



ANNUAL STATEMENT

For the Year Ended December 31, 2017

of the Condition and Affairs of the

PROGRESSIVE ADVANCED INSURANCE COMPANY

NAIC Group Code.....155, 155 (Current Period) (Prior Period)	NAIC Company Code..... 11851	Employer's ID Number..... 62-0484104
Organized under the Laws of OH	State of Domicile or Port of Entry OH	Country of Domicile US
Incorporated/Organized..... June 5, 1930	Commenced Business..... August 26, 1930	
Statutory Home Office	6300 WILSON MILLS ROAD, W33..... CLEVELAND OH US 44143-2182 (Street and Number) (City or Town, State, Country and Zip Code)	
Main Administrative Office	6300 WILSON MILLS ROAD, W33..... CLEVELAND OH US..... 44143-2182 440-461-5000 (Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)	
Mail Address	P.O. BOX 89490..... CLEVELAND OH US 44101-6490 (Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)	
Primary Location of Books and Records	6300 WILSON MILLS ROAD, W33..... CLEVELAND OH US 44143-2182 440-395-4460 (Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)	
Internet Web Site Address	PROGRESSIVE.COM	
Statutory Statement Contact	MARY BETH ANDREANO (Name) FINANCIAL_REPORTING@PROGRESSIVE.COM (E-Mail Address)	
	440-395-4460 (Area Code) (Telephone Number) (Extension) 440-603-5500 (Fax Number)	

POLICYHOLDER SERVICES AND CLAIMS REPORTING -- 1-800-PROGRESSIVE (1-800-776-4737)

OFFICERS

Name SANJAY MAHESH VYAS DANIEL JOSEPH WITALEC	Title PRESIDENT TREASURER	Name MICHAEL ROBERT UTH	Title SECRETARY
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OTHER

SCOTT EDWARD COLEMAN CHRISTINE ANN JOHNSON MARIANN WOJTKUN MARSHALL	(ASST. TREASURER) (VICE PRESIDENT) (VICE PRESIDENT)	JOHN ALLEN CURTISS JR. KAREN ANN KOSUDA	(VICE PRESIDENT) (ASST. SECRETARY)
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DIRECTORS OR TRUSTEES

JOHN ALLEN CURTISS JR. SCOTT WESLEY ZIEGLER	BRIAN JACOB GURA	CHRISTINE ANN JOHNSON	SANJAY MAHESH VYAS
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State of..... OHIO
County of.... CUYAHOGA

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.

(Signature) SANJAY MAHESH VYAS 1. (Printed Name) PRESIDENT (Title)	(Signature) KAREN ANN KOSUDA 2. (Printed Name) ASSISTANT SECRETARY (Title)	(Signature) SCOTT EDWARD COLEMAN 3. (Printed Name) ASSISTANT TREASURER (Title)
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Subscribed and sworn to before me

This 13TH day of FEBRUARY, 2018

a. Is this an original filing?

Yes No

b. If no 1. State the amendment number

2. Date filed

3. Number of pages attached

PROGRESSIVE ADVANCED INSURANCE COMPANY
ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	154,930,571		154,930,571	134,795,018
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....			0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....0, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....9,977,780, Schedule DA).....	9,977,780		9,977,780	30,532,740
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives (Schedule DB).....			0	
8. Other invested assets (Schedule BA).....			0	
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets (Schedule DL).....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	164,908,351	0	164,908,351	165,327,758
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	.523,456		.523,456	1,243,637
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	.50,974,359	13,442,277	.37,532,082	.32,927,909
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	239,428,345		.239,428,345	.201,263,773
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	.4,744,149		.4,744,149	.6,986,880
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.....	.9,258,322		.9,258,322	.13,230,282
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).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	.73,850,702		.73,850,702	.46,595,366
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other-than-invested assets.....	.230,993	.61,419	.169,574	.63,250
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	543,918,677	13,503,696	.530,414,981	.467,638,855
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTAL (Lines 26 and 27).....	543,918,677	13,503,696	.530,414,981	.467,638,855

DETAILS OF WRITE-INS

1101.....			0	
1102.....			0	
1103.....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. STATE TAX CREDITS.....	127,500		127,500	63,250
2502. MISCELLANEOUS OTHER ASSETS.....	.90,073	.47,999	.42,074	
2503. PREPAID EXPENSES.....	13,420	13,420	0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	.230,993	.61,419	.169,574	.63,250

PROGRESSIVE ADVANCED INSURANCE COMPANY
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	115,506,834	101,689,995
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	2,086,327	1,661,840
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	27,107,259	22,998,890
4. Commissions payable, contingent commissions and other similar charges.....	25,183	15,415
5. Other expenses (excluding taxes, licenses and fees).....	543,772	563,158
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	3,215,696	2,950,789
7.1 Current federal and foreign income taxes (including \$....(375,335) on realized capital gains (losses)).....	2,288,748	1,912,042
7.2 Net deferred tax liability.....	.....	.....
8. Borrowed money \$.....0 and interest thereon \$.....0.....	.....	.....
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$....394,093,545 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act).....	104,518,386	88,435,718
10. Advance premium.....	7,530,062	5,725,358
11. Dividends declared and unpaid:		
11.1 Stockholders.....	.....	.....
11.2 Policyholders.....	.....	.....
12. Ceded reinsurance premiums payable (net of ceding commissions).....	21,545	2,652,476
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	.....	.....
14. Amounts withheld or retained by company for account of others.....	.....	.....
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.....	41,676,124	38,097,289
19. Payable to parent, subsidiaries and affiliates.....	.....	.....
20. Derivatives.....	.....	.....
21. Payable for securities.....	.....	.....
22. Payable for securities lending.....	.....	.....
23. Liability for amounts held under uninsured plans.....	.....	.....
24. Capital notes \$.....0 and interest thereon \$.....0.....	.....	.....
25. Aggregate write-ins for liabilities.....	1,404,320	1,952,559
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	305,924,256	268,655,529
27. Protected cell liabilities.....	.....	.....
28. Total liabilities (Lines 26 and 27).....	305,924,256	268,655,529
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	3,000,000	3,000,000
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.....	157,425,602	140,425,602
35. Unassigned funds (surplus).....	64,065,123	55,557,724
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....	.....	.....
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....	.....	.....
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	224,490,725	198,983,326
38. TOTAL (Page 2, Line 28, Col. 3).....	530,414,981	467,638,855

DETAILS OF WRITE-INS

2501. MISCELLANEOUS OTHER LIABILITIES.....	1,224,167	1,664,391
2502. ESCHEATABLE PROPERTY.....	141,744	264,033
2503. STATE PLAN LIABILITY.....	38,409	24,135
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	1,404,320	1,952,559
2901. .....	.....	.....
2902. .....	.....	.....
2903. .....	.....	.....
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	0	0
3201. .....	.....	.....
3202. .....	.....	.....
3203. .....	.....	.....
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above).....	0	0

PROGRESSIVE ADVANCED INSURANCE COMPANY
STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	364,000,596	317,252,904
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7).....	226,362,662	206,660,090
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	41,661,101	35,942,858
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	70,873,421	60,929,181
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	338,897,184	303,532,129
7. Net income of protected cells.....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	25,103,412	13,720,775
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	1,921,484	845,242
10. Net realized capital gains (losses) less capital gains tax of \$....(397,731) (Exhibit of Capital Gains (Losses)).....	(457,494)	578,207
11. Net investment gain (loss) (Lines 9 + 10).....	1,463,990	1,423,449
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$....1,658,741 amount charged off \$....24,170,575).....	(22,511,834)	(17,896,316)
13. Finance and service charges not included in premiums.....	19,815,468	18,091,007
14. Aggregate write-ins for miscellaneous income.....	952,500	289,029
15. Total other income (Lines 12 through 14).....	(1,743,866)	483,720
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	24,823,536	15,627,944
17. Dividends to policyholders.....		
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	24,823,536	15,627,944
19. Federal and foreign income taxes incurred.....	10,253,498	6,407,167
20. Net income (Line 18 minus Line 19) (to Line 22).....	14,570,038	9,220,777
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	198,983,326	167,405,594
22. Net income (from Line 20).....	14,570,038	9,220,777
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$....(5,461).....	(20,542)	
25. Change in net unrealized foreign exchange capital gain (loss).....		
26. Change in net deferred income tax.....	(4,023,078)	2,229,688
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	(2,019,019)	(2,872,733)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....		
29. Change in surplus notes.....		
30. Surplus (contributed to) withdrawn from Protected Cells.....		
31. Cumulative effect of changes in accounting principles.....		
32. Capital changes:		
32.1 Paid in.....		
32.2 Transferred from surplus (Stock Dividend).....		
32.3 Transferred to surplus.....		
33. Surplus adjustments:		
33.1 Paid in.....	17,000,000	23,000,000
33.2 Transferred to capital (Stock Dividend).....		
33.3. Transferred from capital.....		
34. Net remittances from or (to) Home Office.....		
35. Dividends to stockholders.....		
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....		
37. Aggregate write-ins for gains and losses in surplus.....	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	25,507,399	31,577,732
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	224,490,725	198,983,326

DETAILS OF WRITE-INS

0501.....		
0502.....		
0503.....		
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....	0	0
1401. INTEREST INCOME ON INTERCOMPANY BALANCES.....	989,507	252,010
1402. MISCELLANEOUS OTHER INCOME (EXPENSE).....	(37,007)	37,019
1403.....		
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	952,500	289,029
3701.....		
3702.....		
3703.....		
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above).....	0	0

PROGRESSIVE ADVANCED INSURANCE COMPANY

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	.333,518,246	287,656,895
2. Net investment income.....	2,867,991	1,402,694
3. Miscellaneous income.....	(836,638)	1,783,396
4. Total (Lines 1 through 3).....	.335,549,599	290,842,985
5. Benefit and loss related payments.....	.209,878,605	201,637,221
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	.....	.....
7. Commissions, expenses paid and aggregate write-ins for deductions.....	.108,170,667	.93,480,524
8. Dividends paid to policyholders.....	.....	.....
9. Federal and foreign income taxes paid (recovered) net of \$....(78,516) tax on capital gains (losses).....	.9,479,061	.5,615,697
10. Total (Lines 5 through 9).....	.327,528,333	300,733,442
11. Net cash from operations (Line 4 minus Line 10).....	.8,021,266	(9,890,457)
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:	.....	.....
12.1 Bonds.....	.105,884,341	.47,571,953
12.2 Stocks.....	.....	.....
12.3 Mortgage loans.....	.....	.....
12.4 Real estate.....	.....	.....
12.5 Other invested assets.....	.....	.....
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	.983	(6,776)
12.7 Miscellaneous proceeds.....	.....	.....
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	.105,885,324	.47,565,177
13. Cost of investments acquired (long-term only):	.....	.....
13.1 Bonds.....	.127,128,629	140,787,251
13.2 Stocks.....	.....	.....
13.3 Mortgage loans.....	.....	.....
13.4 Real estate.....	.....	.....
13.5 Other invested assets.....	.....	.....
13.6 Miscellaneous applications.....	.....	.....
13.7 Total investments acquired (Lines 13.1 to 13.6).....	.127,128,629	140,787,251
14. Net increase (decrease) in contract loans and premium notes.....	.....	.....
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(21,243,305)	(93,222,074)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):	.....	.....
16.1 Surplus notes, capital notes.....	.....	.....
16.2 Capital and paid in surplus, less treasury stock.....	.17,000,000	23,000,000
16.3 Borrowed funds.....	.....	.....
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	.....	.....
16.5 Dividends to stockholders.....	.....	.....
16.6 Other cash provided (applied).....	(24,332,921)	.7,651,696
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(7,332,921)	.30,651,696
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).....	(20,554,960)	(72,460,835)
19. Cash, cash equivalents and short-term investments:	.....	.....
19.1 Beginning of year.....	.30,532,740	102,993,575
19.2 End of year (Line 18 plus Line 19.1).....	.9,977,780	.30,532,740

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

20.0001
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PROGRESSIVE ADVANCED INSURANCE COMPANY
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire.....	0		0	0
2. Allied lines.....	0		0	0
3. Farmowners multiple peril.....	0		0	0
4. Homeowners multiple peril.....	0		0	0
5. Commercial multiple peril.....	0		0	0
6. Mortgage guaranty.....	0		0	0
8. Ocean marine.....	0		0	0
9. Inland marine.....	3,577,408	1,532,657	1,688,081	3,421,984
10. Financial guaranty.....	0		0	0
11.1 Medical professional liability - occurrence.....	0		0	0
11.2 Medical professional liability - claims-made.....	0		0	0
12. Earthquake.....	0		0	0
13. Group accident and health.....	0		0	0
14. Credit accident and health (group and individual).....	0		0	0
15. Other accident and health.....	0		0	0
16. Workers' compensation.....	0		0	0
17.1 Other liability - occurrence.....	1,182,271	525,084	564,011	1,143,344
17.2 Other liability - claims-made.....	200	17	18	199
17.3 Excess workers' compensation.....	0		0	0
18.1 Products liability - occurrence.....	0		0	0
18.2 Products liability - claims-made.....	0		0	0
19.1, 19.2 Private passenger auto liability.....	244,101,254	54,786,211	65,579,510	233,307,954
19.3, 19.4 Commercial auto liability.....	1,647,312	749,223	720,261	1,676,274
21. Auto physical damage.....	129,574,820	30,842,526	35,966,505	124,450,841
22. Aircraft (all perils).....	0		0	0
23. Fidelity.....	0		0	0
24. Surety.....	0		0	0
26. Burglary and theft.....	0		0	0
27. Boiler and machinery.....	0		0	0
28. Credit.....	0		0	0
29. International.....	0		0	0
30. Warranty.....	0		0	0
31. Reinsurance - nonproportional assumed property.....	0		0	0
32. Reinsurance - nonproportional assumed liability.....	0		0	0
33. Reinsurance - nonproportional assumed financial lines.....	0		0	0
34. Aggregate write-ins for other lines of business.....	0	0	0	0
35. TOTALS.....	380,083,265	88,435,718	104,518,386	364,000,596

