



ANNUAL STATEMENT  
For the Year Ended December 31, 2017  
OF THE CONDITION AND AFFAIRS OF THE  
TRUSTGARD INSURANCE COMPANY

NAIC Group Code	00267	00267	NAIC Company Code	40118	Employer's ID Number	41-1405571
	(Current Period)	(Prior Period)				
Organized under the Laws of	Ohio			State of Domicile or Port of Entry		Ohio
Country of Domicile	United States					
Incorporated/Organized	07/01/1981			Commenced Business		11/10/1981
Statutory Home Office	671 South High Street			Columbus, OH, US 43206-1014		
	(Street and Number)			(City or Town, State, Country and Zip Code)		
Main Administrative Office	671 South High Street			Columbus, OH, US 43206-1014		614-445-2900
	(Street and Number)			(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)
Mail Address	671 South High Street, P.O. Box 1218			Columbus, OH, US 43216-1218		
	(Street and Number or P.O. Box)			(City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	671 South High Street			Columbus, OH, US 43206-1014		614-445-2900
	(Street and Number)			(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)
Internet Web Site Address	www.grangeinsurance.com					
Statutory Statement Contact	David Sidney Ackermann			614-445-2900		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	ackermannd@grangeinsurance.com			614-449-3757		
	(E-Mail Address)			(Fax Number)		

OFFICERS

Name	Title	Name	Title
JOHN (NMN) AMMENDOLA	PRESIDENT & CEO	LAVAWN DEE COLEMAN	EVP & SECRETARY
TERESA JEAN DALENTA	EVP & CFO		

OTHER OFFICERS

JOHN CHRISTOPHER MONTGOMERY	VP - INVESTMENTS		
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DIRECTORS OR TRUSTEES

JOHN (NMN) AMMENDOLA	MARK LEWIS BOXER	DOUGLAS PAUL BUTH	GLENN EUGENE CORLETT
TERESA JEAN DALENTA	MICHAEL DESMOND FRAIZER	ROBERT ENLOW HOYT	MARY MARNETTE PERRY
THOMAS SIMRALL STEWART	DAVID CHARLES WETMORE	CHRISTIANNA (NMN) WOOD	

State of .....Ohio.....  
County of .....Franklin.....  
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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.

JOHN (NMN) AMMENDOLA PRESIDENT & CEO	LAVAWN DEE COLEMAN EVP & SECRETARY	TERESA JEAN DALENTA EVP & CFO
Subscribed and sworn to before me this 22nd day of February, 2018	a. Is this an original filing? b. If no: 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes [ X ] No [ ]     

Teresa J. Burchwell, Notary Public  
April 28, 2022

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	66,733,571		66,733,571	105,337,959
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	0		0	0
2.2 Common stocks .....	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ ..... encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ .....4,165,930 , Schedule E-Part 1), cash equivalents (\$ .....0 , Schedule E-Part 2) and short-term investments (\$ .....0 , Schedule DA).....	4,165,930		4,165,930	627,838
6. Contract loans (including \$ ..... premium notes).....			0	0
7. Derivatives (Schedule DB).....	0		0	0
8. Other invested assets (Schedule BA) .....	0		0	0
9. Receivables for securities .....	9,240		9,240	1,116
10. Securities lending reinvested collateral assets (Schedule DL).....			0	43,520
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	70,908,741	0	70,908,741	106,010,433
13. Title plants less \$ ..... charged off (for Title insurers only).....			0	0
14. Investment income due and accrued .....	806,197		806,197	1,106,344
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....			0	8,231,136
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums).....			0	32,628
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....			0	0
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	637,093		637,093	0
18.2 Net deferred tax asset.....			0	1,283,960
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software.....			0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....	488,428		488,428	305,558
24. Health care (\$ ..... ) and other amounts receivable.....			0	0
25. Aggregate write-ins for other-than-invested assets .....	0	0	0	33,807
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	72,840,459	0	72,840,459	117,003,866
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	72,840,459	0	72,840,459	117,003,866
DETAILS OF WRITE-INS				
1101. ....			0	0
1102. ....			0	0
1103. ....			0	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. Equities in Pools.....			0	33,807
2502. ....			0	0
2503. ....			0	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)	0	0	0	33,807

