
6.	Cash, cash equivalents and short-term investments	0	0	0	0	0
7.	Derivative instruments	0	0	0	0	0
8.	Other invested assets		0	0	0	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	502,105	0	502,105	(5,398,893)	0
DETAILS OF WRITE-INS						
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			0
2. Stocks (Schedule D):			
2.1 Preferred stocks			0
2.2 Common stocks			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale			0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			0
7. Derivatives (Schedule DB)			0
8. Other invested assets (Schedule BA)			0
9. Receivables for securities			0
10. Securities lending reinvested collateral assets (Schedule DL)			0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only)			0
14. Investment income due and accrued			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	9,479	60,057	50,578
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			0
15.3 Accrued retrospective premiums and contracts subject to redetermination			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			0
16.2 Funds held by or deposited with reinsured companies			0
16.3 Other amounts receivable under reinsurance contracts			0
17. Amounts receivable relating to uninsured plans			0
18.1 Current federal and foreign income tax recoverable and interest thereon			0
18.2 Net deferred tax asset	236,472	119,040	(117,432)
19. Guaranty funds receivable or on deposit			0
20. Electronic data processing equipment and software			0
21. Furniture and equipment, including health care delivery assets			0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivables from parent, subsidiaries and affiliates			0
24. Health care and other amounts receivable			0
25. Aggregate write-ins for other than invested assets	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	245,951	179,097	(66,854)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. Total (Lines 26 and 27)	245,951	179,097	(66,854)
DETAILS OF WRITE-INS			
1101.		0	0
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501.		0	0
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern

A. The accompanying financial statements of Permanent General Assurance Corporation of Ohio (PGACOH) have been prepared in accordance with the NAIC Accounting Practices and Procedures Manual except to the extent that Ohio law differs. However, as of this Statement date, there have been no requests from the State of Ohio to depart from the prescribed NAIC guidelines.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Ohio is shown below:

	SSAP #	F/S Page	F/S Line #	2016	2015
NET INCOME					
(1) State basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	... (7,778,696)	.... 2,413,794
(2) State Prescribed Practices that increase/(decrease) NAIC SAP: ..... .....	.....	.....	.....	.....	.....
(3) State Permitted Practices that increase/(decrease) NAIC SAP: ..... .....	.....	.....	.....	.....	.....
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	... (7,778,696)	.... 2,413,794
SURPLUS					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	.... 92,870,575	... 80,249,889
(6) State Prescribed Practices that increase/(decrease) NAIC SAP: ..... .....	.....	.....	.....	.....	.....
(7) State Permitted Practices that increase/(decrease) NAIC SAP: ..... .....	.....	.....	.....	.....	.....
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	.... 92,870,575	... 80,249,889

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, liabilities, revenues and expenses. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Premiums are earned over the terms of the related insurance policies. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business.

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

- (1) Investments in short-term bonds rated “1” (highest quality), or “2” (high quality) by the Securities Valuation Office (“SVO”) of the NAIC are reported in the financial statements at amortized cost. Bonds rated “3” (medium quality), “4” (low quality), “5” (lower quality), or “6” (lowest quality) by the SVO are reported at the lower of amortized cost or fair value. The interest method is used to amortize any purchase premium or discount, including estimates of future prepayments obtained from independent sources. Money market mutual funds are recorded at amortized cost, which approximates fair market value.
- (2) Investments in bonds rated "1" (highest quality), or "2" (high quality) by the Securities Valuation Office ("SVO") of the NAIC are reported in the financial statements at amortized cost. Bonds rated "3" (medium quality), "4" (low quality), "5" (lower quality), or "6" (lowest quality) by the SVO are reported at the lower of amortized cost or fair value. Investments in commercial mortgage backed securities (CMBS) and non-agency residential mortgage backed securities (RMBS) utilize a two step process to obtain a valuation and rating in accordance with SSAP 43R, Loan Backed and Structured Securities. The first step derives a rating for valuation by comparing the current amortized cost to the modeled range of values assigned to the six NAIC designations for each security. This determines whether the securities are stated at the lower of amortized cost or fair value per the above rules. The second step utilizes the same modeled range of values to derive a rating for reporting using the current carrying value as determined in the first step.

Ratings and valuations for investments in asset backed securities, loan backed securities, and structured securities (other than Equipment Trust Certificates and Credit Tenant Leases) that are otherwise rated by a credit rating provider (CRP) are calculated using a two step process. The first step derives a rating for valuation based on the CRP rating and the NAIC model valuation table. The second step utilizes the model valuation table to derive a rating for reporting using the current carrying value as determined in the first step. Securities whose initial rating is NAIC 1 or NAIC 6 in step one are not further modified by step two. The interest method is used to amortize any purchase premium or discount, including estimates of future prepayments obtained from independent sources.

- (3) Common stocks, if owned are stated at market with exception to the stock of the company’s wholly owned subsidiary (which is valued as described in the NAIC Valuation of Securities Manual).
- (4) The Company holds no preferred stock as of the statement date.
- (5) The Company holds no mortgage loans.
- (6) Loan-backed securities are valued at amortized cost using the interest method, including anticipated prepayments at the date of purchase. These values are adjusted for updated prepayment information using the retrospective method.
- (7) The Company values The General Automobile Insurance Company, Inc. (a wholly owned subsidiary) in accordance with the NAIC policies and procedures manual.
- (8) The company has no investments in joint ventures, partnerships or limited liability companies.
- (9) All derivatives if held are stated at fair value.
- (10) The Company does not anticipate investment income as a factor in the premium deficiency calculation.
- (11) Reserve for losses represents the estimated liability for claims reported to the Company and an amount, based on actuarially determined reserves

NOTES TO FINANCIAL STATEMENTS

- for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) The Company has no pharmaceutical rebate receivables.
- D. **Going Concern**
Not applicable.
2. **Accounting Changes and Corrections of Errors**
None.
3. **Business Combinations and Goodwill**
None.
4. **Discontinued Operations**
None.
5. **Investments**
A) The Company has no mortgage loans.
B) The Company did not restructure any debt.
C) The Company has no reverse mortgages.
D) Loan-Backed Securities
(1) Prepayment assumptions for the vast majority of loan-backed securities are obtained from a leading, nationally recognized provider of market data and analytics. If the assumptions for a specific security are not available from the provider, the Company obtains the figures from broker dealer survey values.
(2) Not applicable.
(3) Not applicable.
(4) Aggregate unrealized loss positions on loan-backed securities:

a. The aggregate amount of unrealized losses:
1. Less than 12 Months(211,225)
2. 12 Months or Longer(8,519)
b. The aggregate related fair value of securities with unrealized losses:
1. Less than 12 Months 9,558,498
2. 12 Months or Longer 467,783

(5) The Company believes that the unrealized losses related to these securities are temporary. In determining whether these unrealized losses are temporary, the Company considers severity of impairment, duration of impairment, forecasted market price recovery, and the intent and ability of the Company to hold the investment until the market price has recovered or the investment matures.
- E) The Company has no repurchase agreements.
F) The Company has no real estate investments
G) The Company has no low-income housing tax credits (LIHTC)
H) Restricted Assets.

(1) Restricted Assets (Including Pledged) as of December 31, 2016.