DETAILS OF WRITE-INS

3401.	0		0	0
3402.	0		0	0
3403.	0		0	0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0

PROGRESSIVE ADVANCED INSURANCE COMPANY
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire.....					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.....	1,688,081				1,688,081
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.....	564,011				564,011
17.2 Other liability - claims-made.....	18				18
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.....	65,579,510				65,579,510
19.3, 19.4 Commercial auto liability.....	720,261				720,261
21. Auto physical damage.....	35,966,505				35,966,505
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.....	104,518,386	0	0	0	104,518,386
36. Accrued retrospective premiums based on experience.....					
37. Earned but unbilled premiums.....					0
38. Balance (sum of Lines 35 through 37).....					104,518,386

DETAILS OF WRITE-INS

3401.					0
3402.					0
3403.					0
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0

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

PROGRESSIVE ADVANCED INSURANCE COMPANY
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....						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.....	12,239,170	3,577,408		12,239,170		3,577,408
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.....	3,173,974	1,182,271		3,029,352	144,622	1,182,271
17.2 Other liability - claims-made.....		200				200
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.....	951,424,281	244,101,254		951,424,281		244,101,254
19.3, 19.4 Commercial auto liability.....		1,647,312				1,647,312
21. Auto physical damage.....	512,042,066	129,574,820		512,042,066		129,574,820
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.....	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.....	1,478,879,492	380,083,265	0	1,478,734,870	144,622	380,083,265

DETAILS OF WRITE-INS

3401.....						0
3402.....						0
3403.....						0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0

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

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

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire.....				0	0		0	0.0
2. Allied lines.....				0	0		0	0.0
3. Farmowners multiple peril.....				0	0		0	0.0
4. Homeowners multiple peril.....				0	.69	.208	(139)	0.0
5. Commercial multiple peril.....				0	0		0	0.0
6. Mortgage guaranty.....				0	0		0	0.0
8. Ocean marine.....				0	0		0	0.0
9. Inland marine.....	9,691,215	1,966,923	9,691,215	1,966,923	.134,875	.145,349	.1,956,449	.57.2
10. Financial guaranty.....				0	0		0	0.0
11.1 Medical professional liability - occurrence.....				0	0		0	0.0
11.2 Medical professional liability - claims-made.....				0	0		0	0.0
12. Earthquake.....				0	0		0	0.0
13. Group accident and health.....				0	0		0	0.0
14. Credit accident and health (group and individual).....				0	0		0	0.0
15. Other accident and health.....				0	0		0	0.0
16. Workers' compensation.....				0	0		0	0.0
17.1 Other liability - occurrence.....	1,389,559	.435,737	1,389,559	.435,737	.431,111	.437,535	.429,313	.37.5
17.2 Other liability - claims-made.....		210,000		210,000	.23,680	.44,893	.188,787	.94,678.4
17.3 Excess workers' compensation.....				0	0		0	0.0
18.1 Products liability - occurrence.....				0	0		0	0.0
18.2 Products liability - claims-made.....				0	0		0	0.0
19.1, 19.2 Private passenger auto liability.....	.456,171,100	.123,260,397	.456,171,100	.123,260,397	.114,069,189	.99,706,881	.137,622,705	.59.0
19.3, 19.4 Commercial auto liability.....		.839,068		.839,068	.1,484,731	.1,356,764	.967,035	.57.7
21. Auto physical damage.....	.341,420,889	.85,833,696	.341,420,889	.85,833,696	(636,821)	(1,638)	.85,198,512	.68.5
22. Aircraft (all perils).....				0	0		0	0.0
23. Fidelity.....				0	0		0	0.0
24. Surety.....				0	0		0	0.0
26. Burglary and theft.....				0	0		0	0.0
27. Boiler and machinery.....				0	0		0	0.0
28. Credit.....				0	0		0	0.0
29. International.....				0	0		0	0.0
30. Warranty.....				0	0		0	0.0
31. Reinsurance - nonproportional assumed property.....	XXX.			0	0		0	0.0
32. Reinsurance - nonproportional assumed liability.....	XXX.			0	0		0	0.0
33. Reinsurance - nonproportional assumed financial lines.....	XXX.			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.....	.808,672,762	.212,545,822	.808,672,762	.212,545,822	.115,506,835	.101,689,994	.226,362,663	.62.2
DETAILS OF WRITE-INS								
3401.				0	0		0	0.0
3402.				0	0		0	0.0
3403.				0	0		0	0.0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	XXX.
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8	9
	1	2	3	4	5	6	7		
	Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excluding 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				69	11
5. Commercial multiple peril.....				0				0	
6. Mortgage guaranty.....				0				0	
8. Ocean marine.....				0				0	
9. Inland marine.....	294,073	75,457	.294,073	75,457	.221,541	59,418	.221,541	134,875	40,003
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.....	678,691	.328,833	.678,691	.328,833	.456,056	102,278	.456,056	.431,111	80,489
17.2 Other liability - claims-made.....				0		23,680		23,680	.405
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.....	338,685,386	.88,328,509	338,685,386	.88,328,509	.92,039,502	.25,740,680	.92,039,502	114,069,189	25,662,884
19.3, 19.4 Commercial auto liability.....		1,251,684		1,251,684		233,047		1,484,731	194,194
21. Auto physical damage.....	18,662,687	4,850,714	18,662,687	4,850,714	(25,276,445)	(5,487,535)	(25,276,445)	(636,821)	1,129,272
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.....	358,320,837	94,835,196	358,320,837	94,835,196	.67,440,654	.20,671,638	.67,440,654	115,506,835	27,107,259

DETAILS OF WRITE-INS

3401.					0				0
3402.					0				0
3403.					0				0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0	0

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

PROGRESSIVE ADVANCED INSURANCE COMPANY
UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct.....	24,604,041			24,604,041
1.2 Reinsurance assumed.....	6,310,237			6,310,237
1.3 Reinsurance ceded.....	24,604,041			24,604,041
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	6,310,237	0	0	6,310,237
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....		1,979,498		1,979,498
2.2 Reinsurance assumed, excluding contingent.....		334,350		334,350
2.3 Reinsurance ceded, excluding contingent.....		1,979,498		1,979,498
2.4 Contingent - direct.....		64,112		64,112
2.5 Contingent - reinsurance assumed.....		29,759		29,759
2.6 Contingent - reinsurance ceded.....		64,112		64,112
2.7 Policy and membership fees.....				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	364,109	0	364,109
3. Allowances to manager and agents.....				0
4. Advertising.....	4,691	27,220,101		27,224,792
5. Boards, bureaus and associations.....	97,122	120,356		217,477
6. Surveys and underwriting reports.....		2,751,817		2,751,817
7. Audit of assureds' records.....				0
8. Salary and related items:				
8.1 Salaries.....	23,934,446	18,996,075	81,285	43,011,806
8.2 Payroll taxes.....	1,688,193	1,352,265	2,736	3,043,195
9. Employee relations and welfare.....	3,995,327	2,739,336	3,170	6,737,834
10. Insurance.....	103,405	54,212		157,617
11. Directors' fees.....				0
12. Travel and travel items.....	977,972	335,613	354	1,313,939
13. Rent and rent items.....	1,221,485	1,526,195	1,927	2,749,607
14. Equipment.....	113,322	497,896		611,218
15. Cost or depreciation of EDP equipment and software.....	1,673,466	3,124,560	1,027	4,799,054
16. Printing and stationery.....	132,275	257,099	134	389,508
17. Postage, telephone and telegraph, exchange and express.....	1,187,019	2,605,530	642	3,793,191
18. Legal and auditing.....	126,582	421,534	12,494	560,609
19. Totals (Lines 3 to 18).....	35,255,306	62,002,588	103,770	97,361,664
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$....3,046.....		6,076,943		6,076,943
20.2 Insurance department licenses and fees.....	75,315	367,805		443,120
20.3 Gross guaranty association assessments.....		8,368		8,368
20.4 All other (excluding federal and foreign income and real estate).....	5,698	1,829,416		1,835,114
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	81,012	8,282,532	0	8,363,545
21. Real estate expenses.....				0
22. Real estate taxes.....				0
23. Reimbursements by uninsured plans.....				0
24. Aggregate write-ins for miscellaneous expenses.....	14,545	224,193	16,036	254,774
25. Total expenses incurred.....	41,661,100	70,873,422	119,805	(a).....112,654,328
26. Less unpaid expenses - current year.....	27,107,259	3,781,663	2,987	30,891,909
27. Add unpaid expenses - prior year.....	22,998,890	3,526,178	3,184	26,528,253
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).....	37,552,732	70,617,937	120,002	108,290,671

DETAILS OF WRITE-INS

2401. MISCELLANEOUS EXPENSES.....	14,545	224,193	16,036	254,774
2402.				0
2403.				0
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above).....	14,545	224,193	16,036	254,774

(a) Includes management fees of \$....97,616,438 to affiliates and \$.....0 to non-affiliates.

PROGRESSIVE ADVANCED INSURANCE COMPANY
EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....1,580,952	.....1,572,508
1.1 Bonds exempt from U.S. tax.....	(a).....567,805	.....215,225
1.2 Other bonds (unaffiliated).....	(a).....(168,656)	.....87,798
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).....781,368	.....165,758
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	0	0
10. Total gross investment income.....	2,761,469	2,041,289
11. Investment expenses.....	(g).....119,805	.....
12. Investment taxes, licenses and fees, excluding federal income taxes.....	(g).....	.....
13. Interest expense.....	(h).....	.....
14. Depreciation on real estate and other invested assets.....	(i).....0	0
15. Aggregate write-ins for deductions from investment income.....	.....	0
16. Total deductions (Lines 11 through 15).....	.....	119,805
17. Net investment income (Line 10 minus Line 16).....	.....	1,921,484

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 through 0903 plus 0998) (Line 9 above).....	0	0
1501.....		
1502.....		
1503.....		
1598. Summary of remaining write-ins for Line 15 from overflow page.....	0	0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above).....	0	0

(a) Includes \$....76,500 accrual of discount less \$....303,023 amortization of premium and less \$....278,007 paid for accrued interest on purchases.
 (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
 (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
 (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
 (e) Includes \$....119,180 accrual of discount less \$....281,026 amortization of premium and less \$.....0 paid for accrued interest on purchases.
 (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
 (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
 (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
 (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	.....(1,026,143)	.....	.....(1,026,143)	.....	.....
1.1 Bonds exempt from U.S. tax.....	.....169,935	.....	.....169,935	.....	.....
1.2 Other bonds (unaffiliated).....	.....	.....	.....0	.....(26,003)	.....
1.3 Bonds of affiliates.....	.....	.....	.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....	.....	.....	.....0	.....	.....
2.11 Preferred stocks of affiliates.....	.....	.....	.....0	.....	.....
2.2 Common stocks (unaffiliated).....	.....	.....	.....0	.....	.....
2.21 Common stocks of affiliates.....	.....	.....	.....0	.....	.....
3. Mortgage loans.....	.....	.....	.....0	.....	.....
4. Real estate.....	.....	.....	.....0	.....	.....
5. Contract loans.....	.....	.....	.....0	.....	.....
6. Cash, cash equivalents and short-term investments.....	.....983	.....	.....983	.....	.....
7. Derivative instruments.....	.....	.....	.....0	.....	.....
8. Other invested assets.....	.....	.....	.....0	.....	.....
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	0
10. Total capital gains (losses).....	.....(855,225)	.....0	.....(855,225)	.....(26,003)	.....0

DETAILS OF WRITE-INS

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

PROGRESSIVE ADVANCED INSURANCE COMPANY
EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			0
2. Stocks (Schedule D):			0
2.1 Preferred stocks.....			0
2.2 Common stocks.....			0
3. Mortgage loans on real estate (Schedule B):			0
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			0
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.....	13,442,277	11,379,459	(2,062,818)
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.....		45,657	45,657
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.....	.61,419	.59,561	(1,858)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	13,503,696	11,484,677	(2,019,019)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	13,503,696	11,484,677	(2,019,019)

DETAILS OF WRITE-INS

1101.....			0
1102.....			0
1103.....			0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0
2501. MISCELLANEOUS OTHER ASSETS.....	.47,999	.43,742	(4,257)
2502. PREPAID EXPENSES.....	.13,420	.15,819	2,399
2503.....			0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	.61,419	.59,561	(1,858)

NOTES TO FINANCIAL STATEMENTS**Note 1 – Summary of Significant Accounting Policies and Going Concern****A. Accounting Practices**

The accompanying statutory-basis financial statements of Progressive Advanced Insurance Company (the "Company") were prepared on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance ("DOI").