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8) .....	0	18,742,947
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) .....		0
3. Loss adjustment expenses (Part 2A, Line 35, Column 9) .....	0	5,630,010
4. Commissions payable, contingent commissions and other similar charges .....		851,239
5. Other expenses (excluding taxes, licenses and fees) .....	4,166	1,383,521
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....		449,774
7.1 Current federal and foreign income taxes (including \$ .....224,775 on realized capital gains (losses)) .....		2,675,624
7.2 Net deferred tax liability .....	101,584	0
8. Borrowed money \$ ..... and interest thereon \$ .....		0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ .....56,611,462 and including warranty reserves of \$ ..... and accrued accident and health experience rating refunds including \$ ..... for medical loss ratio rebate per the Public Health Service Act) .....	0	16,352,738
10. Advance premium .....		686,065
11. Dividends declared and unpaid:		
11.1 Stockholders .....		0
11.2 Policyholders .....		85,499
12. Ceded reinsurance premiums payable (net of ceding commissions) .....		0
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19) .....		0
14. Amounts withheld or retained by company for account of others .....		0
15. Remittances and items not allocated .....		0
16. Provision for reinsurance (including \$ ..... certified) (Schedule F, Part 8) .....	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		0
18. Drafts outstanding .....		0
19. Payable to parent, subsidiaries and affiliates .....		0
20. Derivatives .....	0	0
21. Payable for securities .....		0
22. Payable for securities lending .....		43,520
23. Liability for amounts held under uninsured plans .....		0
24. Capital notes \$ ..... and interest thereon \$ .....		0
25. Aggregate write-ins for liabilities .....	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	105,750	46,900,937
27. Protected cell liabilities .....		0
28. Total liabilities (Lines 26 and 27) .....	105,750	46,900,937
29. Aggregate write-ins for special surplus funds .....	0	0
30. Common capital stock .....	2,500,000	2,500,000
31. Preferred capital stock .....		0
32. Aggregate write-ins for other-than-special surplus funds .....	0	0
33. Surplus notes .....		0
34. Gross paid in and contributed surplus .....	4,657,724	4,657,724
35. Unassigned funds (surplus) .....	65,576,985	62,945,205
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ .....)		0
36.2 ..... shares preferred (value included in Line 31 \$ .....)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39) .....	72,734,709	70,102,929
38. Totals (Page 2, Line 28, Col. 3)	72,840,459	117,003,866
DETAILS OF WRITE-INS		
2501. ....		0
2502. ....		0
2503. ....		0
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)	0	0
2901. ....		0
2902. ....		0
2903. ....		0
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. ....		0
3202. ....		0
3203. ....		0
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

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4) .....	0	41,398,896
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7) .....	0	20,568,425
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1) .....	0	5,209,255
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2) .....	0	13,261,118
5. Aggregate write-ins for underwriting deductions .....	0	0
6. Total underwriting deductions (Lines 2 through 5) .....	0	39,038,799
7. Net income of protected cells .....		0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7) .....	0	2,360,097
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....	2,687,931	3,228,748
10. Net realized capital gains (losses) less capital gains tax of \$ ..... 224,775 (Exhibit of Capital Gains (Losses)) .....	417,440	(20,207)
11. Net investment gain (loss) (Lines 9 + 10) .....	3,105,371	3,208,541
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ ..... amount charged off \$ ..... ) .....		(230,306)
13. Finance and service charges not included in premiums .....		3,438,660
14. Aggregate write-ins for miscellaneous income .....	0	133,351
15. Total other income (Lines 12 through 14) .....	0	3,341,705
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) .....	3,105,371	8,910,343
17. Dividends to policyholders .....		126,294
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) .....	3,105,371	8,784,049
19. Federal and foreign income taxes incurred .....	(861,868)	2,686,504
20. Net income (Line 18 minus Line 19) (to Line 22) .....	3,967,239	6,097,545
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2) .....	70,102,929	64,031,155
22. Net income (from Line 20) .....	3,967,239	6,097,545
23. Net transfers (to) from Protected Cell accounts .....		0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ .....		0
25. Change in net unrealized foreign exchange capital gain (loss) .....		0
26. Change in net deferred income tax .....	(1,385,544)	(26,565)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3) .....	50,085	795
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1) .....	0	0
29. Change in surplus notes .....		0
30. Surplus (contributed to) withdrawn from protected cells .....		0
31. Cumulative effect of changes in accounting principles .....		0
32. Capital changes:		
32.1 Paid in .....		0
32.2 Transferred from surplus (Stock Dividend) .....		0
32.3 Transferred to surplus .....		0
33. Surplus adjustments:		
33.1 Paid in .....		0
33.2 Transferred to capital (Stock Dividend) .....		0
33.3 Transferred from capital .....		0
34. Net remittances from or (to) Home Office .....		0
35. Dividends to stockholders .....		0
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1) .....	0	0
37. Aggregate write-ins for gains and losses in surplus .....	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37) .....	2,631,780	6,071,775
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37) .....	72,734,709	70,102,929
DETAILS OF WRITE-INS		
0501. ....		0
0502. ....		0
0503. ....		0
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. Miscellaneous Income.....		133,351
1402. ....		0
1403. ....		0
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) .....	0	133,351
3701. ....		0
3702. ....		0
3703. ....		0
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

CASH FLOW

	1 Current Year	2 Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance.....	(8,724,954)	40,663,700
2. Net investment income .....	3,692,017	3,862,461
3. Miscellaneous income .....	0	3,341,705
4. Total (Lines 1 through 3) .....	(5,032,937)	47,867,865
5. Benefit and loss related payments .....	18,742,947	20,392,073
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	8,310,377	17,484,616
8. Dividends paid to policyholders .....	85,499	110,767
9. Federal and foreign income taxes paid (recovered) net of \$ ..... 224,775 tax on capital gains (losses).....	2,675,624	2,072,336
10. Total (Lines 5 through 9) .....	29,814,447	40,059,793
11. Net cash from operations (Line 4 minus Line 10) .....	(34,847,384)	7,808,073
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	46,054,462	17,004,601
12.2 Stocks .....	0	0
12.3 Mortgage loans .....	0	0
12.4 Real estate .....	0	0
12.5 Other invested assets .....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0
12.7 Miscellaneous proceeds .....	0	2,187
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	46,054,462	17,006,788
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	7,511,797	26,185,136
13.2 Stocks .....	0	0
13.3 Mortgage loans .....	0	0
13.4 Real estate .....	0	0
13.5 Other invested assets .....	0	0
13.6 Miscellaneous applications .....	8,124	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	7,519,921	26,185,136
14. Net increase (decrease) in contract loans and premium notes .....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	38,534,541	(9,178,348)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds .....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0
16.5 Dividends to stockholders .....	0	0
16.6 Other cash provided (applied).....	(149,065)	675,357
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(149,065)	675,357
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	3,538,092	(694,918)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	627,838	1,322,756
19.2 End of year (Line 18 plus Line 19.1) .....	4,165,930	627,838