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted						
	Current Year					6	7
	1	2	3	4	5		
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)
a. Subject to contractual obligation for which liability is not shown 0	.....	..... 0
b. Collateral held under security lending agreements 0	.....	..... 0
c. Subject to repurchase agreements 0	.....	..... 0
d. Subject to reverse repurchase agreements 0	.....	..... 0
e. Subject to dollar repurchase agreements 0	.....	..... 0
f. Subject to dollar reverse repurchase agreements 0	.....	..... 0
g. Placed under option contracts 0	.....	..... 0
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock..... 0	.....	..... 0
i. FHLB capital stock 0	.....	..... 0
j. On deposit with states	3,214,914	.....	.....	.....	.. 3,214,914	.. 3,081,222	.... 133,692
k. On deposit with other regulatory bodies 0	.....	..... 0
l. Pledged collateral to FHLB (including assets backing funding agreements) 0	.....	..... 0
m. Pledged as collateral not captured in other categories 0	.....	..... 0
n. Other restricted assets 0	.....	..... 0
o. Total Restricted Assets .....	.. 3,214,914	..... 0	..... 0	..... 0	.. 3,214,914	.. 3,081,222	.... 133,692

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

NOTES TO FINANCIAL STATEMENTS

Restricted Asset Category	Current Year			
	8	9	Percentage	
	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	10 Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	11 Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown0	..... 0.000	..... 0.000
b. Collateral held under security lending agreements0	..... 0.000	..... 0.000
c. Subject to repurchase agreements0	..... 0.000	..... 0.000
d. Subject to reverse repurchase agreements0	..... 0.000	..... 0.000
e. Subject to dollar repurchase agreements0	..... 0.000	..... 0.000
f. Subject to dollar reverse repurchase agreements0	..... 0.000	..... 0.000
g. Placed under option contracts0	..... 0.000	..... 0.000
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock.....0	..... 0.000	..... 0.000
i. FHLB capital stock0	..... 0.000	..... 0.000
j. On deposit with states3,214,914	..... 1.500	..... 1.500
k. On deposit with other regulatory bodies0	..... 0.000	..... 0.000
l. Pledged collateral to FHLB (including assets backing funding agreements)0	..... 0.000	..... 0.000
m. Pledged as collateral not captured in other categories0	..... 0.000	..... 0.000
n. Other restricted assets0	..... 0.000	..... 0.000
o. Total Restricted Assets .....	.....0	..3,214,914	..... 1.500	..... 1.500

(c) Column 5 divided by Asset page, Column 1, Line 28
(d) Column 9 divided by Asset page, Column 3, Line 28

- (2) Detail of Assets Pledged as Collateral Not Captured in Other Categories.
Not applicable.
- (3) Detail of Other Restricted Assets.
Not applicable.
- (4) Collateral received and reflected as assets within the reporting entities financial statements.
Not applicable.
- I) Working Capital Finance Investments.
None.
- J) Offsetting and Netting of Assets and Liabilities.
None.
- K) Structured Notes.

The Company invests in structured notes, which are characterized by non-fixed coupon payments, with the exception of securities tied to a non-leveraged typical interest rate index (such as LIBOR and T-Bill rates). Loan-backed securities are excluded from this category. The following table details the securities that the Company has determined meet this definition at December 31, 2016.

CUSIP Identification	Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage- Referenced Security (Y/N)
311450-FL-9 ...	.....503,665	.....495,560	.....503,394	NO.....
708692-AJ-7 ...	.....153,483	.....154,986	.....152,906	NO.....
708692-BF-4 ...	.....729,713	.....720,864	.....729,424	NO.....
709223-6U-0 ...	.....304,320	.....304,422	.....303,262	NO.....
Total	.....1,691,181	.....1,675,832	.....1,688,986	XXX

- L) 5* Securities.
None.

6 Joint Ventures, Partnerships and Limited Liability Companies
None.

7 Investment Income
All investment income due and accrued is admitted.

8 Derivative Instruments
None.

9 Income Taxes
A. The components of the net deferred tax asset/(liability) at December 31, 2016 are as follows:

1.

	12/31/2016			12/31/2015			Change		
	(1) Ordinary	(2) Capital	(3) (Col. 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4 + 5) Total	(7) (Col. 1 - 4) Ordinary	(8) (Col. 2 - 5) Capital	(9) (Col. 7 + 8) Total
(a)Gross Deferred Tax Assets .....	.....5,847,643	.....(0)	.....5,847,643	.....4,682,514	.....0	.....4,682,514	.....1,165,129	.....0	.....1,165,129
(b)Statutory Valuation Allowance Adjustment .....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
(c)Adjusted Gross Deferred Tax Assets (1a - 1b) .....	.....5,847,643	.....(0)	.....5,847,643	.....4,682,514	.....0	.....4,682,514	.....1,165,129	.....0	.....1,165,129
(d)Deferred Tax Assets Non admitted ..	.....236,472	.....0	.....236,472	.....119,040	.....0	.....119,040	.....117,432	.....0	.....117,432
(e)Subtotal Net Admitted Deferred Tax Asset (1c - 1d) .....	.....5,611,171	.....0	.....5,611,171	.....4,563,474	.....0	.....4,563,474	.....1,047,697	.....0	.....1,047,697
(f)Deferred Tax Liabilities .....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0
(g)Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f) ....	.....5,611,171	.....0	.....5,611,171	.....4,563,474	.....0	.....4,563,474	.....1,047,697	.....0	.....1,047,697

NOTES TO FINANCIAL STATEMENTS

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.	2,354,231	0	2,354,231	2,797,583	0	2,797,583	(443,352)	0	(443,352)
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below) .	3,256,940	0	3,256,940	1,765,891	0	1,765,891	1,491,049	0	1,491,049
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	3,256,940	0	3,256,940	1,765,891	0	1,765,891	1,491,049	0	1,491,049
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	10,958,625	XXX	XXX	10,095,253	XXX	XXX	863,372
(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.	0	0	0	0	0	0	0	0	0
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total 2(a) + 2(b) + 2(c))	5,611,171	0	5,611,171	4,563,474	0	4,563,474	1,047,697	0	1,047,697

3.

	2016	2015
a.Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	434.00	484.00
b.Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	87,259,404	75,686,415

4.

	12/31/2016		12/31/2015		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	(Col. 1 - 3) Ordinary	(Col. 2 - 4) Capital
Impact of Tax Planning Strategies:						
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.						
1. Adjusted Gross DTAs amount from Note 9A1(c)	5,847,643	0	4,682,514	0	1,165,129	0
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0%	0%	0%	0%	0%	0%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e).....	5,611,171	0	4,563,474	0	1,047,697	0
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0%	0%	0%	0%	0%	0%

b. Do the Company’s tax-planning strategies include the use of reinsurance?

Yes [] No [X]

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

1. Current Income Tax

(a)Federal	
(b)Foreign	
(c)Subtotal	
(d)Federal income tax on net capital gains	
(e)Utilization of capital loss carry-forwards	
(f)Other	
(g)Federal and foreign income taxes incurred	

(1) 12/31/2016	(2) 12/31/2015	(3) (Col. 1 - 2) Change
(2,906,617)	2,471,313	(5,377,930)
0	0	0
(2,906,617)	2,471,313	(5,377,930)
0	0	0
0	0	0
41,087	2,139	38,948
(2,865,530)	2,473,452	(5,338,982)
260,359	170,587	89,772
4,457,092	3,608,785	848,307
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
615,901	636,777	(20,876)
0	0	0
0	0	0
0	0	0
0	0	0
514,291	266,365	247,926
5,847,643	4,682,514	1,165,129

2. Deferred Tax Assets:

(a)Ordinary:	
(1) Discounting of unpaid losses	
(2) Unearned premium reserve	
(3) Policyholder reserves	
(4) Investments	
(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 ordinary tax assets)	
(99) Subtotal	

NOTES TO FINANCIAL STATEMENTS

(b)Statutory valuation allowance adjustment	0	0	0
(c)Nonadmitted	236,472	119,040	117,432
(d)Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	5,611,171	4,563,474	1,047,697
(e)Capital:			
(1) Investments	0	0	0
(2) Net capital loss carry-forward	0	0	0
(3) Real estate	0	0	0
(4) Other (including items <5% of total ordinary tax assets)	0	0	0
(99) Subtotal	0	0	0
(f)Statutory valuation allowance adjustment	0	0	0
(g)Nonadmitted	0	0	0
(h)Admitted capital deferred tax assets (2e99 - 2f - 2g)	0	0	0
(i)Admitted deferred tax assets (2d + 2h)	5,611,171	4,563,474	1,047,697
3. Deferred Tax Liabilities:			
(a)Ordinary:			
(1) Investments	0	0	0
(2) Fixed assets	0	0	0
(3) Deferred and uncollected premium	0	0	0
(4) Policyholder reserves	0	0	0
(5) Other (including items <5% of total ordinary tax liabilities)	0	0	0
(99) Subtotal	0	0	0
(b)Capital:			
(1) Investments	0	0	0
(2) Real estate	0	0	0
(3) Other (including items <5% of total capital tax liabilities)	0	0	0
(99) Subtotal	0	0	0
(c)Deferred tax liabilities (3a99 + 3b99)	0	0	0
4. Net deferred tax assets/liabilities (2i - 3c)	5,611,171	4,563,474	1,047,697

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate
The significant items causing a difference between the statutory federal income tax rate and the Company's effective income tax rate are as follows:

	31-Dec-16	Effective Rate
Provision computed at statutory rate	(3,726,591)	35.00%
Tax exempt interest	(314,477)	2.95%
Other permanent differences	8,326	-0.08%
State tax	1,112	-0.01%
Rate differential	-	0.00%
Provision to return adjustment	971	-0.01%
Total	(4,030,659)	37.85%
	31-Dec-16	Effective Rate
Federal and foreign income taxes incurred	(2,865,530)	26.91%
Current taxes on realized capital gains	-	0.00%
Change in net deferred income taxes	(1,165,129)	10.94%
Total statutory income taxes	(4,030,659)	37.85%

E. Operating Loss and Tax Credit Carryforwards
At the end of the year, the Company did not have any unused operating loss carryforwards generated in prior years available to offset against future taxable income.