The Ohio DOI requires insurance companies domiciled in the state of Ohio to prepare their statutory-basis financial statements in accordance with the National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* subject to any deviations prescribed or permitted by the Ohio DOI. No deviations from NAIC statutory accounting practices ("NAIC SAP") were used in preparing these statutory-basis financial statements as illustrated in the table below:

	SSAP #	F/S Page	F/S Line #	2017	2016
NET INCOME					
(1) PROGRESSIVE ADVANCED INSURANCE COMPANY state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 14,570,038	\$ 9,220,777
(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	\$ 14,570,038	\$ 9,220,777
SURPLUS					
(5) PROGRESSIVE ADVANCED INSURANCE COMPANY state basis (Page 3, line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 224,490,725	\$ 198,983,326
(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	\$ 224,490,725	\$ 198,983,326

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

The Company is required to make estimates and assumptions when preparing its financial statements and accompanying notes in conformity with NAIC SAP. Actual results may differ from those estimates. Material estimates that are susceptible to significant changes in the near term include the loss and loss adjustment expense ("LAE") reserves.

C. Accounting Policy

Insurance premiums written are being earned into income on a pro-rata basis over the period of risk based on a daily earnings convention. Unearned premiums are established to cover the unexpired portion of premiums written. The Company offers a variety of payment plans to meet individual customer needs. Generally, insurance premiums are collected in advance of providing risk coverage, minimizing the Company's exposure to credit risk.

Acquisition costs, such as agents' commissions, premium taxes, and other policy initiation costs, are charged to operations as incurred. Advertising costs are expensed as incurred.

Certain assets designated as "nonadmitted assets", in accordance with Statement of Statutory Accounting Principles ("SSAP") No. 4, Assets and Nonadmitted Assets, are reported on page 13, Exhibit of Nonadmitted Assets. The change in nonadmitted assets is charged directly against surplus as regards policyholders on page 4, Statement of Income, capital and surplus section.

In addition, the Company uses the following accounting policies:

Investments

- Cash and cash equivalents include bank accounts and certificates of deposit as well as short-term investments with original maturities of three months or less that are reported at amortized cost which approximates market value.
- Short-term investments include securities acquired within one year of maturity except for those with original maturities of three months or less (see cash and cash equivalents above) and are reported at amortized cost which approximates market value.
- Investment grade bond valuations are based on NAIC designations or NAIC Credit Rating Provider ("CRP") designations from the Acceptable Rating Organization ("ARO") list and are reported at amortized cost using the scientific method which closely approximates the effective interest method. Non-investment grade bond valuations are also based on NAIC designations or NAIC CRP-ARO designations and are reported at the lower of amortized cost or fair market value. Loan-backed and structured securities follow the guidance prescribed by SSAP No. 43R, Loan-backed and Structured Securities ("SSAP No. 43R"), for the determination of the bond valuation and reporting designation. The difference between the original cost and redemption value of these securities is recognized over the lives of the respective issues and included in net investment gain.
- Common stocks, other than investments in stocks of subsidiaries and affiliates, are reported at fair market values based on active market closing quotations from a regulated exchange. Changes in the fair market values of these securities are reflected directly as unrealized gains or losses in statutory surplus, net of deferred income taxes.
- Non-redeemable preferred stocks are reported at fair market values. Changes in the fair market values of these securities are reflected directly as unrealized gains or losses in statutory surplus, net of deferred income taxes. Investment grade redeemable preferred stocks are reported at amortized cost, while non-investment grade redeemable preferred stocks are reported at the lower of amortized cost or fair market value. The difference between the original cost and redemption value of the redeemable preferred securities is recognized using the scientific method, which closely approximates the effective interest method, over the lives of the respective issues and included in net investment gain.
- The fair market values reported are derived from independent and observable market input evaluations provided by reputable pricing services, independent broker/dealer bid lists, independent broker/dealer quotations, independent broker/dealer pricing services, or active market closing quotations from a regulated exchange. In very rare cases, if none of the aforementioned primary sources are available, matrix pricing using the reporting entity's own market based assumptions may be utilized. The approved methods for computation of fair market value are prescribed in Part Five of the Securities Valuation Office *Purposes and Procedures Manual*.
- The Company has no investments in mortgage loans.
- Loan-backed and structured securities are accounted for as prescribed by SSAP No. 43R. These securities are generally stated at amortized cost as determined by the estimated value of future cash flows. Prepayment assumptions for loan-backed and structured debt securities are obtained from available market data, broker/dealers, and/or internal estimates, and are consistent with current interest rate and economic trends.
- The Company has no investments in joint ventures, partnerships, or limited liability companies.
- The Company has no investments in derivatives.

NOTES TO FINANCIAL STATEMENTS

- The Company may enter into repurchase agreements in which it borrows cash by providing certain underlying securities as collateral for the arrangement. The cash borrowed is invested in cash equivalents and an offsetting liability is established. The cash equivalent investment maturities and the term of the borrowing arrangement on the collateralized securities match, eliminating duration risk exposure to the Company. The Company did not have any open repurchase agreements at December 31, 2017 and December 31, 2016.
- Realized gains and losses on sales of securities are computed based on the first-in, first-out method.
- The Company's management routinely monitors individual securities in its investment portfolio for pricing changes that might indicate potential impairments and performs detailed reviews of securities with unrealized losses based on predetermined guidelines to determine whether a decline in the value of a security is other-than-temporary. A review for OTTI requires making certain judgments regarding the materiality of the decline, its effect on the financial statements, the probability, extent, and timing of a valuation recovery, and the Company's ability and intent to hold the security. The scope of this review is broad and requires a forward-looking assessment of the fundamental characteristics of a security, as well as the market-related prospects of the issuer and its industry.

Management assesses valuation declines to determine the extent to which such changes are attributable to (i) fundamental factors specific to the issuer, such as financial conditions, business prospects or other factors, or (ii) market-related factors such as interest rates or equity market declines (i.e., negative returns at either a sector index level or the broader market level), or (iii) credit-related losses where the present value of cash flows expected to be collected are lower than the amortized cost basis of the security (includes only those securities covered under SSAP No. 43R). This evaluation reflects management's assessment of current conditions, as well as predictions of uncertain future events that may have a material effect on the financial statements related to security valuation.

When persuasive evidence exists that causes management to conclude that a decline in fair value is other-than-temporary, the book value of such security is written down and recognized as a realized loss. All other unrealized gains or losses are reflected in statutory surplus.

Loss, Loss Adjustment Expense, and Premium Deficiency Reserves

- Loss reserves represent the estimated liability on claims reported to the Company, plus reserves for losses incurred but not yet reported ("IBNR"). These estimates are reported net of amounts recoverable from salvage and subrogation. LAE reserves represent the estimated expenses required to settle reported claims and IBNR losses. Such loss and LAE reserves could be susceptible to significant change in the near term. The Company conducts extensive reviews each month on portions of its business to help ensure that the Company is meeting its objective of always having reserves that are adequate with minimal variation. Results would differ if different assumptions were made (see Notes 25).
- The Company does anticipate investment income when evaluating the need for premium deficiency reserves. See Note 30.

Capitalization of Assets

- The Company has written capitalization policies for its various asset classes. There have been no changes to the predefined capitalization thresholds from the prior year. The Prepaid assets above a \$100,000 threshold are capitalized. Under certain circumstances, the Company may decide to establish a prepaid expense for amounts less than the threshold. Prepaid assets are nonadmitted.

Pharmaceutical Rebate Receivables

- The Company does not write medical insurance or prescription drug coverage.

D. Going Concern

Management continuously monitors the Company's financial results and compliance with regulatory requirements and found no reason to expect the Company to not continue as a going concern.

Note 2 – Accounting Changes and Corrections of Errors

Not applicable

Note 3 – Business Combinations and Goodwill

Not applicable

Note 4 – Discontinued Operations

Not applicable

Note 5 – Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

Not applicable

B. Debt Restructuring

Not applicable

C. Reverse Mortgages

Not applicable

D. Loan-Backed Securities

The Company does not own any load-backed or structured debt securities.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

Not applicable

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not applicable

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not applicable

NOTES TO FINANCIAL STATEMENTS**H. Repurchase Agreements Transactions Accounted for as a Sale**

Not applicable

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

Not applicable

J. Real Estate

Not applicable

K. Low-Income Housing Tax Credits (LIHTC)

Not applicable

L. Restricted Assets**1 Restricted Assets (Including Pledged)**

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted					Current Year					Percentage	
	Current Year		Protected Cell Account Assets Supporting G/A Activity (b)	Total From Prior Year	Increase/(Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)	10	11	
	1 Total General Account (G/A)	2 G/A Supporting Protected Cell Account Activity (a)								6	7	
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%	
b. Collateral held under security lending arrangements										%	%	
c. Subject to repurchase agreements										%	%	
d. Subject to reverse repurchase agreements										%	%	
e. Subject to dollar repurchase agreements										%	%	
f. Subject to dollar reverse repurchase agreements										%	%	
g. Placed under option contracts										%	%	
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock										%	%	
i. FHLB capital stock										%	%	
j. On deposit with states	4,599,012				4,599,012	4,612,120	(13,108)		4,599,012	0.8%	0.9%	
k. On deposit with other regulatory bodies										%	%	
l. Pledged as collateral to FHLB (including assets backing funding agreements)										%	%	
m. Pledged as collateral not captured in other categories										%	%	
n. Other restricted assets										%	%	
o. Total Restricted Assets	\$ 4,599,012	\$	\$	\$	\$ 4,599,012	\$ 4,612,120	\$ (13,108)	\$	\$ 4,599,012	0.8%	0.9%	

(a) Subset of column 1

(b) Subset of column 3

(c) Column 5 divided by Asset Page, Column 1, Line 28

(d) Column 9 divided by Asset Page, Column 3, Line 28

2 Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in the Aggregate)

Not applicable

3. Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate)

Not applicable

4. Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

Not applicable

M. Working Capital Finance Investments

Not applicable

N. Offsetting and Netting of Assets and Liabilities

Not applicable

NOTES TO FINANCIAL STATEMENTS**O. Structured Notes**

Not applicable

P. 5* Securities

Not applicable

Q. Short Sales

Not applicable

R. Prepayment Penalty and Acceleration Fees

Not applicable

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

Not applicable

Note 7 – Investment Income**A. Accrued Investment Income**

The Company nonadmits investment income due and accrued if the amounts are greater than 90 days past due.

B. Amounts Nonadmitted

Not applicable

Note 8 – Derivative Instruments

Not applicable

Note 9 – Income Taxes**A. Deferred Tax Assets/(Liabilities)****1. Components of Net Deferred Tax Asset/(Liability)**

	2017			2016			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Gross deferred tax assets	\$ 9,319,516	\$ 9,099	\$ 9,328,615	\$ 13,314,778	\$ 100,343	\$ 13,415,121	\$ (3,995,262)	\$ (91,244)	\$ (4,086,506)
b. Statutory valuation allowance adjustment					33,995	33,995		(33,995)	(33,995)
c. Adjusted gross deferred tax assets (1a-1b)	9,319,516	9,099	9,328,615	13,314,778	66,348	13,381,126	(3,995,262)	(57,249)	(4,052,511)
d. Deferred tax assets nonadmitted				12,752	32,905	45,657	(12,752)	(32,905)	(45,657)
e. Subtotal net admitted deferred tax asset (1c-1d)	\$ 9,319,516	\$ 9,099	\$ 9,328,615	\$ 13,302,026	\$ 33,443	\$ 13,335,469	\$ (3,982,510)	\$ (24,344)	\$ (4,006,854)
f. Deferred tax liabilities	53,166	17,127	70,293	71,744	33,443	105,187	(18,578)	(16,316)	(34,894)
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	\$ 9,266,350	\$ (8,028)	\$ 9,258,322	\$ 13,230,282	\$	\$ 13,230,282	\$ (3,963,932)	\$ (8,028)	\$ (3,971,960)

NOTES TO FINANCIAL STATEMENTS

2. Admission Calculation Components SSAP No. 101

		2017			2016			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. Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 9,267,001	\$	\$ 9,267,001	\$ 12,631,420	\$	\$ 12,631,420	\$ (3,364,419)	\$	\$ (3,364,419)
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:				598,862		598,862	(598,862)		(598,862)
Adjusted gross deferred tax assets expected to be realized following the balance sheet date				598,862		598,862	(598,862)		(598,862)
Adjusted gross deferred tax assets allowed per limitation threshold			32,284,860			27,862,957			4,421,904
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	52,515	9,099	61,614	71,744	33,443	105,187	(19,229)	(24,344)	(43,573)
d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c)	\$ 9,319,516	\$ 9,099	\$ 9,328,615	\$ 13,302,026	\$ 33,443	\$ 13,335,469	\$ (3,982,510)	\$ (24,344)	\$ (4,006,854)

3. Other Admissibility Criteria

		2017	2016
a. Ratio percentage used to determine recovery period and threshold limitation amount		2,129.0%	2,020.3%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 215,232,403	\$ 185,753,044	

4. 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.