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire .....	(334,732)	.334,732	.0	.0
2.	Allied lines .....	(176,979)	.176,979	.0	.0
3.	Farmowners multiple peril .....	(313,763)	.313,763	.0	.0
4.	Homeowners multiple peril .....	(4,988,720)	.4,988,720	.0	.0
5.	Commercial multiple peril .....	(1,966,979)	.1,966,979	.0	.0
6.	Mortgage guaranty .....	.0	.0	.0	.0
8.	Ocean marine .....	.0	.0	.0	.0
9.	Inland marine .....	(146,790)	.146,790	.0	.0
10.	Financial guaranty .....	.0	.0	.0	.0
11.1	Medical professional liability-occurrence .....	.0	.0	.0	.0
11.2	Medical professional liability-claims-made .....	.0	.0	.0	.0
12.	Earthquake .....	(40,066)	.40,066	.0	.0
13.	Group accident and health .....	.0	.0	.0	.0
14.	Credit accident and health (group and individual) .....	.0	.0	.0	.0
15.	Other accident and health .....	.0	.0	.0	.0
16.	Workers' compensation .....	(613,187)	.613,187	.0	.0
17.1	Other liability-occurrence .....	(313,023)	.313,023	.0	.0
17.2	Other liability-claims-made .....	(2,941)	.2,941	.0	.0
17.3	Excess workers' compensation.....	.0	.0	.0	.0
18.1	Products liability-occurrence .....	(546)	.546	.0	.0
18.2	Products liability-claims-made .....	.0	.0	.0	.0
19.1,19.2	Private passenger auto liability .....	(3,126,066)	.3,126,066	.0	.0
19.3,19.4	Commercial auto liability .....	(1,239,177)	.1,239,177	.0	.0
21.	Auto physical damage .....	(3,089,534)	.3,089,534	.0	.0
22.	Aircraft (all perils) .....	.0	.0	.0	.0
23.	Fidelity .....	.0	.0	.0	.0
24.	Surety .....	.0	.0	.0	.0
26.	Burglary and theft .....	(235)	.235	.0	.0
27.	Boiler and machinery .....	.0	.0	.0	.0
28.	Credit .....	.0	.0	.0	.0
29.	International .....	.0	.0	.0	.0
30.	Warranty .....	.0	.0	.0	.0
31.	Reinsurance-nonproportional assumed property .....	.0	.0	.0	.0
32.	Reinsurance-nonproportional assumed liability .....	.0	.0	.0	.0
33.	Reinsurance-nonproportional assumed financial lines .....	.0	.0	.0	.0
34.	Aggregate write-ins for other lines of business .....	0	0	0	0
35.	TOTALS	(16,352,738)	16,352,738	0	0
DETAILS OF WRITE-INS					
3401.	.....	.0	.0	.0	.0
3402.	.....	.0	.0	.0	.0
3403.	.....	.0	.0	.0	.0
3498.	Sum. 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

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 .....					0
10.	Financial guaranty .....					0
11.1	Medical professional liability-occurrence .....					0
11.2	Medical professional liability-claims-made .....					0
12.	Earthquake .....					0
13.	Group accident and health .....					0
14.	Credit accident and health (group and individual) ...					0
15.	Other accident and health .....					0
16.	Workers' compensation .....					0
17.1	Other liability-occurrence .....					0
17.2	Other liability-claims-made .....					0
17.3	Excess workers' compensation .....					0
18.1	Products liability-occurrence .....					0
18.2	Products liability-claims-made .....					0
19.1,19.2	Private passenger auto liability .....					0
19.3,19.4	Commercial auto liability .....					0
21.	Auto physical damage .....					0
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	0	0	0	0	0
36.	Accrued retrospective premiums based on experience .....					
37.	Earned but unbilled premiums .....					
38.	Balance (Sum of Lines 35 through 37)					0
DETAILS OF WRITE-INS						
3401.	.....					0
3402.	.....					0
3403.	.....					0
3498.	Sum. 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.