Income tax expense for 2016 and 2015 in the amounts of \$0 and \$2,261,160 are available for recoupment in the event of future losses.

The Company does not have any protective tax deposits under Sec. 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return for the 2016 tax year.

1) The Company's federal income tax return will be consolidated with the following entities:

American Family Mutual Insurance Company (Parent Company)	PGA Service Corporation
American Standard Insurance Company of Wisconsin	Permanent General Companies, Inc.
American Family Insurance Company	PGC Holdings Corp
American Standard Insurance Company of Ohio	Homesite Group Incorporated
Midvale Indemnity Company	Homesite Indemnity Company
American Family Financial Services, Inc.	Homesite Securities Company, LLC
American Family Brokerage, Inc.	Homesite Insurance Company
AmFam, Inc.	Homesite Insurance Company of California
American Family Life Insurance Company	Homesite Insurance Company of Florida
The General Automobile Insurance Company, Inc.	Homesite Insurance Company of Georgia
The General Automobile Insurance Services, Inc.	Homesite Insurance Company of Illinois
The General Automobile Insurance Services of Georgia, Inc.	Homesite Insurance Company of New York
The General Automobile Insurance Services of Louisiana, Inc.	Homesite Insurance Company of the Midwest

NOTES TO FINANCIAL STATEMENTS

The General Automobile Insurance Services of Ohio, Inc.	Texas-South of Homesite, Inc.
The General Automobile Insurance Services of Texas, Inc.	Homesite Insurance Agency, Inc.
Permanent General Assurance Corporation	Homesite Lloyd's of Texas
Permanent General Assurance Corporation of Ohio	Midvale Life Insurance Company of New York

2) The consolidated federal income tax is allocated to each member company in the following manner:

- a. Companies having tax profits on a separate return basis will incur federal tax expense based on their separate return taxable incomes.
- b. Companies with tax losses on a separate basis will be compensated (at the current federal tax rate) for the reduction in the consolidated tax liability resulting from their losses. Such compensation shall come directly from profitable companies that utilize those tax losses to reduce their taxable incomes. A loss company may have to repay this current year compensation back to the profitable company if the profitable company later incurs losses that, on a separate return basis, may be carried back to offset its current year income.
- c. The reduction of the consolidated tax liability due to tax credits shall be allocated to the individual companies producing such credits. Special additional taxes are similarly allocated to each member company.
- d. (1) On a consolidated basis the Company reported the following carry forwards available for recoupment:

	12/31/2016	12/31/2015
AMT credit carryforwards, which do not expire, in the amount of:	0	0

(2) The following is income tax expense for 2016, 2015 and 2013 that is available for recoupment in the event of future net tax losses:

Year	Amount
2016	118,478,041
2015	228,513,599
2014	139,308,735

G. Federal or Foreign Federal Income Tax Loss Contingencies
The Company has no 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 Affiliates and Other Related Parties

A,B,C. On August 15, 2016 PGC Holdings Corporation made a capital contribution of \$1,000,000 to its wholly owned subsidiary PGAC of Ohio, who in turn made a capital contribution of \$500,000 to its wholly owned subsidiary The General Automobile Insurance Co., Inc. On August 15, 2016 PGAC of Ohio paid a dividend of \$1,000,000 to its parent PGC Holdings Corporation and The General Automobile Insurance Co., Inc. paid a dividend of \$500,000 to its parent PGAC of Ohio.

On December 8, 2016 PGC Holdings Corporation made a capital contribution of \$25,200,000 to its wholly owned subsidiary PGAC of Ohio, who in turn made a capital contribution of \$10,200,000 to its wholly owned subsidiary The General Automobile Insurance Co., Inc. Also on December 8, 2016 PGC Holdings Corporation made a capital contribution of \$34,800,000 to its wholly owned subsidiary Permanent General Companies, Inc., who in turn made a capital contribution of \$34,800,000 to its wholly owned subsidiary PGAC. On December 31, 2016 PGAC of Ohio paid a dividend of \$1,000,000 to its parent PGC Holdings Corporation.

- D. At December 31, 2016, the Company reported \$2,051,634 net payable to its parent and affiliates. The terms of the settlement require these amounts are settled within 90 days.
- E. The Company has made no guarantees or undertakings for the benefit of the parent or affiliates.
- F. PGACOH has a service agreement in place with its affiliate Permanent General Companies, Inc (PGC), which is also a wholly owned subsidiary of PGC Holdings Corp. Under this agreement PGC performs administrative services on behalf of PGACOH. These services include; claims administration, underwriting, policy issuance and record keeping, legal services, data processing and accounting. Beginning in April 1997, the company began issuing policies through The General Automobile Insurance Services of Ohio (GAIS - OH) an Ohio corporation and affiliate of PGACOH (see Schedule Y for organizational chart). GAIS - OH serves as a captive insurance agency for PGACOH and provides underwriting and customer services for all policies issued.
- G. All outstanding shares of the company are owned by the parent company, PGC Holdings Corp.
- H. No amounts have been deducted from the value of an upstream entity or ultimate parent owned either directly or indirectly.
- I. The Company owns a 100% interest in The General Automobile Insurance Company, Inc., whose carry value exceeds 10% of the admitted assets of The Company. The Company carries The General Automobile Insurance Company, Inc. at statutory equity. Based on the Company's ownership percentage of The General Automobile Insurance Company, Inc., the statement value of assets and liabilities as of 12/31/2016 were \$118,641,728 and \$82,006,751, respectively. The Company's share of the net loss of The General Automobile Insurance Company, Inc. as of 12/31/2016 was \$5,475,355.
- J. The Company did not recognize any impairment write down for its investments in Subsidiary, Controlled or Affiliated Companies during the statement period.
- K. The Company has no investments in a foreign insurance subsidiary.
- L. The Company does not hold an investment in a downstream non-insurance holding company.
- M. All SCA Investments.
Not applicable.
- N. Investment in Insurance SCAs.
Not applicable.

11. Debt

The company has no capital note obligations, FHLB agreements or other long-term debt.

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

None.

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

- (1) The company has 750 shares of \$10,000 par value common stock authorized, of which 300 shares are issued and outstanding.
- (2) The company has no preferred stock issued.
- (3) The maximum amount of dividends which can be paid by an Ohio domiciled company without approval of the insurance commissioner is subject to restrictions based upon statutory surplus.
- (4) The company paid an ordinary dividend on August 15, 2016 of \$1,000,000 and on December 31, 2016 of \$1,000,000 to its parent PGC

NOTES TO FINANCIAL STATEMENTS

Holdings Corporation.

- (5) The portion of the Company's profits that may be paid as ordinary dividends to stockholders is limited by # (3) above. However, the maximum dividend payout which can be made in 2017 without prior approval is \$9,287,057.
- (6) The company has no restrictions on the unassigned surplus.
- (7) The company has not made advances of surplus.
- (8) The stock of the company has not been allocated for any special purposes.
- (9) The company has no special surplus funds.
- (10) Refer to page 4 lines 21 through 37 and Exhibit of Capital Gain (Losses).
- (11) The company has no surplus notes.
- (12) The company has not been reorganized.
- (13) N/A

14. Liabilities, Contingencies and Assessments.

- (A) The company has no contingent commitments to a SCA entity, joint ventures, partnerships, or limited liability companies.
- (B) The company has not been notified of any assessments that could have a material financial effect.
- (C) The company has no gain contingencies.
- (D) Claims related extra contractual obligations and bad faith losses stemming from lawsuits.