	12/31/2017			12/31/2016			Change	
	1 Ordinary	2 Capital	3 Ordinary	4 Capital	5 (Col. 1-3) Ordinary	6 (Col. 2-4) Capital		
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 9,319,516	\$ 9,099	\$ 13,314,778	\$ 66,348	\$ (3,995,262)	\$ (57,249)		
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0 %		0 %	0 %	50.0 %	0 %	(50.0) %	
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	\$ 9,319,516	\$ 9,099	\$ 13,302,026	\$ 33,443	\$ (3,982,510)	\$ (24,344)		
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) Does the company's tax planning strategies include the use of reinsurance? NO

NOTES TO FINANCIAL STATEMENTS**B. Deferred Tax Liabilities Not Recognized**

Not applicable

C. Current and Deferred Income Taxes**1. Current Income Tax**

	1 2017	2 2016	3 (Col 1-2) Change
a. Federal	\$ 10,253,498	\$ 6,407,167	\$ 3,846,331
b. Foreign			
c. Subtotal	\$ 10,253,498	\$ 6,407,167	\$ 3,846,331
d. Federal income tax on net capital gains	(397,731)	(514,200)	116,469
e. Utilization of capital loss carry-forwards			
f. Other			
g. Federal and Foreign income taxes incurred	\$ 9,855,767	\$ 5,892,967	\$ 3,962,800

2. Deferred Tax Assets

	1 2017	2 2016	3 (Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	\$ 618,471	\$ 989,198	\$ (370,727)
2. Unearned premium reserve	4,424,759	6,235,808	(1,811,049)
3. Policyholder reserves			
4. Investments			
5. Deferred acquisition costs			
6. Policyholder dividends accrual			
7. Fixed assets		96	(96)
8. Compensation and benefits accrual	132	3,706	(3,574)
9. Pension accrual			
10. Receivables - nonadmitted	2,822,878	3,982,810	(1,159,932)
11. Net operating loss carry-forward			
12. Tax credit carry-forward			
13. Other (items <5% of total ordinary tax assets)	2,359	3,146	(787)
Other (items >=5% of total ordinary tax assets)			
14. Bad debt reserve	1,438,019	2,079,168	(641,149)
15. Other nonadmitted assets	12,898	20,846	(7,948)
16. Foreign currency translation			
17.			
99. Subtotal	\$ 9,319,516	\$ 13,314,778	\$ (3,995,262)
b. Statutory valuation allowance adjustment			
c. Nonadmitted		12,752	(12,752)
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	9,319,516	13,302,026	(3,982,510)
e. Capital:			
1. Investments	9,099	100,343	(91,244)
2. Net capital loss carry-forward			
3. Real estate			
4. Other (items <5% of total capital tax assets)			
Other (items >=5% of total capital tax assets)			
5.			
6.			
7.			
8.			
99. Subtotal	\$ 9,099	\$ 100,343	\$ (91,244)
f. Statutory valuation allowance adjustment		33,995	(33,995)
g. Nonadmitted		32,905	(32,905)
h. Admitted capital deferred tax assets (2e99-2f-2g)	9,099	33,443	(24,344)
i. Admitted deferred tax assets (2d+2h)	\$ 9,328,615	\$ 13,335,469	\$ (4,006,854)

NOTES TO FINANCIAL STATEMENTS

3. Deferred Tax Liabilities

	1 2017	2 2016	3 (Col 1-2) Change
a. Ordinary:			
1. Investments	\$ 8,905	\$ 407	\$ 8,905 (407)
2. Fixed assets			
3. Deferred and uncollected premium			
4. Policyholder reserves			
5. Other (items <5% of total ordinary tax liabilities)		1	(1)
Other (items >=5% of total ordinary tax liabilities)			
6. Prepaid expenses	3,870	6,870	(3,000)
7. Salvage and subrogation	40,391	64,466	(24,075)
8.			
9.			
99. Subtotal	\$ 53,166	\$ 71,744	\$ (18,578)
b. Capital:			
1. Investments	17,127	33,443	(16,316)
2. Real estate			
3. Other (tems <5% of total capital tax liabilities)			
Other (items >=5% of total capital tax liabilities)			
4.			
5.			
6.			
7.			
99. Subtotal	\$ 17,127	\$ 33,443	\$ (16,316)
c. Deferred tax liabilities (3a99+3b99)	\$ 70,293	\$ 105,187	\$ (34,894)
4. Net Deferred Tax Assets (2i – 3c)	\$ 9,258,322	\$ 13,230,282	\$ (3,971,960)

The change in net deferred income tax is comprised of the following (this analysis excludes nonadmitted assets; the change in nonadmitted assets is reported separately from the change in net deferred income tax in the Statement of Income, Surplus section):

Description	December 31, 2017	December 31, 2016	Change
Total deferred tax assets	\$ 9,328,615	\$ 13,381,126	\$ (4,052,511)
Total deferred tax liabilities	70,293	105,187	(34,894)
Net deferred tax asset (liability)	\$ 9,258,322	\$ 13,275,939	\$ (4,017,617)
Tax effect of unrealized gains (losses)			5,461
Change in net deferred income tax			\$ (4,023,078)

On December 22, 2017, legislation commonly known as the Tax Cuts and Jobs Act of 2017 (the "Tax Act"), was signed into law and is generally effective beginning January 1, 2018. The Tax Act reduces the corporate federal income tax rate from 35% to 21%. As of December 31, 2017, we were required to revalue all our deferred tax assets and liabilities using the new rate. The effects of this change are reflected in the change in deferred income taxes, except for the portion related to deferred taxes on unrealized gains and losses, which is reflected in the change in unrealized gains and losses. The total decrease in the deferred tax asset as a result of the tax rate change was \$6,172,215.

The Tax Act makes several changes to the loss discounting rules that insurance companies must apply to their loss and loss adjustment expense reserves for tax purposes. Under pre-Tax Act law, the discounting is based on an interest rate determined by the Internal Revenue Service (IRS) and by loss payment patterns either published by the IRS or based on the company's own loss payment experience. In general, the Tax Act increases the interest rates, extends the loss payment patterns, and no longer allows companies to use their own loss payment experience. These new rules must be applied to the year-end 2017 loss reserves and the resulting increase in the discount must be brought into taxable income ratably over the next eight years beginning in 2018. The IRS has not yet published the interest rate or the loss payment pattern that must be applied to make this determination. Based on the uncertainty surrounding the payment patterns and the interest rates, we were not able to estimate the magnitude that this change would have on our year-end reserves and, therefore, have not reflected any adjustments to deferred taxes for 2017. However, we believe that if we could calculate the adjustment, there would be no net impact to deferred taxes since the adjustment would result in an increase to the gross deferred tax asset associated with loss reserves that would be fully offset by a gross deferred tax liability for the tax to be paid over the eight-year transition period.

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate Among the more significant book to tax adjustments were the following:

Description	Tax Effect Amount	Effective Tax Rate
Provision computed at statutory rate	\$ 8,549,032	35%
Impact of tax rate change	6,168,574	25%
Exempt interest income	(77,884)	0%
Impact of nonadmitted assets	(722,636)	-3%
Change in valuation allowance	(33,995)	0%
Other	(4,246)	0%
Total	\$ 13,878,845	57%
Federal and foreign income taxes incurred	\$ 9,855,767	
Change in net deferred income tax	4,023,078	
Total statutory income taxes	\$ 13,878,845	

E. Operating Loss Carryforwards and Income Taxes Available for Recoupment

- During the reporting period, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.

NOTES TO FINANCIAL STATEMENTS

2. The following is income tax expense for current year and proceeding years that is available for recoupment in the event of future net losses:

Period	Amount
Current tax year:	\$ 9,858,186
First preceding tax year:	\$ 5,892,819

The amounts that can be recouped may be subject to the alternative minimum tax rules, and therefore may be limited.

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

F. Consolidated Federal Income Tax Return

1. The Company's Federal income tax return is consolidated with The Progressive Corporation ("TPC"), a publicly traded holding company incorporated in Ohio, and all of its wholly-owned United States subsidiaries (the "Group") as detailed in Schedule Y, Part 1.
2. The method of allocation between the companies is subject to written agreement and is jointly approved by an officer of TPC and the Company. The allocation is based upon separate tax return calculations with current credit for net losses or other items utilized in the consolidated tax return. Intercompany tax balances are settled quarterly.

G. Federal or Foreign Federal Income Tax Loss Contingencies:

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

Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. Nature of Relationships

The Company is wholly owned by Progressive Direct Holdings, Inc. ("PDH"), a holding company incorporated in Delaware. The structure of the holding company organization is shown on Schedule Y, Part 1.

B. Detail of Transactions Greater than 1/2% of Admitted Assets

The Company received capital contributions of %17,000,000 and \$23,000,000 from PDH in 2017 and 201, respectively.

All significant transactions by the Company or any affiliated insurer with any affiliate are summarized in Schedule Y, Part 2.

C. Change in Terms of Intercompany Arrangements

Not applicable

D. Amounts Due to or from Related Parties

The Company reported a \$73,850,702 and \$46,595,366 receivable from parent, subsidiaries, and affiliates at December 31, 2017 and 2016, respectively. These balances are due to cash collections and disbursements on behalf of the Company under the Group's centralized cash management system and the reinsurance and management agreements in which the Company participates. The Company also reported a \$2,288,748 and \$1,912,042 current Federal income tax payable at December 31, 2017 and 2016, respectively. These balances are due to TPC for the Company's Federal income tax liability. The intercompany balances are settled by the end of the following quarter depending on the timing of investment cash transactions. These transactions are dependent upon market timing, investment needs and overall portfolio strategy as to the timing of such settlement transactions.

E. Guarantees or Contingencies for Related Parties

Not applicable

F. Management, Service Contracts, Cost Sharing Arrangements

Management, operations and claims services are provided under a joint management services agreement with Progressive Direct Insurance Company ("Progressive Direct"), an insurance affiliate domiciled in Ohio. Under the terms of the agreement, Progressive Direct provides the Company with underwriting and loss adjustment services for specific business produced, and the Company may, from time to time, provide Progressive Direct with similar services for other specific business produced. In exchange for these services, the companies charge management fees based on each company's use of the other's services.

The Company participates in an investment services agreement with Progressive Capital Management Corp., a non-insurance affiliate. Under the terms of the agreement, the Company is provided investment and capital management services in exchange for an investment management fee based on its use of services.

All intercompany agreements are approved by the participating insurance companies' states of domicile when established. Upon redomestication, intercompany agreements are not required to be approved by the new state of domicile.

G. Nature of Relationships that Could Affect Operations

All outstanding shares of the Company are owned by PDH.

H. Amount Deducted for Investment in Upstream Company

Not applicable

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

Not applicable

J. Write-Downs for Impairment of Investments in Affiliates

Not applicable

K. Investment in Foreign Insurance Subsidiary

Not applicable

L. Investment in Downstream Non-Insurance Holding Company

Not applicable

NOTES TO FINANCIAL STATEMENTS

M. Subsidiary, Controlled and Affiliated Entities (except insurance subsidiary, controlled and affiliated entities) Value
Not applicable

N. Insurance Subsidiary, Controlled and Affiliated Entities Valuation That Departs From NAIC Statutory Accounting Practices and Procedures
Not applicable

Note 11 – Debt

Not applicable

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

Not applicable

Note 13 – Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

1. Outstanding Shares

The Company has 5,000,000 shares of \$1 par value common stock authorized and 3,000,000 shares issued and outstanding. The Company has 60,000 shares of \$100 par value, Series A preferred stock authorized and none issued and outstanding.

2. Dividend Rate of Preferred Stock

Not applicable

3,4,5,6. Dividends

The maximum amount of dividends the Company can pay to PDH in 2018 without prior regulatory approval is limited by insurance laws in Ohio. Based on the dividend laws currently in effect, the Company may pay dividends of \$22,449,073 in 2018 without prior approval from the Ohio DOI, provided the dividend payment is not made within 12 months of the previous payment.

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

7. Mutual Surplus Advances

Not applicable

8. Company Stock Held for Special Purposes

Not applicable

9. Changes in Special Surplus Funds

Not applicable

10. The portion of unassigned funds (surplus) represented or reduced by unrealized gains and losses is: \$(26.003)

11. The reporting entity issued the following surplus debentures or similar obligations:

Not applicable

12. The impact of any restatement due to prior quasi-reorganizations is as follows:

Not applicable

13. The effective dates of all quasi-reorganizations in the prior 10 years are:

Not applicable

Note 14 – Liabilities, Contingencies and Assessments

A. Contingent Commitments

Not applicable

B. Assessments

The Company is subject to state guaranty fund and other assessments by the states in which it writes business. State guaranty fund assessments are accrued at the time of any known insolvencies. Other assessments are accrued either at the time of assessment or at the time the premiums are written. These accruals are based on information received from the states in which the Company writes business and may change due to many factors including the Company's share of the ultimate cost of current insolvencies.

As of December 31, 2017 and 2016, the Company's estimated liability for state guaranty fund and other assessments was \$3,519,910 and \$2,780,527, respectively. The Company did not recognize any premium tax benefit associated with its various assessments.

As of December 31, 2017 and 2016, the Company's estimated liability for various surcharges was \$372,425 and \$333,854, respectively.

C. Gain Contingencies

Not applicable

NOTES TO FINANCIAL STATEMENTS**D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits**

PROGRESSIVE ADVANCED INSURANCE COMPANY paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits:

	Direct
Claims related ECO and bad faith losses paid during the reporting period	\$ 25,000

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

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

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

(f) Per Claim [] (g) Per Claimant [X]

E. Product Warranties

Not applicable

F. Joint and Several Liabilities

Not applicable

G. All Other Contingencies

The Company routinely assesses the collectibility of premiums and agents' balances receivable and records a bad debt reserve for amounts exceeding the nonadmitted balance that the Company believes are uncollectible.

The Company is named as defendant in various lawsuits arising out of its insurance operations. All legal actions relating to claims made under insurance policies are considered by the Company in establishing its loss and LAE reserves. The Company also has, on a net basis, potential exposure relating to lawsuits due to its participation in a 100% pooling reinsurance agreement for which it is allocated litigation expenses (see Note 26).

The following is a discussion of potentially significant pending cases at the reporting date. Unless specifically noted, the Company does not consider a loss from these cases to be probable and is unable to estimate a range of loss, if any, at this time.

There were three cases consolidated into multi-district proceedings alleging that the Company improperly steers automobile repair work to certain auto body repair shops and challenging the labor rates the Company pays to auto body repair shops.