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 .....	3,654,316	(334,732)	33,035	3,525,742	161,610	(334,732)
2.	Allied lines .....	2,308,568	(176,979)	22,163	2,225,800	104,932	(176,979)
3.	Farmowners multiple peril .....		(313,763)				(313,763)
4.	Homeowners multiple peril .....	36,334,482	(4,988,720)	25,437	34,367,721	1,992,198	(4,988,720)
5.	Commercial multiple peril .....	286,644	(1,966,979)		259,291	27,353	(1,966,979)
6.	Mortgage guaranty .....						0
8.	Ocean marine .....						0
9.	Inland marine .....	513,368	(146,790)		489,282	24,086	(146,790)
10.	Financial guaranty .....						0
11.1	Medical professional liability-occurrence .....						0
11.2	Medical professional liability-claims-made .....						0
12.	Earthquake .....	315,298	(40,066)		299,855	15,443	(40,066)
13.	Group accident and health .....						0
14.	Credit accident and health (group and individual) .....						0
15.	Other accident and health .....						0
16.	Workers' compensation .....	1,174,738	(613,187)	997	1,148,791	26,944	(613,187)
17.1	Other liability-occurrence .....	616,116	(313,023)		608,719	7,396	(313,023)
17.2	Other liability-claims-made .....		(2,941)				(2,941)
17.3	Excess workers' compensation .....						0
18.1	Products liability-occurrence .....		(546)				(546)
18.2	Products liability-claims-made .....						0
19.1,19.2	Private passenger auto liability .....	54,088,104	(3,126,066)		53,502,050	586,054	(3,126,066)
19.3,19.4	Commercial auto liability .....	5,080,117	(1,239,177)	46,912	5,062,094	64,935	(1,239,177)
21.	Auto physical damage .....	42,076,796	(3,089,534)	3,435	41,791,762	288,469	(3,089,534)
22.	Aircraft (all perils) .....						0
23.	Fidelity .....						0
24.	Surety .....						0
26.	Burglary and theft .....		(235)				(235)
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	146,448,547	(16,352,738)	131,980	143,281,107	3,299,420	(16,352,738)
DETAILS OF WRITE-INS							
3401.	.....						0
3402.	.....						0
3403.	.....						0
3498.	Sum. 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 \$ .....

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



ANNUAL STATEMENT FOR THE YEAR 2017 OF THE TRUSTGARD INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

		Losses Paid Less Salvage				5	6	7	8
		1	2	3	4				
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Recovered	Net Payments (Cols. 1 + 2 - 3)	Net Losses Unpaid Current Year (Part 2A, Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire .....	2,244,476	64,465	2,257,815	51,126	0	51,126	0	0.0
2.	Allied lines .....	413,640	43,480	427,803	29,318	0	29,318	0	0.0
3.	Farmowners multiple peril .....		100,181		100,181	0	100,181	0	0.0
4.	Homeowners multiple peril .....	21,818,445	1,023,622	21,834,403	1,007,663	0	1,007,663	0	0.0
5.	Commercial multiple peril .....		2,937,751		2,937,751	0	2,937,751	0	0.0
6.	Mortgage guaranty .....				0	0	0	0	0.0
8.	Ocean marine .....				0	0	0	0	0.0
9.	Inland marine .....	200,675	17,535	200,675	17,535	0	17,535	0	0.0
10.	Financial guaranty .....				0	0	0	0	0.0
11.1	Medical professional liability-occurrence .....				0	0	0	0	0.0
11.2	Medical professional liability-claims-made .....				0	0	0	0	0.0
12.	Earthquake .....		1		1	0	1	0	0.0
13.	Group accident and health .....				0	0	0	0	0.0
14.	Credit accident and health (group and individual) .....				0	0	0	0	0.0
15.	Other accident and health .....				0	0	0	0	0.0
16.	Workers' compensation .....	717,459	1,161,679	720,818	1,158,320	0	1,158,320	0	0.0
17.1	Other liability-occurrence .....	552,500	641,750	552,500	641,750	0	641,750	0	0.0
17.2	Other liability-claims-made .....		12,555		12,555	0	12,555	0	0.0
17.3	Excess workers' compensation .....				0	0	0	0	0.0
18.1	Products liability-occurrence .....		1,444		1,444	0	1,444	0	0.0
18.2	Products liability-claims-made .....				0	0	0	0	0.0
19.1,19.2	Private passenger auto liability .....	36,651,685	7,835,414	36,651,685	7,835,414	0	7,835,414	0	0.0
19.3,19.4	Commercial auto liability .....	4,220,224	4,932,786	4,234,379	4,918,631	0	4,918,631	0	0.0
21.	Auto physical damage .....	20,386,924	31,416	20,387,155	31,185	0	31,185	0	0.0
22.	Aircraft (all perils) .....		18		18	0	18	0	0.0
23.	Fidelity .....				0	0	0	0	0.0
24.	Surety .....		24		24	0	24	0	0.0
26.	Burglary and theft .....		32		32	0	32	0	0.0
27.	Boiler and machinery .....				0	0	0	0	0.0
28.	Credit .....				0	0	0	0	0.0
29.	International .....				0	0	0	0	0.0
30.	Warranty .....				0	0	0	0	0.0
31.	Reinsurance-nonproportional assumed property .....	XXX			0	0	0	0	0.0
32.	Reinsurance-nonproportional assumed liability .....	XXX			0	0	0	0	0.0
33.	Reinsurance-nonproportional assumed financial lines .....	XXX			0	0	0	0	0.0
34.	Aggregate write-ins for other lines of business .....	0	0	0	0	0	0	0	0.0
35.	TOTALS .....	87,206,027	18,804,152	87,267,232	18,742,947	0	18,742,947	0	0.0
DETAILS OF WRITE-INS									
3401.	.....				0	0	0	0	0.0
3402.	.....				0	0	0	0	0.0
3403.	.....				0	0	0	0	0.0
3498.	Sum. 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 + 3498) (Line 34 above) .....	0	0	0	0	0	0	0	0.0