Direct

- (1) The company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits0
- (2) Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period0-25 Claims
- (3) Indicate whether claim count information is disclosed per claim or per claimantPer Claim

- (E) The company has no warranty liabilities.
- (F) The company has no joint and several liabilities.
- (G) All Other Contingencies.

Various lawsuits against the Company have arisen in the course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company.

The Company routinely assesses the collectability of premium and agent balances. The uncollectible amounts are not material to the Company's financial condition.

15. Leases.

None.

16. Information about Financial Instruments with Off-balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk.

None.

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

None.

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

None.

19. Direct Premium Written/Produced by MGA/3rd Party Administration

None.

20. Fair Value Measurements.

A. (1) The following summarizes the Company's financial assets and liabilities carried at fair value as of December 31, 2016.

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Short-term investments	8,179,114	0	0	8,179,114
Derivative assets	0	0	0	0
Total assets at fair value	8,179,114	0	0	8,179,114

There were no material transfers between Levels 1 and 2 during 2016.

(2) The Company held no Level 3 assets carried at fair value as of December 31, 2016.

(3) There were no material transfers into or out of Level 3 during 2016.

(4) The Financial assets recorded on the Balance Sheet at fair value are categorized based on the reliability of inputs to the valuation techniques as follows:

Level 1 Financial assets and financial liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the Company can access.

Level 2 Financial assets and financial liabilities whose values are based on the following:

NOTES TO FINANCIAL STATEMENTS

Quoted prices for similar assets or liabilities in active markets;
Quoted Prices for identical or similar assets or liabilities in non-active markets; or
Valuation models whose inputs are observable, directly or indirectly, for substantially the full term of the asset or liability.

Level 3 Financial assets and financial liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs may reflect the Company's estimates of the assumptions that market participants would use in valuing the financial assets and financial liabilities.

The availability of observable inputs varies by instrument. In situations where fair value is based on internally developed pricing models or inputs that are unobservable in the market, the determination of fair value requires more judgment. In many instances, inputs used to measure fair value fall into different levels of the fair value hierarchy. In those instances, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement is categorized is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The fair value guidance establishes a hierarchy for inputs used in determining fair value that maximize the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available.

Fair value is a market-based measure considered from the perspective of a market participant who owns an asset or owes a liability. Accordingly, when market observable data is not readily available, the Company's own assumptions are set to reflect those that market participants would be presumed to use in pricing the asset at the measurement date. The Company uses prices and inputs that are current as of the measurement date, including during periods of market disruption. In periods of market disruption, the ability to observe prices and inputs may be reduced for many instruments. This condition could cause an instrument to be reclassified from Level 1 to Level 2 or from Level 2 to Level 3.

When available, the Company uses the market approach to estimate the fair value of its financial instruments, which is based on quoted prices in active markets that are readily and regularly available. Generally, these are the most liquid of the Company's holdings and valuation of these securities does not involve management judgment. Matrix pricing and other similar techniques are other examples of the market approach.

When quoted prices in active markets are not available, the Company uses the income approach, or a combination of the market and income approaches, to estimate the fair value of its financial instruments. The income approach involves using discounted cash flow and other standard valuation methodologies. The inputs in applying these market standard valuation methodologies include, but are not limited to interest rates, benchmark yields, bid/ask spreads, dealer quotes, liquidity, term to maturity, estimated future cash flows, credit risk and default projections, collateral performance, deal and tranche attributes, and general market data.

The following valuation techniques and inputs were used to estimate the fair value of each class of significant financial instruments:

Level 1 Measurements

Short-term Investments: Comprised of actively traded money market funds that have daily quoted net asset values for identical assets that the Company can access.

The Company held no Level 2 or Level 3 securities carried at fair value as of December 31, 2016.

- B. Not applicable.
- C. Valuation, Methods, and Assumptions.

(1) The following table summarizes the fair value of the Company's financial assets as of December 31, 2016.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	86,252,473	87,633,215	3,184,619	83,067,854	0	
Short-Term Investments	8,319,329	8,319,464	8,179,114	0	140,215	

(2) The following valuation methods and assumptions were used to measure the fair values of each type of financial asset and liability:

Bonds: The fair value of Level 1 bonds, consisting of U.S. Treasury Notes, is determined using unadjusted quoted prices in an active market. The majority of the Company's Level 2 bonds are valued using the market and income approaches by leading, nationally recognized providers of market data and analytics. When available, recent trades of identical or similar assets are used to price these securities. However because many fixed income securities do not actively trade on a daily basis, pricing models are often used to determine security prices. The pricing models discount future cash flows at estimated market interest rates. These rates are derived by calculating the appropriate spreads over comparable U.S. Treasury securities based on credit quality, industry, and structure of the asset. Observable inputs used by the models include benchmark yields, bid/ask spreads, dealer quotes, liquidity, term to maturity, credit risk and default projections, collateral performance, deal and tranche attributes, and general market data. Inputs may vary depending on type of security.

Short-Term Investments: Valuation methods and assumptions for Level 1 money market funds are discussed in Note 20.A.4. Valuation methods and assumptions for Level 2 short-term bonds are the same as methods and assumptions used to value long-term bonds as discussed in Note 20.C.2.

- D. Not applicable.

21. Other Items.

- A. Extraordinary Items.
None.
- B. Troubled Debt Restructuring. Debtors.
None.

NOTES TO FINANCIAL STATEMENTS

- C. Other Disclosures.
Assets in the amount of \$3,214,914 and \$3,081,222 at December 31, 2016 and December 31, 2015, respectively, were on deposit with government authorities or trustees as required by law.
- D. Business Interruption Insurance Recoveries.
None.
- E. State Transferable and Non-transferable Tax Credits.
None.
- F. Subprime Mortgage Related Risk Exposure
(1) The Company defines our exposure to subprime mortgage related risk as any mortgage backed security that contains underlying mortgages designated as subprime. We reviewed all our residential mortgage backed pools and collateralized mortgage obligations for any such risk. Since our direct exposure through investments in subprime mortgage related risk is nil and our direct exposure through "other" investments is immaterial, we have not had the need to mitigate that risk exposure.
- (2) Direct Exposure through investment in subprime mortgage loans.
Not applicable.
- (3) Direct Exposure through other investments.
Not applicable.
- (4) Underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage.
Not applicable.
- G. Insurance-Linked Securities.
None.

22. Events Subsequent.
None.

23. Reinsurance
A. Unsecured Reinsurance Recoverable
None.
B. Reinsurance Recoverable in Dispute.
None.
C. Reinsurance Assumed and Ceded

	Assumed Reinsurance		Ceded Reinsurance		Net	
	(1) Premium Reserve	(2) Commission Equity	(3) Premium Reserve	(4) Commission Equity	(5) Premium Reserve	(6) Commission Equity
a.Affiliates	63,572,698	19,663,035	80,446,194	24,503,911	(16,873,496)	(4,840,876)
b.All Other	0	0	502,826	203,644	(502,826)	(203,644)
c.Total	63,572,698	19,663,035	80,949,020	24,707,555	(17,376,322)	(5,044,520)
d.Direct Unearned Premium Reserve						80,949,020

- D. Uncollectible Reinsurance.
None.
- E. Commutation of Ceded Reinsurance
None.
- F. Retroactive Reinsurance
None.
- G. Reinsurance Accounted for as a Deposit.
None.
- H. Transfer of Property and Casualty Run-Off Agreements.
None.
- I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation.
None.
- J. Reinsurance Agreements Qualifying for Reinsurer Aggregation.
None.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination.
None.

25. Change in Incurred Losses and Loss Adjustment Expenses
Loss & lae reserves as of December 31, 2015 were \$33,283,000. As of December 31, 2016, \$27,956,000 has been paid for incurred loss & lae expenses attributable to insured events or prior years. Reserves remaining for prior years are now \$9,804,000 as a result of re-estimation of unpaid claims and lae expenses. Therefore, there has been a \$4,477,000 unfavorable prior year development from 12/31/2015 to 12/31/2016 principally on liability lines of business.