Note 15 – Leases

Not applicable

Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

Not applicable

Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**A. Transfers of Receivables Reported as Sales**

Not applicable

B. Transfer and Servicing of Financial Assets

Not applicable

C. Wash Sales

Not applicable

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

Not applicable

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

Not applicable

Note 20 – Fair Value Measurements**A. Inputs Used for Assets and Liabilities Measured at Fair Value in the Company's Financial Statements****1. Fair Value Measurements by Levels 1, 2 and 3**

The Company categorizes its financial instruments, based on the degree of subjectivity inherent in the method by which they are valued, into a fair value hierarchy of three levels, as follows:

Level 1 - Inputs are unadjusted, quoted prices in active markets for identical instruments at the measurement date (e.g., active exchange-traded equity securities).

Level 2 - Inputs (other than quoted prices included within Level 1) that are observable for the instrument either directly or indirectly. This includes: (i) quoted prices for similar instruments in active markets, (ii) quoted prices for identical or similar instruments in markets that are not active, (iii) inputs other than quoted prices that are observable for the instruments, and (iv) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs that are unobservable. Unobservable inputs reflect the Company's subjective evaluation about the assumptions market participants would use in pricing the financial instrument.

See Note 1, Investment Policies section for further information regarding methods used to determine fair market value.

NOTES TO FINANCIAL STATEMENTS

The Company's management evaluated whether the market was distressed or inactive in determining the fair value of the Company's securities and reviewed certain market level inputs to evaluate whether sufficient activity, volume, and new issuances existed to create an active market. Based on this evaluation, management concluded that there was sufficient activity in determining the fair market value of the Company's securities.

The valuations classified as either Level 1 or Level 2 in the table below are priced exclusively by external sources, including: pricing vendors, dealers/market makers, and exchange-quoted prices. The Company did not have any transfers between Level 1 and Level 2. At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3.

Fair Value Measurements at the reporting date:

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Bonds industrial & miscellaneous	\$	\$ 5,067,250	\$	\$ 5,067,250
Common stock industrial & miscellaneous				
Preferred stock industrial & miscellaneous				

The Company does not have any liabilities measured at fair value on the balance sheet.

2. Roll forward of Level 3 Items

Not applicable

3. Policy on Transfers Into and Out of Level 3

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3.

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

See Note 20.A.1 above.

5. Derivative Fair Values

Not applicable

B. Other Fair Value Disclosures

Not applicable

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

The table below represents the fair value of all financial instruments at the reporting date, however, not all financial instruments are reported at fair value in the Company's financial statements.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	\$ 154,303,882	\$ 154,930,571	\$ 110,798,385	\$ 43,505,497	\$	\$
Cash equivalents						
Common stock						
Preferred stock						
Short-term investments	9,977,780	9,977,780	9,977,780			

D. Not Practicable to Estimate Fair Value

Not applicable

Note 21 – Other Items

A. Unusual or Infrequent Items

Not applicable

B. Troubled Debt Restructuring Debtors

Not applicable

C. Other Disclosures

1. Agents' Balances Certification, Florida Statute 625.012 (5):

At December 31, 2017 and 2016, the Company reported net admitted premiums and agents' balances in course of collection of \$37,532,082 and \$32,927,909, respectively. Of this amount there were no premiums due from a controlled or controlling person as defined in Florida statute 625.012 (5).

D. Business Interruption Insurance Recoveries

Not applicable

E. State Transferable and Non-Transferable Tax Credits

1. Carrying Value of Transferable and Non-Transferable State Tax Credits Gross of any Related Tax Liabilities and Total Unused Transferable and Non-Transferable State Tax Credits by State and in Total

Description of State Transferable and Non-Transferable Tax Credits	State	Carrying Value	Unused Amount
Low Income Housing Tax Credit (NT)	GA	\$ 127,500	\$ 200,000
Low Income Housing Tax Credit (NT)	GA		8,465
Total		\$ 127,500	\$ 208,465

NOTES TO FINANCIAL STATEMENTS

2. The Company estimated the utilization of the remaining transferable and non-transferable state tax credits by projecting future premium, taking into account policy growth and rate changes, projecting the future tax liability based on projected premium, tax rates, and tax credits, and comparing the projected future tax liability to the availability of remaining transferable and non-transferable state tax credits.
3. The Company recognized an impairment loss of \$0 related to write-downs as a result of impairment analysis of the carrying amount for transferable and non-transferable state tax credits.
4. State Tax Credits Admitted and Nonadmitted

	Total Admitted	Total Nonadmitted
a. Transferable	\$	\$
b. Non-Transferable	\$ 127,500	\$

F. Subprime Mortgage Related Risk Exposure

1. Exposure to Subprime Mortgage Related Risk

The following subprime disclosure and the review and procedures described within are completed at a consolidated level for all the Progressive companies. To the extent the Company had any direct subprime exposure, those securities would be listed in Note 21.F.3.

Management's review of the investment portfolio for securities with direct subprime exposure, such as Alt-A residential mortgage loan-backed bonds and home equity loan-backed bonds is performed in conjunction with the OTTI analysis and procedures (see Note 1.C). Additionally, securities that were determined to have an indirect subprime exposure were also reviewed as part of the OTTI process.

The Company's management continues to perform a detailed review of its investment portfolio, paying particular attention to the credit profile of the issuers to identify the extent to which any asset values may have been impacted by direct or indirect exposure to the subprime mortgage loan disruption, as well as broader credit and financial market events.

In the reporting period, the Company recorded no OTTI write-downs on any securities as a result of direct subprime exposure.

2. Direct Investment in Subprime Mortgage Loans

Not applicable

3. Direct Investment in Securities with Underlying Subprime Exposure

Not applicable

4. Mortgage or Financial Guaranty Subprime Exposure

Not applicable

G. Insurance-Linked Securities (ILS) Contracts

Not applicable

Note 22 – Events Subsequent

The Company was not impacted by any subsequent events. Subsequent events have been considered through February 14, 2018 for the statutory statement that was available for issuance by March 1, 2018.

The Company does not write health insurance and therefore has no premiums subject to assessment under section 9010 of the Affordable Care Act for either the current or prior years.

Note 23 – Reinsurance

A. Unsecured Reinsurance Recoverables at the reporting date the Company had the following unsecured reinsurance recoverable balances which exceeded 3% of policyholders' surplus:

Reinsurer	NAIC Code	Federal ID#	Amount
Progressive Direct Insurance Company	16322	34-1524319	\$ 933,266,000
Total			\$ 933,266,000

B. Reinsurance Recoverable in Dispute

Not applicable

C. Reinsurance Assumed and Ceded

1. The table below summarizes ceded and assumed unearned premiums and the related commission equity at reporting date.

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$ 104,518,000	\$	\$ 394,023,000	\$	\$ (289,505,000)	\$
b. All Other			71,000	19,000	(71,000)	(19,000)
c. Total	\$ 104,518,000	\$	\$ 394,094,000	\$ 19,000	\$ (289,576,000)	\$ (19,000)
d. Direct Unearned Premium Reserves			\$ 394,094,000			

2. The Company has no return commission or profit sharing arrangements.

D. Uncollectible Reinsurance

Not applicable

NOTES TO FINANCIAL STATEMENTS

- E. Commutation of Ceded Reinsurance
 - Not applicable
- F. Retroactive Reinsurance
 - Not applicable
- G. Reinsurance Accounted for as a Deposit
 - Not applicable
- H. Disclosures for the Transfer of Property and Casualty Run-off Agreements
 - Not applicable
- I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation
 - Not applicable
- J. Reinsurance Agreements Qualifying for Reinsurer Aggregation
 - Not applicable

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

Not applicable

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

- A. Change in Incurred Losses and Loss Adjustment Expenses

Incurred losses and LAE attributable to insured events of prior accident years increased by \$409,683 in 2017, which is less than 1% of the total prior year net unpaid losses and LAE of \$124,688,885. The unfavorable development is primarily due to private passenger auto liability originally anticipated severity for accident year 2015 increasing by 1%. Auto Physical Damage reserves developed favorably due to more recoveries than anticipated. LAE reserves developed unfavorably in both defense cost containment and adjusting and other expense reserves primarily from accident years 2016 and 2015.

- B. Information about Significant Changes in Methodologies and Assumptions

Not applicable

Note 26 – Intercompany Pooling Arrangements

The Company participates in a pooling reinsurance agreement with the property-casualty affiliates listed below (the "Direct Pool") under which 100% of the underwriting business of each member company, net of external reinsurance, is ceded to Progressive Direct, the Direct Pool manager and a Direct Pool participant. The combined premiums, losses, and expenses are then retroceded to each Direct Pool member based on pre-determined pooling percentages.

Mountain Laurel Assurance Company ("Mountain Laurel"), an insurance affiliate domiciled in Ohio, terminated its future participation in the Direct Pool effective November 5, 2005. Mountain Laurel has a zero percent retrocession participation in the Direct Pool for all policies written prior to that date.

The pooling percentages for each Direct Pool member were as follows:

Company	NAIC Code	2017 Pool %	2016 Pool %
Progressive Direct Insurance Company (Lead)	16322	77.5%	77.5%
Progressive Marathon Insurance Company	37605	6.0	6.0
Progressive Max Insurance Company	24279	6.0	6.0
Progressive Advanced Insurance Company	11851	4.0	4.0
Progressive Universal Insurance Company	21727	4.0	4.0
Progressive Premier Insurance Company of Illinois	21735	2.0	2.0
Progressive Paloverde Insurance Company	44695	0.5	0.5
Mountain Laurel Assurance Company	44180	--	--
		100.0%	100.0%

NOTES TO FINANCIAL STATEMENTS

All business written by each Direct Pool member is subject to pooling with the exception of loss reserves from Progressive Max Insurance Company's assumed asbestos and environmental claims, for which the Company has no exposure. Business ceded by Direct Pool members to non-affiliated reinsurers prior to pooling, is primarily due to state-provided reinsurance programs. The Direct Pool does not participate in any intercompany sharing of the provision for reinsurance and the write-offs of uncollectible reinsurance.

At the reporting period, amounts recoverable from and payable to Progressive Direct and all affiliates participating in the Direct Pool are as follows:

	Amounts Recoverable	Amounts Payable
Progressive Direct Insurance Company (Lead)	\$ 20,758,827	\$ 22,785,768
Progressive Marathon Insurance Company	3,417,857	3,129,486
Progressive Max Insurance Company	2,878,358	3,129,486
Progressive Advanced Insurance Company	4,815,423	2,086,327
Progressive Universal Insurance Company	4,146,978	6,447,183
Progressive Premier Insurance Company of Illinois	4,282,849	4,045,600
Progressive Paloverde Insurance Company	3,244,303	1,920,095
Mountain Laurel Assurance Company	--	650
Total	\$ 43,544,595	\$ 43,544,595

Note 27 – Structured Settlements

Not applicable

Note 28 – Health Care Receivables

Not applicable

Note 29 – Participating Policies

Not applicable

Note 30 – Premium Deficiency Reserves

1. Liability carried for premium deficiency reserve:	\$0
2. Date of most recent evaluation of this liability:	December 31, 2017
3. Was anticipated investment income utilized in the calculation?	Yes [X] No []

Note 31 – High Deductibles

Not applicable

Note 32 – Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

Not applicable

Note 33 – Asbestos/Environmental Reserves

Not applicable

Note 34 – Subscriber Savings Accounts

Not applicable

Note 35 – Multiple Peril Crop Insurance

Not applicable

Note 36 – Financial Guaranty Insurance

Not applicable

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES****GENERAL**

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
If yes, complete Schedule Y, Parts 1, 1A and 2.

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

1.3 State regulating? OHIO

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

2.2 If yes, date of change:

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2017

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. 12/31/2012

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). 08/06/2013

3.4 By what department or departments? OHIO

3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [] No [] N/A [X]

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

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

4.11 sales of new business? Yes [] No [X]

4.12 renewals? Yes [] No [X]

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

4.21 sales of new business? Yes [] No [X]

4.22 renewals? Yes [] No [X]

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

5.2 If yes, provide the name of 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 NAIC Company Code	3 State of Domicile
Name of Entity		

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]

6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]

7.2 If yes,

7.21 State the percentage of foreign control %

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

1 Nationality	2 Type of Entity

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
PRICEWATERHOUSECOOPERS, LLP 200 PUBLIC SQUARE, 18TH FLOOR CLEVELAND, OH 44114-2301

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 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:

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

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?
GARY S. TRAICOFF, FCAS, MAAA CORPORATE ACTUARY 6300 WILSON MILLS ROAD MAYFIELD VILLAGE, OH 44143-2182

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
 12.11 Name of real estate holding company _____
 12.12 Number of parcels involved _____ 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?
N/A

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 [X] No []

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

THE COMPANY'S MANAGEMENT APPROVED CHANGES TO OUR CHIEF EXECUTIVE OFFICER/SENIOR FINANCIAL OFFICERS CODE OF ETHICS, EFFECTIVE MARCH 1, 2017. SIGNIFICANT CHANGES TO THE CODE INCLUDED THE FOLLOWING: PROVISIONS WERE ADDED TO CLARIFY THAT A "COVERED EXECUTIVE" AND HIS OR HER FAMILY MAY OWN MORE THAN 2% OF THE OUTSTANDING SECURITIES OF A PUBLIC COMPANY THAT IS A SUPPLIER TO OR COMPETES WITH THE COMPANY, OR THEY MAY OWN AN INTEREST IN A PRIVATE COMPANY THAT IS A SUPPLIER TO OR COMPETES WITH THE COMPANY, IN EACH CASE WITH APPROPRIATE NOTICES TO THE COMPANY AND RECEIPT OF APPROVAL. THE REQUIREMENTS THAT MUST BE SATISFIED BEFORE A COVERED EXECUTIVE CAN TAKE A DIRECTOR POSITION OR OTHER SPECIFIED ADVISORY POSITIONS WITH A SUPPLIER OR WITH A COMPETITOR WERE ALSO AMENDED. THESE PROVISIONS REQUIRE NON-EXECUTIVE OFFICERS TO PROVIDE PRIOR NOTICE AND CERTAIN DISCLOSURES TO THE COMPANY AND RECEIVE APPROPRIATE APPROVALS BEFORE TAKING A BOARD POSITION WITH A COMPANY THAT DOES BUSINESS WITH PROGRESSIVE. EXECUTIVE OFFICERS HAVE SIMILAR DISCLOSURE REQUIREMENTS, ALTHOUGH A POSITION WOULD ONLY REQUIRE APPROVAL OF OUR BOARD OF DIRECTORS IF THE VOLUME OF BUSINESS BETWEEN THE COMPANIES EXCEEDS SPECIFIED ANNUAL DOLLAR LIMITS. IF THERE IS POTENTIAL OR ACTUAL COMPETITION BETWEEN THE COMPANIES, OR IF THE SITUATION IS NOT OTHERWISE EXPLICITLY COVERED, THERE ARE EXPLICIT EXCLUSIONS FROM THE APPROVAL REQUIREMENTS IF THE BUSINESS RELATIONSHIP WITH THE OTHER COMPANY SOLELY INVOLVES PAYMENTS ARISING FROM THE ADMINISTRATION OF INSURANCE CLAIMS IN THE ORDINARY COURSE OF OUR BUSINESSES. ANY APPROVAL GIVEN BY THE BOARD OF DIRECTORS IN SUCH CIRCUMSTANCES WOULD BE REVIEWED ON AN ANNUAL BASIS. THE COVERED EXECUTIVE IS REQUIRED TO UPDATE THE PREVIOUSLY DISCLOSED INFORMATION AS NECESSARY, AND THE BOARD MAY WITHDRAW ITS PREVIOUSLY GIVEN APPROVAL AT ANY TIME.