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE TRUSTGARD INSURANCE COMPANY

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

		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7		
Line of Business		Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire .....	178,456	3,289	181,745	.0	125,828	.867	126,695	.0	
2.	Allied lines .....	158,250	3,895	162,145	.0	79,643	492	.80,135	.0	
3.	Farmowners multiple peril .....				.0				.0	
4.	Homeowners multiple peril .....	4,113,910	3,525	4,117,435	.0	1,565,093	.562	1,565,655	.0	
5.	Commercial multiple peril .....				.0	748		748	.0	
6.	Mortgage guaranty .....				.0				.0	
8.	Ocean marine .....				.0				.0	
9.	Inland marine .....	10,289		10,289	.0	16,634		16,634	.0	
10.	Financial guaranty .....				.0				.0	
11.1	Medical professional liability-occurrence .....				.0				.0	
11.2	Medical professional liability-claims-made .....				.0				.0	
12.	Earthquake .....				.0				.0	
13.	Group accident and health .....				.0				(a)	.0
14.	Credit accident and health (group and individual) .....				.0				(a)	.0
15.	Other accident and health .....				.0				.0	
16.	Workers' compensation .....	981,548	14,859	996,407	.0	427,819	15,217	443,036	.0	
17.1	Other liability-occurrence .....	72,241		72,241	.0	547,416		547,416	.0	
17.2	Other liability-claims-made .....				.0				.0	
17.3	Excess workers' compensation .....				.0				.0	
18.1	Products liability-occurrence .....				.0				.0	
18.2	Products liability-claims-made .....				.0				.0	
19.1,19.2	Private passenger auto liability .....	25,836,826		25,836,826	.0	13,541,472		13,541,472	.0	
19.3,19.4	Commercial auto liability .....	6,988,495	19,752	7,008,247	.0	7,355,317	10,601	7,365,918	.0	
21.	Auto physical damage .....	(636,822)	51	(636,771)	.0	1,054,441	.629	1,055,070	.0	
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 .....	37,703,192	45,371	37,748,563	0	24,714,411	28,367	24,742,778	0	0
DETAILS OF WRITE-INS										
3401.	.....				.0				.0	
3402.	.....				.0				.0	
3403.	.....				.0				.0	
3498.	Sum. 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 + 3498) (Line 34 above) .....	0	0	0	0	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct .....	4,079,194			4,079,194
1.2 Reinsurance assumed .....				0
1.3 Reinsurance ceded .....	4,079,194			4,079,194
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3) .....	0	0	0	0
2. Commission and brokerage:				
2.1 Direct, excluding contingent .....		18,916,530		18,916,530
2.2 Reinsurance assumed, excluding contingent .....				0
2.3 Reinsurance ceded, excluding contingent .....		18,916,530		18,916,530
2.4 Contingent-direct .....		2,718,747		2,718,747
2.5 Contingent-reinsurance assumed .....				0
2.6 Contingent-reinsurance ceded .....		2,718,747		2,718,747
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	0	0	0
3. Allowances to manager and agents .....				0
4. Advertising .....				0
5. Boards, bureaus and associations .....			147	147
6. Surveys and underwriting reports .....				0
7. Audit of assureds' records .....				0
8. Salary and related items:				
8.1 Salaries .....			28,382	28,382
8.2 Payroll taxes .....			3,106	3,106
9. Employee relations and welfare .....			13,099	13,099
10. Insurance .....			3,213	3,213
11. Directors' fees .....			395	395
12. Travel and travel items .....			750	750
13. Rent and rent items .....			146,224	146,224
14. Equipment .....				0
15. Cost or depreciation of EDP equipment and software .....				0
16. Printing and stationery .....			333	333
17. Postage, telephone and telegraph, exchange and express .....			4,600	4,600
18. Legal and auditing .....			342	342
19. Totals (Lines 3 to 18) .....	0	0	200,590	200,590
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ .....				0
20.2 Insurance department licenses and fees .....				0
20.3 Gross guaranty association assessments .....				0
20.4 All other (excluding federal and foreign income and real estate) .....				0
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....	0	0	0	0
21. Real estate expenses .....				0
22. Real estate taxes .....				0
23. Reimbursements by uninsured plans .....				0
24. Aggregate write-ins for miscellaneous expenses .....	0	0	74,243	74,243
25. Total expenses incurred .....	0	0	274,833	(a) 274,833
26. Less unpaid expenses-current year .....	0		4,166	4,166
27. Add unpaid expenses-prior year .....	5,630,010	2,680,367	4,166	8,314,544
28. Amounts receivable relating to uninsured plans, prior year .....	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year .....				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	5,630,010	2,680,367	274,833	8,585,210
DETAILS OF WRITE-INS				
2401. Software Expense.....			9,204	9,204
2402. Miscellaneous Expense.....			280	280
2403. Donations.....			1,584	1,584
2498. Summary of remaining write-ins for Line 24 from overflow page .....	0	0	63,175	63,175
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	0	0	74,243	74,243