Loss estimates for prior accident years increased in 2016 due to a number of factors including adverse industry-wide trends in claim frequency and severity as well as claims emergence in calendar year 2016 that far exceeded development patterns in calendar years 2015 and prior. This can be attributable to a relative slowdown in claims processing as a result of significant growth in the business and claims system implementation changes beginning in 2015. The reserves were increased by approximately \$4,880,000 for the 2015 accident year and decreased by approximately \$403,000 for all other accident years.

The development is generally the result of an ongoing analysis of recent loss development trends and are increased or decreased as additional information becomes known regarding individual claims. The Company has no retrospectively rated policies that are subject to premium adjustments.

NOTES TO FINANCIAL STATEMENTS

26.

Intercompany Pooling Arrangements

Effective January 1, 2010, the Company entered into a reinsurance pooling agreement with PGAC (NAIC company code - 37648) (lead entity) an affiliated property and casualty insurance company domiciled in Ohio and The General Automobile Insurance Company, Inc. (GAIC) (NAIC company code – 13703), a wholly owned subsidiary domiciled in Ohio. The business includes private passenger auto liability & auto physical damage with PGAC receiving 58%, PGAC-Ohio receiving 25%, & GAIC receiving 17%. This Agreement applies only to that portion of any insurance or reinsurance which the parties hereto retain net for their own account and in calculating the amount of any loss hereunder, only loss or losses in respect of that portion of any insurance or reinsurance which the parties hereto retain net for their own account shall be included. The Company has a net payable balance of \$1,683,685 at 12/31/2016.
27.

Structured Settlements

None.
28.

Health Care Receivables

None.
29.

Participating Policies

None.
30.

Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves.

2. Date of the most recent evaluation of this liability.

3. Was anticipated investment income utilized in the calculation?

\$0

12/31/2016

Yes _ No X
31.

High Deductibles

None.
32.

Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

None.
33.

Asbestos/Environmental Reserves

None.
34.

Subscriber Savings Accounts

None.
35.

Multi Peril Crop Insurance

None.
36.

Financial Guaranty Insurance

None.

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A and 2

Yes [X] No []

1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

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

1.3

State Regulating?

Ohio

2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]

2.2

If yes, date of change:

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2014

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.

12/31/2014

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).

08/17/2015

3.4

By what department or departments?
Ohio Department of Insurance

3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

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

3.6

Have all of the recommendations within the latest financial examination report been complied with?

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

4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business?
4.12 renewals?

Yes [] No [X]
Yes [] No [X]

4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business?
4.22 renewals?

Yes [] No [X]
Yes [] No [X]

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [] No [X]

5.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

6.1

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

Yes [] No [X]

6.2

If yes, give full information:

7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [] No [X]

7.2

If yes,
7.21 State the percentage of foreign control; %
7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1	2
Nationality	Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

GENERAL INTERROGATORIES

8.1

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

Yes [] No [X]

8.2

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

8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [] No [X]

8.4

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

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

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Pricewaterhouse Coopers, 150 Third Avenue South, Suite 1400, Nashville, Tn. 37201

10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes [] No [X]

10.2

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

10.3

Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation?

Yes [] No [X]

10.4

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

10.5

Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

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

10.6

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

11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

Roger Yard, FCAS, MAAA, P&C Loss Reserves and Forecasting Director for American Family Mutual Insurance Company, 6000 American Parkway, Madison, WI 53783-0001

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

N/A

12.12

Number of parcels involved

0

12.13

Total book/adjusted carrying value

\$ 0

12.2

If, yes provide explanation:

13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1

What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [] No []

13.3

Have there been any changes made to any of the trust indentures during the year?

Yes [] No []

13.4

If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes [] No [] N/A []

14.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [X] No []

(a)

Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b)

Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c)

Compliance with applicable governmental laws, rules and regulations;

(d)

The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e)

Accountability for adherence to the code.

14.11

If the response to 14.1 is No, please explain:

14.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]

14.21

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

14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]

14.31

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

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

GENERAL INTERROGATORIES

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

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

BOARD OF DIRECTORS

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers\$0

20.12 To stockholders not officers\$0

20.13 Trustees, supreme or grand (Fraternal Only)\$0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers\$0

20.22 To stockholders not officers\$0

20.23 Trustees, supreme or grand (Fraternal Only)\$0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others\$0

21.22 Borrowed from others\$0

21.23 Leased from others\$0

21.24 Other\$0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment\$0

22.22 Amount paid as expenses\$0

22.23 Other amounts paid\$0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:\$0

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [X] No []
- 24.02 If no, give full and complete information relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] N/A [X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.\$0
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs.\$0
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]
- 24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

GENERAL INTERROGATORIES

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

24.101	Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.	\$	0
24.102	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.	\$	0
24.103	Total payable for securities lending reported on the liability page.	\$	0

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

25.2	If yes, state the amount thereof at December 31 of the current year:	25.21 Subject to repurchase agreements	\$	0
		25.22 Subject to reverse repurchase agreements	\$	0
		25.23 Subject to dollar repurchase agreements	\$	0
		25.24 Subject to reverse dollar repurchase agreements	\$	0
		25.25 Placed under option agreements	\$	0
		25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock	\$	0
		25.27 FHLB Capital Stock	\$	0
		25.28 On deposit with states	\$	3,214,914
		25.29 On deposit with other regulatory bodies	\$	0
		25.30 Pledged as collateral - excluding collateral pledged to an FHLB	\$	0
		25.31 Pledged as collateral to FHLB - including assets backing funding agreements	\$	0
		25.32 Other	\$	0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

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

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

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

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

1 Name of Custodian(s)	2 Custodian's Address
U.S. Bank	777 E. Wisconsin Avenue, Milwaukee, WI. 53202

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 ☒

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

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

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

GENERAL INTERROGATORIES

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

1 Name of Firm or Individual	2 Affiliation
Blackrock Investments Inc.	U.....
Neil Zamansky	A.....
Charles Breunig	A.....
.....

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

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

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
CRD#: 38642	BlackRock Investments, LLC .....	.....	Registered with the SEC	NO.....
.....	Charles Breunig .....	.....	Not a registered investment advisor ..	NO.....
.....	Neil Zamansky .....	.....	Not a registered investment advisor ..	NO.....
.....

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

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		0

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
.....

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	95,952,679	94,571,802	(1,380,877)
30.2 Preferred stocks	0		0
30.3 Totals	95,952,679	94,571,802	(1,380,877)

30.4 Describe the sources or methods utilized in determining the fair values:
The sources utilized in determining the fair values of bonds are as follows: 1) JP Morgan Index, 2) IDC, 3) Bank of America, 4) Reuters, 5) Barclays. The price used on any specific bond is the first price found in this waterfall. Bonds with no prices available through the waterfall are valued based on market comparables or on internal analysis. Unpriced short-term investments are recorded at amortized cost, which approximates fair value. The company owns no preferred stocks.

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

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

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

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:
.....

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$98,800

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
Insurance Services Office	98,800
.....

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

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

1 Name	2 Amount Paid
.....
.....

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?\$12,080

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
Independent Statistical Services	12,080
.....

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

1.1

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

Yes [] No [X]

1.2

If yes, indicate premium earned on U. S. business only.

\$ 0

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$ 0

1.31 Reason for excluding
.....

1.4

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

\$ 0

1.5

Indicate total incurred claims on all Medicare Supplement Insurance.

\$ 0

1.6

Individual policies:

Most current three years:

1.61 Total premium earned\$ 0

1.62 Total incurred claims\$ 0

1.63 Number of covered lives0

All years prior to most current three years

1.64 Total premium earned\$ 0

1.65 Total incurred claims\$ 0

1.66 Number of covered lives0

1.7

Group policies:

Most current three years:

1.71 Total premium earned\$ 0

1.72 Total incurred claims\$ 0

1.73 Number of covered lives0

All years prior to most current three years

1.74 Total premium earned\$ 0

1.75 Total incurred claims\$ 0

1.76 Number of covered lives0

2.