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

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

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

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

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

BOARD OF DIRECTORS

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

FINANCIAL

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

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers	\$ _____	0
20.12 To stockholders not officers	\$ _____	0
20.13 Trustees, supreme or grand (Fraternal only)	\$ _____	0

20.2 Total amount of loans outstanding at 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

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

21.23	Leased from others	\$	0
21.24	Other	\$	0
22.1	Does this statement include payments for assessments as described in the <i>Annual Statement Instructions</i> other than guaranty fund or guaranty association assessments?	Yes []	No [X]
22.2	If answer is yes:		
22.21	Amount paid as losses or risk adjustment	\$	0
22.22	Amount paid as expenses	\$	0
22.23	Other amounts paid	\$	0
23.1	Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?	Yes [X]	No []
23.2	If yes, indicate any amounts receivable from parent included in the Page 2 amount:	\$	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).	N/A	
24.04	Does the company's security lending program meet the requirements for a conforming program as outlined in the <i>Risk-Based Capital Instructions</i> ?	Yes []	No []
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 []
24.08	Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?	Yes []	No []
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 []
24.10	For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:	Yes []	No []
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 current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.)	Yes [X]	No []
25.2	If yes, state the amount thereof at December 31 of the current year:		
25.21	Subject to repurchase agreements	\$	0
25.22	Subject to reverse repurchase agreements	\$	0
25.23	Subject to dollar repurchase agreements	\$	0
25.24	Subject to reverse dollar repurchase agreements	\$	0
25.25	Placed under option agreements	\$	0
25.26	Letter stock or securities restricted as sale – excluding FHLB Capital Stock	\$	0
25.27	FHLB Capital Stock	\$	0
25.28	On deposit with states	\$	4,599,012
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 [X]
26.2	If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement.	Yes []	No []
26.2	N/A [X]		
27.1	Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?	Yes []	No [X]
27.2	If yes, state the amount thereof at December 31 of the current year:	\$	0
28.	Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC <i>Financial Condition Examiners Handbook</i> ?	Yes [X]	No []
28.01	For agreements that comply with the requirements of the NAIC <i>Financial Condition Examiners Handbook</i> , complete the following:		
	1 Name of Custodian(s)	2 Custodian's Address	
	CITIBANK, N.A.	338 GREENWICH STREET, NEW YORK, NY 10013	
28.02	For all agreements that do not comply with the requirements of the NAIC <i>Financial Condition Examiners Handbook</i> , provide the name, location and a complete explanation		
	1 Name(s)	2 Location(s)	3 Complete Explanation(s)
	NONE		
28.03	Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?	Yes []	No [X]

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
NONE			

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
PROGRESSIVE CAPITAL MANAGEMENT CORP	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 []

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 []

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
N/A	PROGRESSIVE CAPITAL MANAGEMENT		N/A	DS

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D-Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?

Yes [] No [X]

29.2 If yes, complete the following schedule:

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

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

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

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

		1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	\$ 164,908,351	\$ 164,281,662	\$ (626,689)
30.2	Preferred Stocks	\$ 0	\$ 0	\$ 0
30.3	Totals	\$ 164,908,351	\$ 164,281,662	\$ (626,689)

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

THE FAIR MARKET VALUES REPORTED ARE DERIVED FROM INDEPENDENT AND OBSERVABLE MARKET INPUT EVALUATIONS PROVIDED BY WIDELY UTILIZED REPUTABLE PRICING SERVICES, INDEPENDENT BROKER/DEALER BID LISTS, INDEPENDENT BROKER/DEALER QUOTATIONS, INDEPENDENT BROKER/DEALER PRICING SERVICES, OR ACTIVE MARKET CLOSING QUOTATIONS FROM A REGULATED EXCHANGE. IN VERY RARE CASES, IF NONE OF THE AFOREMENTIONED PRIMARY SOURCES ARE AVAILABLE, MATRIX PRICING USING THE REPORTING ENTITY'S OWN MARKET BASED ASSUMPTIONS MAY BE UTILIZED. THE APPROVED METHODS FOR COMPUTATION OF FAIR MARKET VALUE ARE PRESCRIBED IN PART FIVE OF THE SECURITIES VALUATION OFFICE PURPOSES AND PROCEDURES MANUAL.

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:

33. By self-designating 5*GI securities, the reporting entity is certifying the following elements for each self-designation 5*GI security:

- Documentation necessary to permit a full credit analysis of the security does not exist.
- Issuer or obligor is current on all contracted interest and principal payments.
- The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5*GI securities?

Yes [] No [X]

OTHER

34.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?

\$ 55,103

34.2 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
INDEPENDENT STATISTICAL SVCS I	\$ 55,103

35.1 Amount of payments for legal expenses, if any?

\$ 0

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

35.2 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
NONE	\$

36.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 0

36.2 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
NONE	\$

GENERAL INTERROGATORIES**PART 2 – PROPERTY & CASUALTY INTERROGATORIES**

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?	Yes []	No [X]
1.2	If yes, indicate premium earned on U.S. business only.	\$	0
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$	0
1.31	Reason for excluding:		
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$	0
1.5	Indicate total incurred claims on all Medicare Supplement insurance.	\$	0
1.6	Individual policies:		
	Most current three years:		
1.61	Total premium earned	\$	0
1.62	Total incurred claims	\$	0
1.63	Number of covered lives		0
	All years prior to most current three years:		
1.64	Total premium earned	\$	0
1.65	Total incurred claims	\$	0
1.66	Number of covered lives		0
1.7	Group policies:		
	Most current three years:		
1.71	Total premium earned	\$	0
1.72	Total incurred claims	\$	0
1.73	Number of covered lives		0
	All years prior to most current three years:		
1.74	Total premium earned	\$	0
1.75	Total incurred claims	\$	0
1.76	Number of covered lives		0
2.	Health Test:		
		1 Current Year	2 Prior Year
2.1	Premium Numerator	\$ 0	\$ 0
2.2	Premium Denominator	\$ 364,000,596	\$ 317,252,904
2.3	Premium Ratio (2.1/2.2)	0.0%	0.0%
2.4	Reserve Numerator	\$ 0	\$ 0
2.5	Reserve Denominator	\$ 249,218,806	\$ 214,786,443
2.6	Reserve Ratio (2.4/2.5)	0.0%	0.0%
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 []
4.2	Does the reporting entity issue non-assessable policies?	Yes []	No []
4.3	If assessable policies are issued, what is the extent of the contingent liability of the policyholders?		%
4.4	Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.	\$ 0	
5.	FOR RECIPROCAL EXCHANGES ONLY:		
5.1	Does the exchange appoint local agents?	Yes []	No []
5.2	If yes, is the commission paid:		
5.21	Out of Attorney's-in-fact compensation	Yes []	No []
5.22	As a direct expense of the exchange	Yes []	N/A []
5.3	What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?	Yes []	No []
5.4	Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?	Yes []	No []
5.5	If yes, give full information:		
6.1	What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?		
	<u>THE COMPANY DOES NOT WRITE WORKERS' COMPENSATION INSURANCE.</u>		
6.2	Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:		
	<u>THE COMPANY'S PROBABLE MAXIMUM LOSS (PML) IS ESTIMATED BY ANALYZING HISTORICAL MAJOR OCCURRENCES AND ESTIMATING FREQUENCY OF LOSS AND SEVERITY BASED ON THE POTENTIAL FORCE OF AN OCCURRENCE AND THE TOTAL NUMBER OF AUTOS AND BOATS EXPOSED. THE ESTIMATE OF THE PML WAS COMPLETED BY PROGRESSIVE EMPLOYEES. THE COMPANY'S NET COMPREHENSIVE EXPOSURE IN THE CATASTROPHE PRONE STATES OF FLORIDA, LOUISIANA, TEXAS, CALIFORNIA, ALABAMA, NEW YORK, AND NEW JERSEY IS LIMITED SINCE THE COMPANY IS A MEMBER OF A 100% POOLING REINSURANCE ARRANGEMENT WITH 6 OF ITS PROPERTY AND CASUALTY AFFILIATES. THE PRIMARY PROPERTY COVERAGE SOLD BY THE COMPANY IS COMPREHENSIVE FOR AUTOMOBILE AND INLAND MARINE FOR BOATS. THE ESTIMATE OF THE PML IS 6% OF THE SURPLUS.</u>		
6.3	What provision has this reporting entity made (such as catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?		
	<u>THE COMPANY'S ESTIMATED PML IS 6% OF THE SURPLUS. THE COMPANY CARRIES NO EXTERNAL CATASTROPHE REINSURANCE TO COVER ITS LIMITED CATASTROPHE EXPOSURE. THE COMPANY PARTICIPATES IN A POOLING ARRANGEMENT WHICH SPREADS THE UNDERWRITING RISK INCLUDING THE CATASTROPHE EXPOSURE AMONG ALL PARTIES TO THE POOLING AGREEMENT.</u>		

GENERAL INTERROGATORIES**PART 2 – PROPERTY & CASUALTY INTERROGATORIES**

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 [X]

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:
NONE

7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes [] No [X]

7.2 If yes, indicate the number of reinsurance contracts containing such provisions.

7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [] No []

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

8.2 If yes, give full information

9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
 (a) A contract term longer than two years and the contract is noncancelable by the reporting entity during the contract term;
 (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
 (c) Aggregate stop loss reinsurance coverage;
 (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
 (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
 (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity? Yes [] No [X]

9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
 (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
 (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes [] No [X]

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

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

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

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

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurance a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [] N/A []

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

11.2 If yes, give full information

12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for:
 12.11 Unpaid losses
 12.12 Unpaid underwriting expenses (including loss adjustment expenses)

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

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

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

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

GENERAL INTERROGATORIES**PART 2 – PROPERTY & CASUALTY INTERROGATORIES**

12.6	If yes, state the amount thereof at December 31 of current year:				
12.61	Letters of Credit	\$			0
12.62	Collateral and other funds	\$			0
13.1	Largest net aggregate amount insured in any one risk (excluding workers' compensation):	\$			2,000,000
13.2	Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?			Yes []	No [X]
13.3	State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.				1
14.1	Is the reporting entity a cedant in a multiple cedant reinsurance contract?			Yes []	No [X]
14.2	If yes, please describe the method of allocating and recording reinsurance among the cedants:				
14.3	If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?			Yes []	No []
14.4	If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?			Yes []	No []
14.5	If the answer to 14.4 is no, please explain:				
15.1	Has the reporting entity guaranteed any financed premium accounts?			Yes []	No [X]
15.2	If yes, give full information				
16.1	Does the reporting entity write any warranty business?			Yes []	No [X]
	If yes, disclose the following information for each of the following types of warranty coverage:				
		1	2	3	4
		Direct Losses Incurred	Direct Losses Unpaid	Direct Written Premium	Direct Premium Unearned
16.11	Home	\$ 0	\$ 0	\$ 0	\$ 0
16.12	Products	\$ 0	\$ 0	\$ 0	\$ 0
16.13	Automobile	\$ 0	\$ 0	\$ 0	\$ 0
16.14	Other*	\$ 0	\$ 0	\$ 0	\$ 0
	* Disclose type of coverage:				
17.1	Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F-Part 3 that 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-Part 3 and excluded from Schedule F-Part 5, not included above.				
17.18	Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5			\$ 0	
17.19	Unfunded portion of Interrogatory 17.18			\$ 0	
17.20	Paid losses and loss adjustment expenses portion of Interrogatory 17.18			\$ 0	
17.21	Case reserves portion of Interrogatory 17.18			\$ 0	
17.22	Incurred but not reported portion of Interrogatory 17.18			\$ 0	
17.23	Unearned premium portion of Interrogatory 17.18			\$ 0	
17.24	Contingent commission portion of Interrogatory 17.18				0
18.1	Do you act as a custodian for health savings accounts?			Yes []	No [X]
18.2	If yes, please provide the amount of custodial funds held as of the reporting date.			\$ 0	
18.3	Do you act as an administrator for health savings accounts?			Yes []	No [X]
18.4	If yes, please provide the balance of the funds administered as of the reporting date.			\$ 0	