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

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds .....	(a).....162,815	.....188,979
1.1	Bonds exempt from U.S. tax .....	(a).....1,214,658	.....1,223,304
1.2	Other bonds (unaffiliated) .....	(a).....1,885,289	.....1,550,333
1.3	Bonds of affiliates .....	(a).....0	.....
2.1	Preferred stocks (unaffiliated) .....	(b).....0	.....
2.11	Preferred stocks of affiliates .....	(b).....0	.....
2.2	Common stocks (unaffiliated) .....	.....0	.....
2.21	Common stocks of affiliates .....	.....0	.....
3.	Mortgage loans .....	(c).....	.....
4.	Real estate .....	(d).....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments .....	(e).....	.....
7.	Derivative instruments .....	(f).....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....149	.....149
10.	Total gross investment income .....	3,262,911	2,962,764
11.	Investment expenses .....		(g).....274,833
12.	Investment taxes, licenses and fees, excluding federal income taxes .....		(g).....
13.	Interest expense .....		(h).....
14.	Depreciation on real estate and other invested assets .....		(i).....
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total deductions (Lines 11 through 15) .....		.....274,833
17.	Net investment income (Line 10 minus Line 16) .....		2,687,931
DETAILS OF WRITE-INS			
0901.	Securities Lending Income.....	.....149	.....149
0902.	Miscellaneous Investment Income.....	.....0	.....0
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) .....	149	149
1501.	.....		.....
1502.	.....		.....
1503.	.....		.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Totals (Lines 1501 through 1503 plus 1598) (Line 15 above) .....		0

(a) Includes \$ .....120,702 accrual of discount less \$ .....824,641 amortization of premium and less \$ .....9,796 paid for accrued interest on purchases.  
(b) Includes \$ ..... accrual of discount less \$ ..... 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 \$ ..... paid for accrued interest on purchases.  
(d) Includes \$ ..... for company's occupancy of its own buildings; and excludes \$ ..... interest on encumbrances.  
(e) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued interest on purchases.  
(f) Includes \$ ..... accrual of discount less \$ ..... amortization of premium.  
(g) Includes \$ ..... investment expenses and \$ ..... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.  
(h) Includes \$ ..... interest on surplus notes and \$ ..... interest on capital notes.  
(i) Includes \$ ..... depreciation on real estate and \$ ..... depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....			.....0	.....	.....
1.1	Bonds exempt from U.S. tax .....			.....0	.....	.....
1.2	Other bonds (unaffiliated) .....	.....642,215		.....642,215	.....	.....
1.3	Bonds of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.1	Preferred stocks (unaffiliated) .....	.....0	.....0	.....0	.....0	.....0
2.11	Preferred stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.2	Common stocks (unaffiliated) .....	.....0	.....0	.....0	.....0	.....0
2.21	Common stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
3.	Mortgage loans .....	.....0	.....0	.....0	.....0	.....0
4.	Real estate .....	.....0	.....0	.....0	.....	.....0
5.	Contract loans .....			.....0	.....	.....
6.	Cash, cash equivalents and short-term investments .....			.....0	.....0	.....0
7.	Derivative instruments .....			.....0	.....	.....
8.	Other invested assets .....	.....0	.....0	.....0	.....0	.....0
9.	Aggregate write-ins for capital gains (losses) .....	.....0	.....0	.....0	.....0	.....0
10.	Total capital gains (losses) .....	642,215	0	642,215	0	0
DETAILS OF WRITE-INS						
0901.	.....			.....0	.....	.....
0902.	.....			.....0	.....	.....
0903.	.....			.....0	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0	.....0	.....0	.....0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above) .....	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	0	0	0
2.2 Common stocks .....	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	0	0	0
3.2 Other than first liens .....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale .....	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans .....	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA) .....	0	0	0
9. Receivables for securities .....	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	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	0	0
14. Investment income due and accrued .....	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	0	48,817	48,817
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	1,268	1,268
15.3 Accrued retrospective premiums and contracts subject to redetermination .....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....	0	0	0
16.2 Funds held by or deposited with reinsured companies .....	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	0	0	0
17. Amounts receivable relating to uninsured plans .....	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	0	0	0
18.2 Net deferred tax asset.....	0	0	0
19. Guaranty funds receivable or on deposit .....	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets.....	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0
23. Receivables from parent, subsidiaries and affiliates .....	0	0	0
24. Health care and other amounts receivable.....	0	0	0
25. Aggregate write-ins for other-than-invested assets .....	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	0	50,085	50,085
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	0	50,085	50,085
DETAILS OF WRITE-INS			
1101. ....		0	0
1102. ....		0	0
1103. ....		0	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. ....		0	0
2502. ....		0	0
2503. ....		0	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)	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE  
TRUSTGARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Accounting Practices:

Trustgard Insurance Company (the Company) prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by The Ohio Department of Insurance (the Department). The Department requires that insurance companies domiciled in the State of Ohio prepare their statutory basis financial statements in accordance with the NAIC Accounting Practices and Procedures Manual subject to any deviations prescribed or permitted by the Department. The Company does not employ accounting practices that depart from the NAIC Accounting Practices and Procedures Manual.

A reconciliation of the Company’s net income and surplus between NAIC SAP and practices prescribed and permitted by the State of Ohio is shown below.