Health Test:

1

Current Year

2

Prior Year

2.1 Premium Numerator00

2.2 Premium Denominator130,806,35899,438,792

2.3 Premium Ratio (2.1/2.2)0.0000.000

2.4 Reserve Numerator00

2.5 Reserve Denominator116,083,52387,255,545

2.6 Reserve Ratio (2.4/2.5)0.0000.000

3.1

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

Yes [] No [X]

3.2

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

3.21 Participating policies\$ 0

3.22 Non-participating policies\$ 0

4.

For mutual reporting Entities and Reciprocal Exchanges Only:

4.1

Does the reporting entity issue assessable policies?

Yes [] No [X]

4.2

Does the reporting entity issue non-assessable policies?

Yes [] No [X]

4.3

If assessable policies are issued, what is the extent of the contingent liability of the policyholders?

% 0.0

4.4

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

\$ 0

5.

For Reciprocal Exchanges Only:

5.1

Does the Exchange appoint local agents?

Yes [] No []

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 []

5.5

If yes, give full information
.....

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

6.1

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

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.
N/A

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?
N/A

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 uninsured catastrophic loss.
The company does a break-even analysis annually and historically and has found it to be more cost effective to be self insured.

7.1

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

Yes ☐ No ☒

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

Yes ☐ No ☒

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 ☒
Yes ☐ No ☒
Yes ☐ No ☒

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 ☐

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

11.1Has the reporting entity guaranteed policies issued by any other entity and now in force?Yes [] No [X]

11.2If yes, give full information
.....

12.1If 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:

12.11Unpaid losses\$0

12.12Unpaid underwriting expenses (including loss adjustment expenses)\$0

12.2Of the amount on Line 15.3, Page 2, state the amount which is secured by letters of credit, collateral, and other funds\$0

12.3If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?Yes [] No [] N/A [X]

12.4If yes, provide the range of interest rates charged under such notes during the period covered by this statement:

12.41From0.0 %

12.42To0.0 %

12.5Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves , including unpaid losses under loss deductible features of commercial policies?Yes [] No [X]

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

12.61Letters of credit\$0

12.62Collateral and other funds\$0

13.1Largest net aggregate amount insured in any one risk (excluding workers' compensation):\$900,000

13.2Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?Yes [] No [X]

13.3State 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.0

14.1Is the company a cedant in a multiple cedant reinsurance contract?Yes [X] No []

14.2If yes, please describe the method of allocating and recording reinsurance among the cedants:
Allocated based on each companies applicable % of the respective premium and loss amounts.

14.3If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?Yes [X] No []

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

14.5If the answer to 14.4 is no, please explain:
.....

15.1Has the reporting entity guaranteed any financed premium accounts?Yes [] No [X]

15.2If yes, give full information
.....

16.1Does the reporting entity write any warranty business?Yes [] No [X]
If yes, disclose the following information for each of the following types of warranty coverage:

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

* Disclose type of coverage:
.....

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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

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

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

\$0

17.12 Unfunded portion of Interrogatory 17.11

\$0

17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11

\$0

17.14 Case reserves portion of Interrogatory 17.11

\$0

17.15 Incurred but not reported portion of Interrogatory 17.11

\$0

17.16 Unearned premium portion of Interrogatory 17.11

\$0

17.17 Contingent commission portion of Interrogatory 17.11

\$0

Provide the following information for all other amounts included in Schedule F - P art 3 and excluded from Schedule F - Part 5, not included above.

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

\$0

17.19 Unfunded portion of Interrogatory 17.18

\$0

17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18

\$0

17.21 Case reserves portion of Interrogatory 17.18

\$0

17.22 Incurred but not reported portion of Interrogatory 17.18

\$0

17.23 Unearned premium portion of Interrogatory 17.18

\$0

17.24 Contingent commission portion of Interrogatory 17.18

\$0

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

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

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

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

FIVE-YEAR HISTORICAL DATA

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

	1 2016	2 2015	3 2014	4 2013	5 2012
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)	229,332,788	159,550,973	108,048,356	128,780,511	121,464,176
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	94,939,015	58,541,499	32,824,000	40,170,795	37,779,509
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
6. Total (Line 35)	324,271,803	218,092,472	140,872,356	168,951,306	159,243,685
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)	102,085,683	82,753,864	60,945,985	77,240,787	68,840,477
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	40,813,911	30,434,955	19,347,769	24,705,149	21,597,644
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
12. Total (Line 35)	142,899,594	113,188,819	80,293,754	101,945,936	90,438,121
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(27,134,800)	(7,317,966)	(6,330,388)	(6,867,758)	(8,375,035)
14. Net investment gain or (loss) (Line 11)	2,066,610	4,872,442	2,574,120	2,530,047	2,771,710
15. Total other income (Line 15)	14,423,964	7,332,770	5,909,454	7,514,502	7,902,839
16. Dividends to policyholders (Line 17)			0	0	0
17. Federal and foreign income taxes incurred (Line 19)	(2,865,530)	2,473,452	531,079	956,990	(853,016)
18. Net income (Line 20)	(7,778,696)	2,413,794	1,622,107	2,219,801	3,152,530
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	220,603,239	183,668,325	145,579,021	143,887,188	128,420,950
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	9,472,474	5,500,873	2,895,633	2,561,453	2,610,752
20.2 Deferred and not yet due (Line 15.2)	65,810,656	44,002,674	18,335,382	21,224,666	25,835,444
20.3 Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26)	127,732,664	103,418,436	81,194,867	80,693,846	75,299,400
22. Losses (Page 3, Line 1)	46,346,179	29,210,761	23,334,374	29,663,430	25,487,537
23. Loss adjustment expenses (Page 3, Line 3)	6,164,646	4,071,851	3,780,042	4,626,011	5,490,922
24. Unearned premiums (Page 3, Line 9)	63,572,698	51,479,462	37,729,435	37,234,681	36,283,309
25. Capital paid up (Page 3, Lines 30 & 31)	3,000,000	2,000,000	2,000,000	2,000,000	2,000,000
26. Surplus as regards policyholders (Page 3, Line 37)	92,870,575	80,249,889	64,384,154	63,193,342	53,121,550
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	(6,359,803)	(12,703,093)	8,397,377	11,978,474	9,671,878
Risk-Based Capital Analysis					
28. Total adjusted capital	92,870,575	80,249,889	64,384,154	63,193,342	53,121,550
29. Authorized control level risk-based capital	20,105,068	15,648,434	14,896,306	13,126,533	13,000,520
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0					
30. Bonds (Line 1)	66.1	66.4	76.9	76.8	81.1
31. Stocks (Lines 2.1 & 2.2)	27.6	24.5	21.7	16.5	11.4
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3)	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5)	6.3	9.1	1.3	6.7	7.4
35. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7)	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8)	0.0	0.0	0.0	0.0	0.0
38. Receivables for securities (Line 9)	0.0	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10)	0.0	0.0	0.0	0.0	0.0
40. Aggregate write-ins for invested assets (Line 11)	0.0	0.0	0.0	0.0	0.0
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 (Schedule D, Summary, Line 12, Col. 1)			0	0	0
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1)			0	0	0
44. Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1)	36,634,977	31,333,870	25,540,668	19,037,014	10,437,768
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. Total of above Lines 42 to 47	36,634,977	31,333,870	25,540,668	19,037,014	10,437,768
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)	39.4	39.0	39.7	30.1	19.6

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2016	2 2015	3 2014	4 2013	5 2012
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	(5,398,893)	693,202	503,654	636,520	578,515
52. Dividends to stockholders (Line 35)	(1,500,000)	(1,000,000)	(1,000,000)	(1,000,000)	0
53. Change in surplus as regards policyholders for the year (Line 38)	12,620,686	15,865,735	1,190,812	10,071,792	3,283,136
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)	109,513,158	74,698,419	76,839,856	82,169,673	78,792,480
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	54,162,071	23,713,486	17,227,628	24,028,499	21,620,744
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
59. Total (Line 35)	163,675,229	98,411,905	94,067,484	106,198,172	100,413,224
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)	55,034,993	41,405,858	42,610,698	44,859,891	42,040,312
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	23,891,472	13,700,963	10,216,446	14,268,207	11,517,886
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
65. Total (Line 35)	78,926,465	55,106,821	52,827,144	59,128,098	53,558,198
Operating Percentages (Page 4) (Line 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)	73.4	61.3	58.3	62.7	60.7
68. Loss expenses incurred (Line 3)	9.4	8.7	9.0	8.0	9.4
69. Other underwriting expenses incurred (Line 4)	37.9	37.4	40.6	36.1	39.1
70. Net underwriting gain (loss) (Line 8)	(20.7)	(7.4)	(7.9)	(6.8)	(9.3)
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)	24.6	26.4	33.0	28.4	30.3
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	82.9	70.0	67.3	70.7	70.2
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)	153.9	141.0	124.7	161.3	170.2
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)	4,454	1,148	462	998	736
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)	5.6	1.8	0.7	1.9	1.5
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	750	1,801	1,383	1,281	4,090
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)	1.2	2.8	2.6	2.6	7.8