FIVE-YEAR HISTORICAL DATA

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

	1 2017	2 2016	3 2015	4 2014	5 2013
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).....	1,201,529,292	1,017,844,325	861,392,829	776,839,417	674,669,270
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	657,433,465	565,882,353	473,274,682	412,391,106	358,490,012
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....			(20)	3,419	154,217
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
6. Total (Line 35).....	1,858,962,757	1,583,726,678	1,334,667,491	1,189,233,942	1,033,313,499
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).....	246,931,037	212,430,948	185,540,227	168,298,030	152,682,236
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	133,152,228	115,769,727	99,456,674	88,040,171	76,851,786
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....			(20)	3,419	154,217
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
12. Total (Line 35).....	380,083,265	328,200,675	284,996,881	256,341,620	229,688,239
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	25,103,412	13,720,775	14,491,994	12,931,697	14,849,900
14. Net investment gain (loss) (Line 11).....	1,463,990	1,423,449	982,762	2,413,286	2,048,663
15. Total other income (Line 15).....	(1,743,866)	483,720	1,036,755	1,540,433	679,598
16. Dividends to policyholders (Line 17).....					
17. Federal and foreign income taxes incurred (Line 19).....	10,253,498	6,407,167	6,570,055	5,904,546	5,976,938
18. Net income (Line 20).....	14,570,038	9,220,777	9,941,456	10,980,870	11,601,223
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	530,414,981	467,638,855	395,956,797	355,261,366	318,750,386
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	37,532,082	32,927,909	24,177,096	19,841,853	19,078,911
20.2 Deferred and not yet due (Line 15.2).....	239,428,345	201,263,773	169,942,345	143,281,157	127,400,406
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	305,924,256	268,655,529	228,551,203	208,085,618	189,734,847
22. Losses (Page 3, Line 1).....	115,506,834	101,689,995	89,326,181	78,820,967	74,596,845
23. Loss adjustment expenses (Page 3, Line 3).....	27,107,259	22,998,890	19,950,815	17,195,556	15,746,658
24. Unearned premiums (Page 3, Line 9).....	104,518,386	88,435,718	77,487,948	67,342,505	61,222,640
25. Capital paid up (Page 3, Lines 30 & 31).....	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
26. Surplus as regards policyholders (Page 3, Line 37).....	224,490,725	198,983,326	167,405,594	147,175,748	129,015,539
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	8,021,266	(9,890,457)	2,242,616	4,970,070	4,541,327
Risk-Based Capital Analysis					
28. Total adjusted capital.....	224,490,725	198,983,326	167,405,594	147,175,748	129,015,539
29. Authorized control level risk-based capital.....	10,104,924	9,194,362	8,727,954	8,650,643	7,978,720
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....	93.9	81.5	29.2	90.8	99.2
31. Stocks (Lines 2.1 & 2.2).....					
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....					
33. Real estate (Lines 4.1, 4.2 & 4.3).....					
34. Cash, cash equivalents and short-term investments (Line 5).....	6.1	18.5	70.8	9.2	0.8
35. Contract loans (Line 6).....					
36. Derivatives (Line 7).....					
37. Other invested assets (Line 8).....					
38. Receivables for securities (Line 9).....					
39. Securities lending reinvested collateral assets (Line 10).....					
40. Aggregate write-ins for invested assets (Line 11).....					
41. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Sch. D, Summary, Line 12, Col. 1).....					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1).....					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1).....					
45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10).....					
46. Affiliated mortgage loans on real estate.....					
47. All other affiliated.....					
48. Total of above lines 42 to 47.....	0	0	0	0	0
49. Total investment in parent included in Lines 42 to 47 above.....					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0).....	0.0				

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2017	2 2016	3 2015	4 2014	5 2013
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24).....	.....(20,542)				
52. Dividends to stockholders (Line 35).....					.....(1,000,000)
53. Change in surplus as regards policyholders for the year (Line 38).....	.....25,507,399	.....31,577,732	.....20,229,846	.....18,160,209	.....11,594,755
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).....	.....582,305,862	.....497,485,224	.....415,472,834	.....386,170,641	.....342,659,680
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	.....438,912,722	.....411,041,659	.....336,963,099	.....303,642,250	.....244,738,543
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....		.....29	.....1,222	.....52,979	.....73,574
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
59. Total (Line 35).....	.....1,021,218,584	.....908,526,912	.....752,437,155	.....689,865,870	.....587,471,797
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).....	.....124,745,203	.....112,675,425	.....95,304,571	.....91,259,202	.....82,383,630
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	.....87,800,619	.....81,620,822	.....67,823,894	.....62,969,970	.....53,756,674
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....		.....29	.....1,222	.....52,979	.....73,574
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
65. Total (Line 35).....	.....212,545,822	.....194,296,276	.....163,129,687	.....154,282,151	.....136,213,878
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1).....	.....100.0	.....100.0	.....100.0	.....100.0	.....100.0
67. Losses incurred (Line 2).....	.....62.2	.....65.1	.....63.2	.....63.3	.....61.5
68. Loss expenses incurred (Line 3).....	.....11.4	.....11.3	.....11.3	.....11.0	.....10.9
69. Other underwriting expenses incurred (Line 4).....	.....19.5	.....19.2	.....20.2	.....20.5	.....21.1
70. Net underwriting gain (loss) (Line 8).....	.....6.9	.....4.3	.....5.3	.....5.2	.....6.6
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).....	.....19.1	.....18.4	.....19.1	.....19.4	.....20.4
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	.....73.6	.....76.5	.....74.5	.....74.3	.....72.4
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35, divided by Page 3, Line 37, Col. 1 x 100.0).....	.....169.3	.....164.9	.....170.2	.....174.2	.....178.0
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).....	.....(239)	.....(735)	.....(3,385)	.....(103)	.....(1,288)
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).....	.....(0.1)	.....(0.4)	.....(2.3)	.....(0.1)	.....(1.1)
Two Year Loss Development (\$000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	.....(426)	.....(3,488)	.....(591)	.....(1,346)	.....(904)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior-year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0).....	.....(0.3)	.....(2.4)	.....(0.5)	.....(1.1)	.....(0.9)

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

Yes No

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES**SCHEDULE P - PART 1 - SUMMARY**

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported-Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)		
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded				
1. Prior.....	....XXX.....	....XXX.....	....XXX.....	.....178	.....38	.....9	.....0	.....6	.....	.....19	.....155	....XXX.....
2. 2008.....	....149,456	.....1,352	....148,103	....89,068	.....724	....2,188	.....0	....17,178	.....	....10,343	....107,710	....XXX.....
3. 2009.....	....168,136	.....1,679	....166,457	....99,547	.....833	....2,631	.....2	....17,112	.....	....11,629	....118,454	....XXX.....
4. 2010.....	....186,788	.....2,036	....184,752	....116,319	.....1,589	....3,219	.....3	....19,178	.....	....13,195	....137,124	....XXX.....
5. 2011.....	....202,798	.....2,610	....200,188	....124,959	.....1,241	....3,454	.....1	....19,647	.....	....14,748	....146,817	....XXX.....
6. 2012.....	....219,032	.....2,723	....216,310	....137,167	.....1,389	....3,425	.....4	....20,191	.....	....16,403	....159,389	....XXX.....
7. 2013.....	....228,809	.....3,253	....225,556	....139,927	.....1,697	....3,506	.....5	....20,586	.....	....16,011	....162,317	....XXX.....
8. 2014.....	....254,200	.....3,978	....250,222	....153,872	.....1,409	....3,528	.....3	....22,269	.....	....17,780	....178,256	....XXX.....
9. 2015.....	....279,584	.....4,732	....274,851	....169,213	.....1,748	....3,337	.....2	....24,835	.....	....19,141	....195,634	....XXX.....
10. 2016.....	....322,292	.....5,040	....317,253	....182,844	.....1,707	....2,033	.....2	....27,521	.....	....21,296	....210,689	....XXX.....
11. 2017.....	....370,536	.....6,536	....364,001	....154,359	.....1,631	....489	.....26	....25,063	.....	....14,518	....178,254	....XXX.....
12. Totals.....	....XXX.....	....XXX.....	....XXX.....	....1,367,451	.....14,006	....27,818	.....50	....213,586	.....0	....155,083	....1,594,798	....XXX.....

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	Direct and Assumed	Ceded			
1. Prior.....	....483	.....467	.....	.....	.....10	.....	.....	.....	.....22	.....	.....	.....48	....XXX.....
2. 2008.....	....493	.....456	.....	.....	.....8	.....	.....	.....	.....11	.....	.....	.....57	....XXX.....
3. 2009.....	....500	.....443	....121	....121	.....16	.....	.....	.....	.....25	.....	.....	....98	....XXX.....
4. 2010.....	....1,683	....1,580	....529	....529	.....29	.....	.....	.....	.....41	.....	.....	....172	....XXX.....
5. 2011.....	....889	.....660	....648	....648	.....50	.....	.....	.....	.....50	.....	.....	....328	....XXX.....
6. 2012.....	....3,407	....2,883	....469	....469	.....93	.....0	.....	.....	.....92	.....	.....	....709	....XXX.....
7. 2013.....	....2,676	....1,641	....650	....650	.....197	.....	.....	.....	.....151	.....	.....	....1,383	....XXX.....
8. 2014.....	....3,635	....764	....2,690	....1,690	....523	.....	....296	.....	....484	.....	.....	....5,175	....XXX.....
9. 2015.....	....9,569	....1,246	....3,579	....2,276	....1,669	.....	....372	.....0	....1,089	.....	.....	....12,755	....XXX.....
10. 2016.....	....23,901	....2,003	....6,659	....2,777	....3,234	.....0	....764	.....0	....2,751	.....	.....	....32,528	....XXX.....
11. 2017.....	....62,041	....2,298	....18,899	....4,412	....4,826	.....0	....1,628	.....0	....8,677	.....	.....	....11,056	....89,361
12. Totals.....	....109,276	....14,441	....34,244	....13,572	....10,655	.....0	....3,060	.....0	....13,393	.....0	....	....14,428	....142,614

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. Prior..	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	.....	.....	....XXX.....	.....16	....32
2. 2008.....	....108,947	....1,180	....107,766	....72.9	....87.3	....72.8	.....	.....	....4.00	....37	....20
3. 2009.....	....119,951	....1,399	....118,552	....71.3	....83.3	....71.2	.....	.....	....4.00	....57	....41
4. 2010.....	....140,997	....3,701	....137,296	....75.5	....181.8	....74.3	.....	.....	....4.00	....103	....69
5. 2011.....	....149,696	....2,551	....147,145	....73.8	....97.7	....73.5	.....	.....	....4.00	....229	....99
6. 2012.....	....164,845	....4,746	....160,099	....75.3	....174.3	....74.0	.....	.....	....4.00	....524	....185
7. 2013.....	....167,692	....3,993	....163,700	....73.3	....122.7	....72.6	.....	.....	....4.00	....1,035	....348
8. 2014.....	....187,297	....3,866	....183,431	....73.7	....97.2	....73.3	.....	.....	....4.00	....3,872	....1,303
9. 2015.....	....213,662	....5,272	....208,389	....76.4	....111.4	....75.8	.....	.....	....4.00	....9,625	....3,130
10. 2016.....	....249,706	....6,489	....243,217	....77.5	....128.8	....76.7	.....	.....	....4.00	....25,779	....6,749
11. 2017.....	....275,981	....8,367	....267,614	....74.5	....128.0	....73.5	.....	.....	....4.00	....74,230	....15,131
12. Totals.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	.....0	.....0	....XXX.....	....115,507	....27,107

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 2008	2 2009	3 2010	4 2011	5 2012	6 2013	7 2014	8 2015	9 2016	10 2017	11 One Year	12 Two Year
1. Prior....	20,892	19,887	18,987	18,359	18,532	18,618	18,937	19,254	19,219	19,272	54	18
2. 2008....	92,927	92,189	91,835	91,073	90,440	90,510	90,547	90,558	90,553	90,577	24	19
3. 2009....	XXX....	106,396	103,394	102,686	101,959	101,164	101,225	101,287	101,270	101,414	144	127
4. 2010....	XXX....	XXX....	120,265	118,448	118,781	118,757	118,016	118,070	118,102	118,077	(25)	7
5. 2011....	XXX....	XXX....	XXX....	127,855	128,221	128,470	128,433	127,435	127,451	127,448	(2)	13
6. 2012....	XXX....	XXX....	XXX....	XXX....	141,107	140,233	140,535	140,874	139,695	139,816	121	(1,058)
7. 2013....	XXX....	XXX....	XXX....	XXX....	XXX....	143,779	143,734	143,460	144,258	142,963	(1,295)	(497)
8. 2014....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	162,773	159,877	160,165	160,678	513	801
9. 2015....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	182,322	181,690	182,466	776	144
10. 2016....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	213,493	212,945	(549)	XXX....	XXX....
11. 2017....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	233,875	XXX....	XXX....
											12. Totals....	(239)
												(426)