	SSAP #	F/S Page	F/S Line Number	2017	2016
NET INCOME					
(1) Trustgard Insurance Company state basis (Page 4, Line 20, Columns 1 & 2)	xxx	xxx	xxx	\$ 3,967,239	\$ 6,097,545
(2) State Prescribed Practices that increase/(decrease) NAIC SAP				0	0
(3) State Permitted Practices that increase/(decrease) NAIC SAP				0	0
(4) NAIC SAP (1-2-3=4)	xxx	xxx	xxx	<u>\$ 3,967,239</u>	<u>\$ 6,097,545</u>
SURPLUS					
(5) Trustgard Insurance Company state basis (Page 3, Line 37, Columns 1 & 2)	xxx	xxx	xxx	\$ 72,734,709	\$ 70,102,929
(6) State Prescribed Practices that increase/(decrease) NAIC SAP				0	0
(7) State Permitted Practices that increase/(decrease) NAIC SAP				0	0
(8) NAIC SAP (5-6-7=8)	xxx	xxx	xxx	<u>\$ 72,734,709</u>	<u>\$ 70,102,929</u>

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

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

C. Accounting Policy:

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

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

In addition, the Company uses the following accounting policies:

- Short-term investments are stated at amortized cost, which approximates fair value.
- Bonds not backed by other loans are stated at amortized cost using the scientific method.
- The Company has no investments in common stocks.
- The Company has no investments in preferred stocks.
- The Company has no investments in mortgage loans.
- Loan-backed securities are stated at either amortized cost or the lower or amortized cost or fair market value. The retrospective adjustment method is used to value all securities except for interest only securities or securities where the yield had become negative, those are valued using the prospective method.
- The Company has no investments in subsidiaries, controlled and affiliated entities..
- The Company has no investments in joint ventures, partnerships and limited liability companies.
- The Company has no investments in derivative instruments.
- The Company does not anticipate investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property-Casualty Contracts - Premiums.
- Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.
- The Company has not modified its capitalization policy from the prior period.
- The Company does not have pharmaceutical rebate receivables.

D. Going Concern: None

2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS: NONE

3. BUSINESS COMBINATIONS AND GOODWILL: NONE

4. DISCONTINUED OPERATIONS: NONE

5. INVESTMENTS:

A. Mortgage Loans, including Mezzanine Real Estate Loans: None

B. Debt Restructuring: None

C. Reverse Mortgages: None

D. Loan-Backed Securities:

- Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from Bloomberg. These assumptions are consistent with the current interest rate and economic environment.
- The Company has not recognized any other than temporary impairments on its loan-backed securities.
- The Company has not recognized any other than temporary impairments on its loan-backed securities.

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE  
TRUSTGARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

4. All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):
- a. Aggregate Amount of Unrealized Losses:
    - 1. Less than 12 Months 0
    - 2. 12 Months or Longer 0
  - b. The Aggregate Related Fair Value of Securities with Unrealized Losses:
    - 1. Less than 12 Months 0
    - 2. 12 Months or Longer 0
5. According to SSAP 43R, the best estimate of future cash flows using the appropriate discount rate was calculated for each affected security, with other-than-temporary impairments realized to the extent that present value was less than amortized cost. Securities held with an intent to sell were other-than-temporarily impaired to current fair value. Securities with a present value greater than amortized cost were not other-than-temporarily impaired.

E. Repurchase Agreements and/or Securities Lending Transactions:

- 1. For securities lending agreements, the Company requires a minimum of 102% and 105% of the fair value of the domestic and foreign securities loaned at the outset of the contract as collateral. Cash collateral received is invested in short-term investments and the offsetting collateral liability is included in Collateral From Lending Activities. The fair value of the collateral at December 31, 2017 is \$0.
- 2. The Company has no pledged assets as collateral for securities lending transactions.
- 3. Collateral Received
  - a. Aggregate Amount Collateral Received
    - 1. The Company has no repurchase agreements as collateral.
    - 2. Securities lending collateral received:

	Fair Value
Open	0
30 Days or Less	0
31 to 60 Days	0
61 to 90 Days	0
Greater than 90 Days	0
Sub-Total	0
Securities Received	0
Total Collateral Received	0
  - 3. The Company has no dollar repurchase agreements as collateral received.
  - b. The Company has not sold or re-pledged any collateral.
  - c. Securities lending sources and uses of that collateral: The Company receives primarily cash collateral in an amount in excess of the fair value of the securities lent. The Company reinvests the cash collateral into higher yielding short term securities than the collateral received.
- 4. The Company has no "one-line" reported collateral.
- 5. Collateral Reinvestment
  - a. Aggregate Amount Collateral Reinvested
    - 1. The Company has no repurchase agreements as collateral.
    - 2. Securities Lending

	Amortized Cost	Fair Value
Open	0	0
30 Days or Less	0	0
31 to 60 Days	0	0
61 to 90 Days	0	0
Greater than 90 Days	0	0
Sub-Total	0	0
Securities Received	0	0
Total Collateral Reinvested	0	0
    - 3. The Company has no dollar repurchase agreements as collateral.
    - b. The maturity dates of the liabilities matches the invested assets.
  - 6. The Company has no collateral that is not permitted by contract.
  - 7. The Company has no collateral that extends beyond one year from December 31, 2017.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing: None