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

If no, please explain: N/A

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
	1 Direct and Assumed	2 Ceded	3 Net (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)	Number of Claims Reported Direct and Assumed
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX	(29)	(3)	0	0	0	0	27	(26)	XXX
2. 2007.....	54,125	169	53,956	34,087	221	989	7	3,326	0	2,395	38,174	XXX
3. 2008.....	54,478	163	54,315	33,331	97	920	4	2,755	0	2,070	36,905	XXX
4. 2009.....	54,651	58	54,593	34,236	64	1,240	7	3,990	0	1,906	39,396	XXX
5. 2010.....	65,436	0	65,436	41,159	0	2,081	0	4,782	0	2,096	48,023	XXX
6. 2011.....	70,625	0	70,625	44,620	0	1,716	0	5,502	0	2,327	51,838	XXX
7. 2012.....	68,589	291	68,298	41,493	157	1,110	5	5,189	0	1,943	47,630	XXX
8. 2013.....	76,619	108	76,511	46,849	213	1,119	13	5,598	0	2,444	53,340	XXX
9. 2014.....	79,865	66	79,799	44,885	37	813	1	5,625	0	2,248	51,285	XXX
10. 2015.....	99,444	5	99,439	58,286	6	604	0	7,252	0	2,880	66,136	XXX
11. 2016.....	130,940	134	130,806	53,742	89	200	0	7,378	0	2,315	61,231	XXX
12. Totals.....	XXX	XXX	XXX	432,659	881	10,793	37	51,397	0	22,651	493,931	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR						
	13	14	15	16	17	18	19	20	21	22			
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded			
1. Prior.....	0	(1)	0	0	0	0	0	0	0	0	0	1	XXX
2. 2007.....	6	0	(2)	0	0	0	0	0	0	0	2	4	XXX
3. 2008.....	0	0	(6)	0	0	0	0	0	0	0	6	(6)	XXX
4. 2009.....	4	0	(19)	0	0	0	0	0	0	0	15	(15)	XXX
5. 2010.....	28	0	(46)	0	0	0	4	0	2	0	25	(12)	XXX
6. 2011.....	79	0	(88)	0	0	0	23	0	5	0	39	19	XXX
7. 2012.....	116	0	87	13	0	0	54	0	7	0	44	251	XXX
8. 2013.....	639	6	(83)	73	0	0	145	0	18	0	69	640	XXX
9. 2014.....	1,289	2	(22)	0	0	0	307	0	58	0	100	1,630	XXX
10. 2015.....	5,472	0	707	0	0	0	830	0	281	0	259	7,290	XXX
11. 2016.....	25,528	81	12,831	0	0	0	1,860	0	2,572	0	2,584	42,710	XXX
12. Totals.....	33,161	88	13,359	86	0	0	3,223	0	2,942	0	3,143	52,511	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred /Premiums Earned)			Nontabular Discount		34 Inter- Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. Prior.....	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	1	0
2. 2007.....	38,406	228	38,178	71.0	134.9	70.8	0	0	25.0	4	0
3. 2008.....	37,000	101	36,899	67.9	62.0	67.9	0	0	25.0	(6)	0
4. 2009.....	39,452	71	39,381	72.2	123.0	72.1	0	0	25.0	(15)	0
5. 2010.....	48,010	0	48,010	73.4	0.0	73.4	0	0	25.0	(18)	6
6. 2011.....	51,857	0	51,857	73.4	0.0	73.4	0	0	25.0	(9)	28
7. 2012.....	48,057	175	47,882	70.1	60.1	70.1	0	0	25.0	190	61
8. 2013.....	54,284	305	53,979	70.8	282.4	70.6	0	0	25.0	477	163
9. 2014.....	52,955	40	52,915	66.3	60.6	66.3	0	0	25.0	1,265	365
10. 2015.....	73,432	6	73,426	73.8	120.0	73.8	0	0	25.0	6,179	1,111
11. 2016.....	104,111	170	103,941	79.5	126.9	79.5	0	0	25.0	38,278	4,432
12. Totals.....	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	46,346	6,165

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 2007	2 2008	3 2009	4 2010	5 2011	6 2012	7 2013	8 2014	9 2015	10 2016	11 One Year	12 Two Year
1. Prior.....	3,629	3,292	3,366	3,417	3,398	3,387	3,358	3,326	3,288	3,261	(27)	(65)
2. 2007.....	34,408	34,445	34,473	34,613	34,724	34,824	34,847	34,860	34,845	34,852	7	(8)
3. 2008.....	XXX	33,703	33,682	33,946	34,042	34,097	34,128	34,140	34,140	34,144	4	4
4. 2009.....	XXX	XXX	33,719	34,704	34,970	35,208	35,251	35,395	35,412	35,390	(22)	(5)
5. 2010.....	XXX	XXX	XXX	40,389	42,053	42,651	42,851	43,037	43,324	43,226	(98)	189
6. 2011.....	XXX	XXX	XXX	XXX	46,470	46,049	46,194	46,382	46,469	46,350	(119)	(32)
7. 2012.....	XXX	XXX	XXX	XXX	XXX	42,112	42,455	42,571	42,741	42,685	(56)	114
8. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	47,786	47,621	48,451	48,364	(87)	743
9. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	47,423	47,232	47,232	0	(191)
10. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	61,041	65,893	4,852	XXX
11. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	93,991	XXX	XXX
12. Totals											4,454	750

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1	2	3	4	5	6	7	8	9	10		
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		
1. Prior.....	.000	2,435	3,185	3,385	3,392	3,388	3,358	3,325	3,286	3,260	XXX	XXX
2. 2007.....	22,162	32,006	33,851	34,443	34,688	34,754	34,844	34,854	34,853	34,848	XXX	XXX
3. 2008.....	XXX	22,659	31,641	33,451	33,944	34,082	34,136	34,156	34,159	34,150	XXX	XXX
4. 2009.....	XXX	XXX	22,314	32,444	34,256	34,909	35,203	35,392	35,407	35,405	XXX	XXX
5. 2010.....	XXX	XXX	XXX	26,012	38,510	41,396	42,404	42,853	43,114	43,240	XXX	XXX
6. 2011.....	XXX	XXX	XXX	XXX	29,157	41,598	44,680	45,764	46,093	46,336	XXX	XXX
7. 2012.....	XXX	XXX	XXX	XXX	XXX	26,022	38,548	41,260	42,257	42,441	XXX	XXX
8. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	29,154	43,187	46,814	47,742	XXX	XXX
9. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	28,428	42,663	45,660	XXX	XXX
10. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	36,991	58,884	XXX	XXX
11. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	53,853	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.....	759	21	(73)	(51)	(49)	(19)	(8)	0	0	0
2. 2007.....	3,131	396	(5)	(69)	(57)	(30)	(18)	(9)	(16)	(2)
3. 2008.....	XXX	2,764	183	44	(37)	(25)	(30)	(17)	(19)	(6)
4. 2009.....	XXX	XXX	2,874	384	74	49	(6)	(18)	(17)	(19)
5. 2010.....	XXX	XXX	XXX	4,058	890	356	49	28	30	(42)
6. 2011.....	XXX	XXX	XXX	XXX	6,155	1,319	353	173	147	(65)
7. 2012.....	XXX	XXX	XXX	XXX	XXX	5,009	790	298	212	128
8. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	4,845	410	528	(11)
9. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,023	976	285
10. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6,595	1,537
11. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	14,691