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 2008	2 2009	3 2010	4 2011	5 2012	6 2013	7 2014	8 2015	9 2016	10 2017		
1. Prior....	000....	10,470	15,060	17,072	17,766	18,211	18,627	19,033	19,097	19,246	XXX....	XXX....
2. 2008....	61,741	79,401	85,286	88,199	89,537	90,138	90,337	90,443	90,504	90,532	XXX....	XXX....
3. 2009....	XXX....	68,282	87,206	94,402	98,410	100,031	100,765	100,986	101,131	101,342	XXX....	XXX....
4. 2010....	XXX....	XXX....	77,671	100,497	109,806	114,591	116,732	117,447	117,817	117,946	XXX....	XXX....
5. 2011....	XXX....	XXX....	XXX....	85,678	109,709	119,661	124,471	126,190	126,872	127,170	XXX....	XXX....
6. 2012....	XXX....	XXX....	XXX....	XXX....	94,056	121,365	132,047	136,557	138,493	139,198	XXX....	XXX....
7. 2013....	XXX....	XXX....	XXX....	XXX....	XXX....	94,889	124,486	134,619	139,735	141,731	XXX....	XXX....
8. 2014....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	109,293	138,716	150,475	155,988	XXX....	XXX....
9. 2015....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	119,840	156,860	170,800	XXX....	XXX....
10. 2016....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	141,603	183,167	XXX....	XXX....	XXX....
11. 2017....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	153,191	XXX....	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 2008	2 2009	3 2010	4 2011	5 2012	6 2013	7 2014	8 2015	9 2016	10 2017
1. Prior....	3,676	1,592	656	23	35	33	47	36	4	.....
2. 2008....	8,012	2,524	1,377	634	9	5	10	32	0	.....
3. 2009....	XXX....	8,681	2,927	1,569	915	21	9	72	2	.....
4. 2010....	XXX....	XXX....	9,045	3,097	1,459	1,043	15	75	2	.....
5. 2011....	XXX....	XXX....	XXX....	9,141	3,426	1,343	1,060	6	1	.....
6. 2012....	XXX....	XXX....	XXX....	XXX....	10,876	3,292	1,337	1,280	(2)	0
7. 2013....	XXX....	XXX....	XXX....	XXX....	XXX....	11,071	3,629	1,490	1,421	0
8. 2014....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	10,548	3,843	1,521	1,296
9. 2015....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	10,898	4,131	1,674
10. 2016....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	13,267	4,646
11. 2017....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	16,114	.....

PROGRESSIVE ADVANCED INSURANCE COMPANY
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....	AL L.....								
2. Alaska.....	AK L.....								
3. Arizona.....	AZ L.....	315,954,127	302,641,480		180,976,664	186,555,345	93,273,415	3,357,778	
4. Arkansas.....	AR L.....								
5. California.....	CA L.....								
6. Colorado.....	CO L.....								
7. Connecticut.....	CT N.....								
8. Delaware.....	DE L.....								
9. District of Columbia.....	DC L.....								
10. Florida.....	FL L.....								
11. Georgia.....	GA L.....	8,483,758	8,745,785		5,130,368	4,987,245	2,759,078	67,986	
12. Hawaii.....	HI L.....	15,392,446	13,184,029		5,311,914	6,541,907	2,691,240	168,018	
13. Idaho.....	ID L.....								
14. Illinois.....	IL L.....								
15. Indiana.....	IN L.....								
16. Iowa.....	IA L.....								
17. Kansas.....	KS L.....								
18. Kentucky.....	KY L.....								
19. Louisiana.....	LA L.....								
20. Maine.....	ME L.....								
21. Maryland.....	MD L.....	24,731,463	25,384,356		15,674,074	14,668,036	7,265,962	210,686	
22. Massachusetts.....	MA N.....								
23. Michigan.....	MI N.....								
24. Minnesota.....	MN N.....								
25. Mississippi.....	MS L.....			200	200				
26. Missouri.....	MO L.....	160,204,641	150,927,005		83,124,825	90,165,147	38,431,373	2,356,994	
27. Montana.....	MT L.....								
28. Nebraska.....	NE L.....								
29. Nevada.....	NV L.....								
30. New Hampshire.....	NH L.....								
31. New Jersey.....	NJ N.....								
32. New Mexico.....	NM L.....								
33. New York.....	NY L.....	327,604,106	314,108,478		166,824,039	190,638,748	108,621,183	3,778,538	
34. North Carolina.....	NC L.....								
35. North Dakota.....	ND L.....								
36. Ohio.....	OH L.....								
37. Oklahoma.....	OK L.....								
38. Oregon.....	OR L.....								
39. Pennsylvania.....	PA L.....	375,785,324	362,262,189		201,054,776	215,062,042	105,349,844	6,007,227	
40. Rhode Island.....	RI L.....								
41. South Carolina.....	SC L.....								
42. South Dakota.....	SD L.....								
43. Tennessee.....	TN L.....								
44. Texas.....	TX L.....	10,908,330	10,410,991		9,608,589	9,412,246	978,949	120,584	
45. Utah.....	UT L.....								
46. Vermont.....	VT L.....								
47. Virginia.....	VA L.....	239,815,296	228,189,758		140,967,314	151,913,008	66,390,446	3,747,658	
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. US Virgin Islands.....	VI N.....								
56. Northern Mariana Islands.....	MP N.....								
57. Canada.....	CAN N.....								
58. Aggregate Other Alien.....	OT XXX.....	0	0	0	0	0	0	0	0
59. Totals.....	(a) 45	1,478,879,491	1,415,854,071	0	808,672,763	869,943,924	425,761,490	19,815,469	0

DETAILS OF WRITE-INS

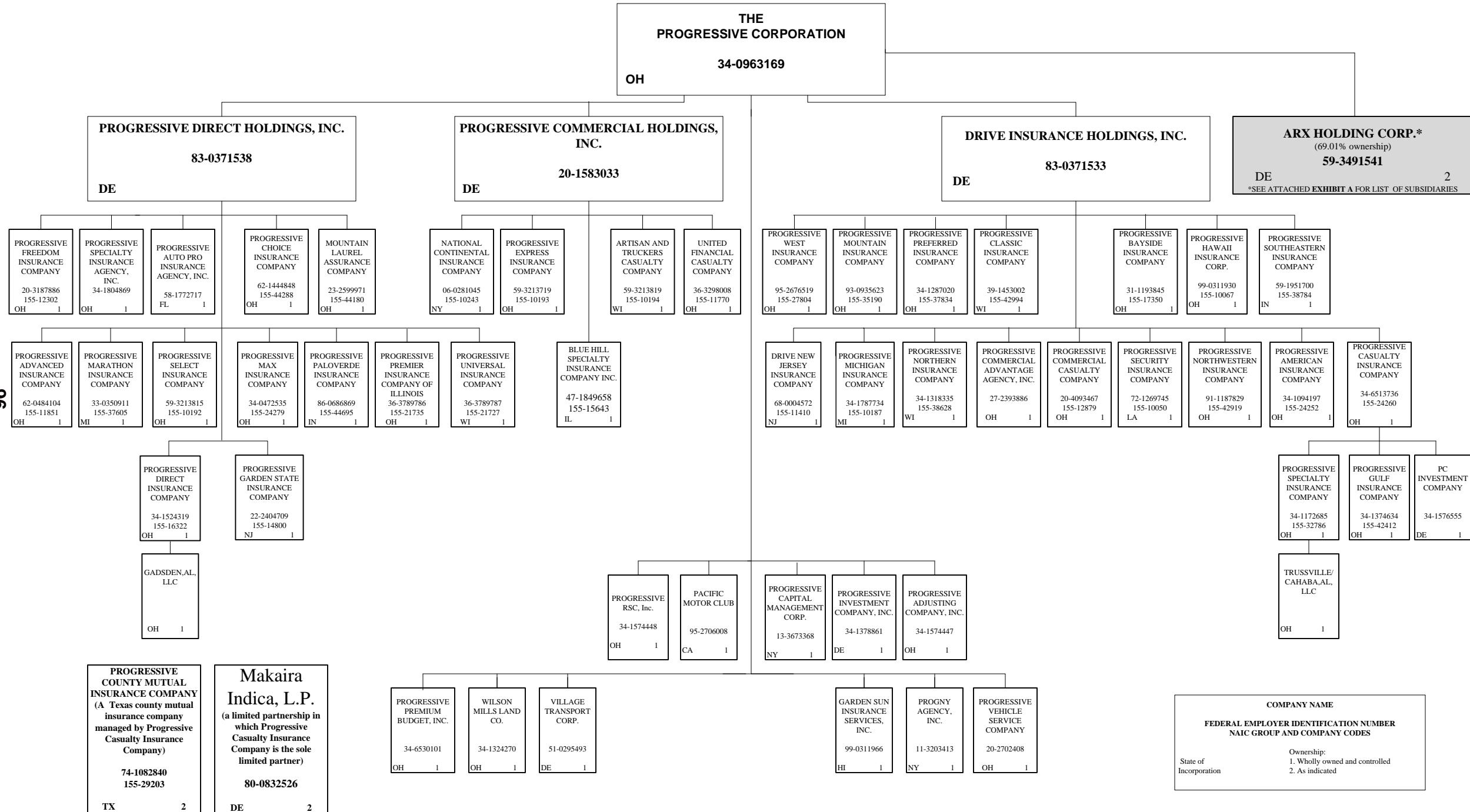
58001.....	XXX								
58002.....	XXX								
58003.....	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

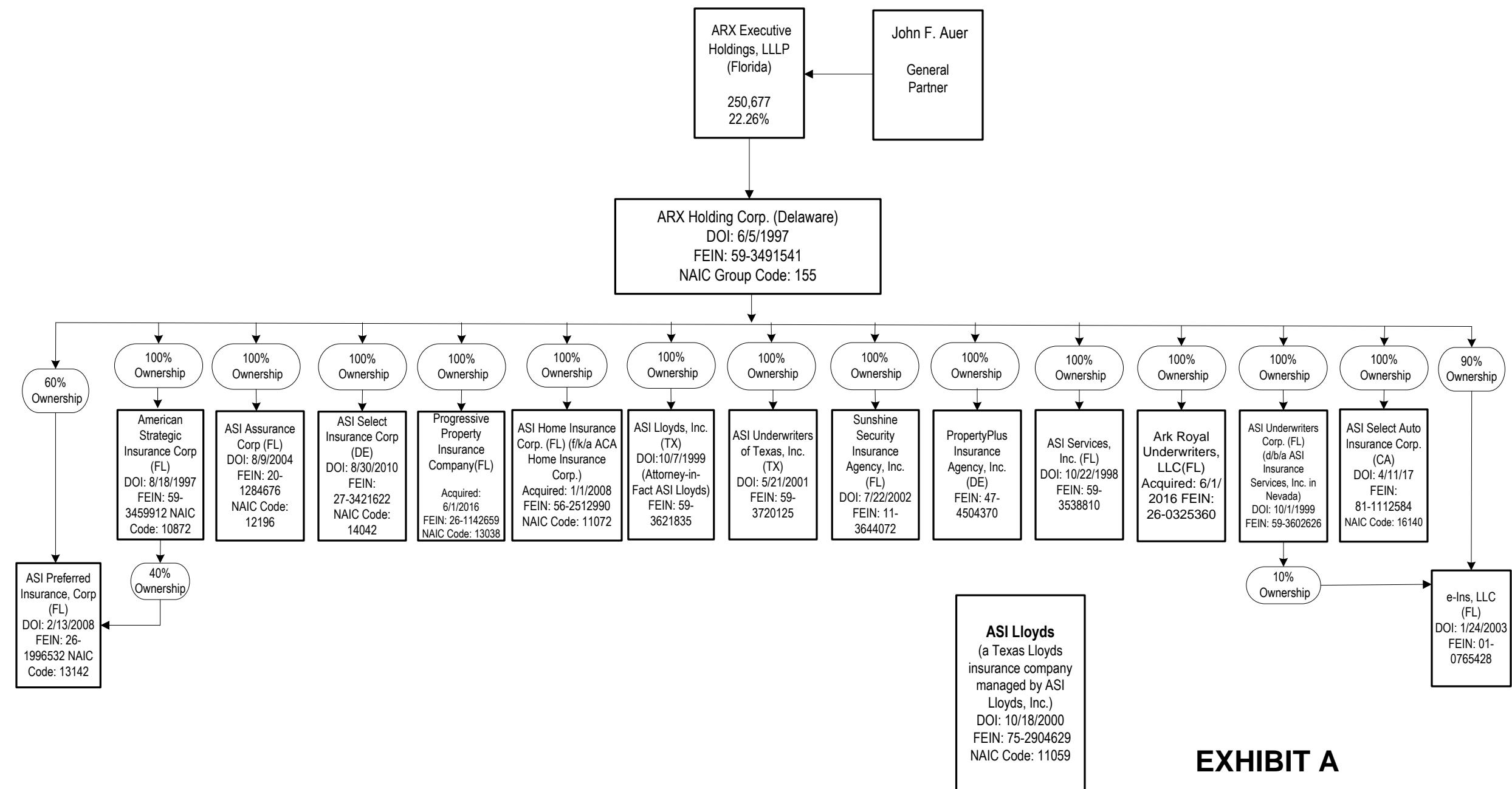
(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer; (E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state (other than their state of domicile see DSLI); (D) - DSLI - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write Surplus Lines in the state of domicile; (N) - None of the above - Not allowed to write business in the state.

Explanation of Basis of Allocation of Premiums by States, etc.

Allocation on the basis of the location where the vehicle is principally garaged and used.

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

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

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

2017 ALPHABETICAL INDEX -- PROPERTY & CASUALTY ANNUAL STATEMENT BLANK

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