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories									
States, Etc.	1	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		2	3						
	Active Status	Direct Premiums Written	Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges Not Included in Premiums	Direct Premiums Written for Federal Purchasing Groups (Included in Column 2)
1. Alabama	AL	L							
2. Alaska	AK	N							
3. Arizona	AZ	L	460,923	555,745	0	532,190	330,057	191,078	51,337
4. Arkansas	AR	N							
5. California	CA	N							
6. Colorado	CO	L	39,364,582	28,779,196	0	15,146,448	21,157,255	8,078,630	2,126,587
7. Connecticut	CT	L							
8. Delaware	DE	N							
9. District of Columbia	DC	N							
10. Florida	FL	N							
11. Georgia	GA	L	13,114,393	10,831,079	0	6,341,679	6,608,651	3,639,734	756,533
12. Hawaii	HI	N							
13. Idaho	ID	N							
14. Illinois	IL	L	760,674	1,000,506	0	969,354	802,273	399,771	90,416
15. Indiana	IN	L							
16. Iowa	IA	L	648,279	479,814	0	314,982	392,854	85,936	47,131
17. Kansas	KS	N							
18. Kentucky	KY	L	3,405,990	3,006,251	0	1,673,256	2,631,716	1,134,536	199,120
19. Louisiana	LA	L							
20. Maine	ME	N							
21. Maryland	MD	N							
22. Massachusetts	MA	L							
23. Michigan	MI	L							
24. Minnesota	MN	N							
25. Mississippi	MS	L							
26. Missouri	MO	L							
27. Montana	MT	N							
28. Nebraska	NE	L							
29. Nevada	NV	L							
30. New Hampshire	NH	N							
31. New Jersey	NJ	L							
32. New Mexico	NM	N							
33. New York	NY	N							
34. North Carolina	NC	L	1,690,601	935,888	0	559,078	946,607	408,215	42,484
35. North Dakota	ND	L							
36. Ohio	OH	L	43,440,398	34,403,278	0	16,444,966	25,543,314	11,739,967	4,381,858
37. Oklahoma	OK	L							
38. Oregon	OR	L							
39. Pennsylvania	PA	L	38,600,550	30,972,972	0	14,589,669	22,052,721	10,863,527	3,180,043
40. Rhode Island	RI	L							
41. South Carolina	SC	L	6,701,779	10,773,932	0	8,150,909	6,837,561	3,350,370	874,971
42. South Dakota	SD	L							
43. Tennessee	TN	L	28,259,298	25,745,648	0	14,512,576	19,244,239	7,795,867	2,237,893
44. Texas	TX	L	3,073,258	3,730,397	0	3,319,343	2,094,609	1,233,736	245,046
45. Utah	UT	N							
46. Vermont	VT	L							
47. Virginia	VA	L	1,851,484	2,437,231	0	2,194,314	1,389,426	920,894	181,644
48. Washington	WA	L							
49. West Virginia	WV	L							
50. Wisconsin	WI	L							
51. Wyoming	WY	N							
52. American Samoa	AS	N							
53. Guam	GU	N							
54. Puerto Rico	PR	N							
55. U.S. Virgin Islands	VI	N							
56. Northern Mariana Islands	MP	N							
57. Canada	CAN	N							
58. Aggregate other alien ..	OT	XXX	0	0	0	0	0	0	0
59. Totals	(a)	33	181,372,209	153,651,937	0	84,748,764	110,031,283	49,842,261	14,415,063
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	0	0	0	0	0	0	0	0

(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.

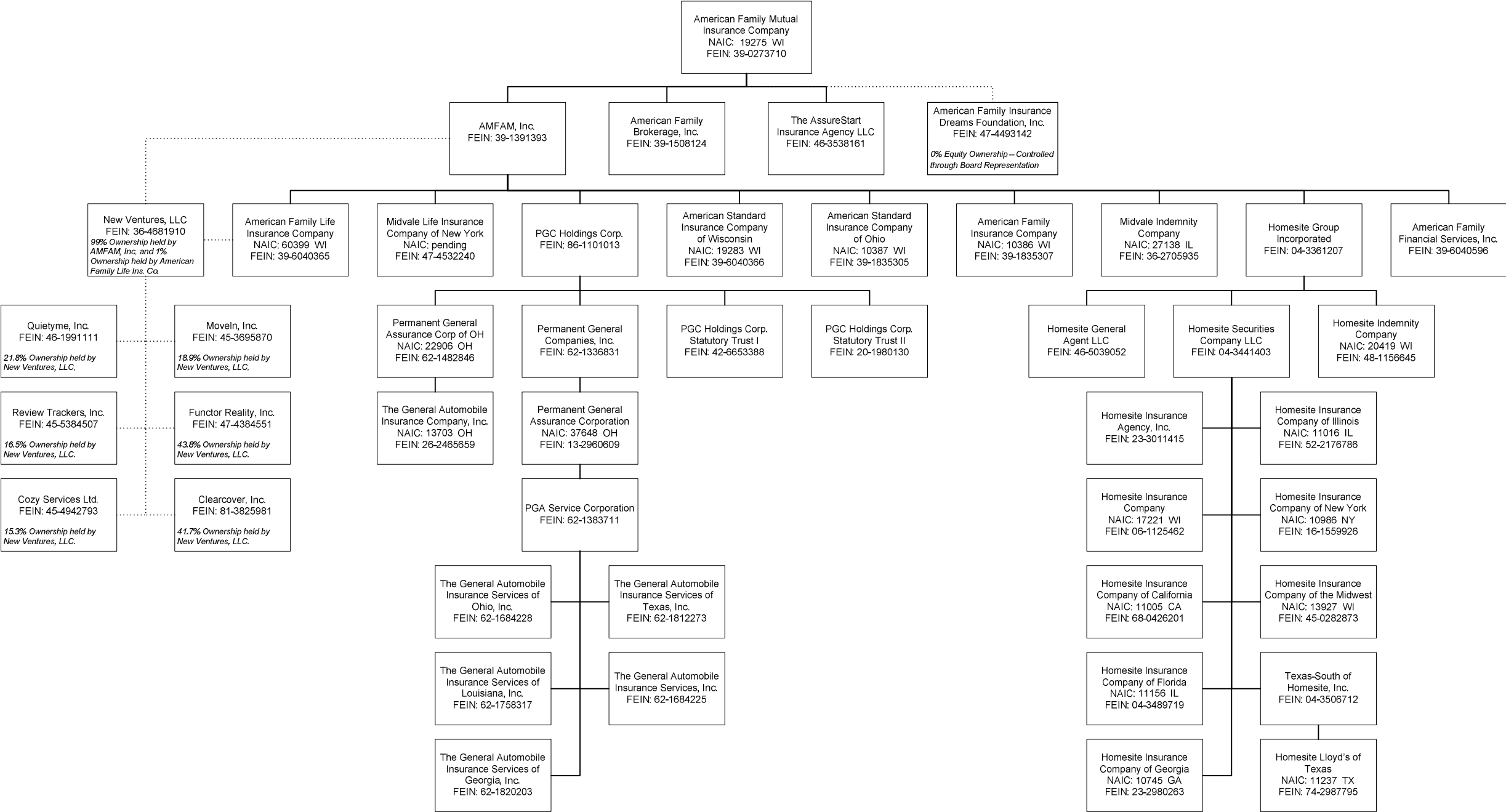
N/A
(a) Insert the number of L responses except for Canada and Other Alien.

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

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

PART 1 - ORGANIZATIONAL CHART

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ANNUAL STATEMENT FOR THE YEAR 2016 OF THE PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Statement of Income Line 14

		1	2
		Current Year	Prior Year
1404.	SUBROGATION FEES	8,880	7,959
1405.	LEGAL DEFENSE FEES		0
1497.	Summary of remaining write-ins for Line 14 from overflow page	8,880	7,959

Additional Write-ins for Underwriting and Investment Exhibit Part 3 Line 24

		1	2	3	4
		Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
2404.	Outside Services	52,919	170,468		223,387
2405.	Payroll Processing	299,094	97,405		396,499
2406.	Uncollectible Accounts		5,469,241		5,469,241
2497.	Summary of remaining write-ins for Line 24 from overflow page	352,013	5,737,114	0	6,089,127

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Schedule BA - Part 3	E09
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