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing: None

H. Repurchase Agreements Transactions Accounted for as a Sale: None

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale: None

J. Real Estate: None

K. Low Income Housing Tax Credits: None

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE TRUSTGARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

L. Restricted Assets:

1) Restricted Assets (Including Pledged)

	Gross (Admitted and Non-admitted) Restricted							Current Year			
								8	9	Percentage	
	Current Year					6	7			10	11
	1	2	3	4	5						
Restricted Asset Category	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Non-admitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Non-Admitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown											
b. Collateral held under security lending agreements						43,520	(43,520)			0.0%	0.0%
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	2,337,382				2,337,382	2,340,183	(2,801)		2,337,382	3.2%	3.2%
k. On deposit with other regulatory bodies											
l. Pledged 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	2,337,382				2,337,382	2,383,703	(46,321)		2,337,382	3.2%	3.2%

- (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



ANNUAL STATEMENT FOR THE YEAR 2017 OF THE TRUSTGARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

2) Detail of Assets Pledged as Collateral Not Captured in Other Categories

	Gross (Admitted and Non-admitted) Restricted							Current Year			
	Current Year							8	9	Percentage	
	1	2	3	4	5	6	7			10	11
Restricted Asset Category	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Non-admitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Non-Admitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets
None											

- (a) Subset of column 1
- (b) Subset of column 3
- (c) Total line for Columns 1 through 7 should equal 5H(1)m Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5H(1)m Columns 9 through 11 respectively

3) Detail of Other Restricted Assets

	Gross (Admitted and Non-admitted) Restricted							Current Year			
	Current Year							8	9	Percentage	
	1	2	3	4	5	6	7			10	11
Restricted Asset Category	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Non-admitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Non-Admitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets
None											

- (a) Subset of column 1
- (b) Subset of column 3
- (c) Total line for Columns 1 through 7 should equal 5H(1)n Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5H(1)n Columns 9 through 11 respectively

4) Collateral Received and Reflected as Assets within the Reporting Entity’s Financial Statements

	1	2	3	4
	Book/Adjusted Carrying Value (BACV)	Fair Value	% of BACV to Total Assets (Admitted and Nonadmitted)*	% of BACV to Total Admitted Assets **
Collateral Assets				
a. Cash				
b. Schedule D, Part 1				
c. Schedule D, Part 2, Section 1				
d. Schedule D, Part 2, Section 2				
e. Schedule B				
f. Schedule A				
g. Schedule BA, Part 1				
h. Schedule DL, Part 1	0	0	0.0%	0.0%
i. Other				
j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	0	0		

\* Column 1 divided by Asset Page, Line 26 (Column 1)  
\*\* Column 1 divided by Asset Page, Line 26 (Column 3)

k. Recognized Obligation to Return Collateral Asset: None

M. Working Capital Finance Investments: None

N. Offsetting and Netting of Assets and Liabilities: None

O. Structured Notes:

Structured notes as defined per the Purposes and Procedures Manual of the NAIC Investment Analysis Office at December 31, 2017:

CUSIP Identification	Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage-Referenced Security (YES/NO)
3130A8G56	1,000,000	978,120	1,006,819	No
3130A9T92	494,750	484,385	499,076	No
3134G9MQ7	485,000	482,265	489,220	No
3134GAFP4	500,000	475,220	500,001	No
3136G14C0	499,500	492,570	502,220	No
TOTAL	2,979,250	2,912,560	2,997,336	

P. 5\* Securities: None

Q. Short Sales: None

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE  
TRUSTGARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

R. Prepayment Penalty and Acceleration Fees:

	General Account	Protected Cell
1) Number of CUSIPs	4	0
2) Aggregate Amount of Investment Income	88,054	0

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES: NONE

7. INVESTMENT INCOME: NONE

8. DERIVATIVE INSTRUMENTS: NONE

9. FEDERAL INCOME TAXES:

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

1.

12/31/2017		
(1)	(2)	(3)
Ordinary	Capital	(Col 1+2) Total

(a) Gross Deferred Tax Assets	\$ .....	\$ .....	\$ .....
(b) Statutory Valuation Allowance Adjustments	\$ .....	\$ .....	\$ .....
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ .....	\$ .....	\$ .....
(d) Deferred Tax Assets Nonadmitted	\$ .....	\$ .....	\$ .....
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d )	\$ .....	\$ .....	\$ .....
(f) Deferred Tax Liabilities	\$ ..... 101,584	\$ .....	\$ ..... 101,584
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ .....(101,584)	\$ .....	\$ ..... (101,584)

12/31/2016		
(4)	(5)	(6)
Ordinary	Capital	(Col 4+5) Total

(a) Gross Deferred Tax Assets	\$ ..... 1,475,580	\$ .....	\$ ..... 1,475,580
(b) Statutory Valuation Allowance Adjustments	\$ .....	\$ .....	\$ .....
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ ..... 1,475,580	\$ .....	\$ ..... 1,475,580
(d) Deferred Tax Assets Nonadmitted	\$ .....	\$ .....	\$ .....
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d )	\$ ..... 1,475,580	\$ .....	\$ ..... 1,475,580
(f) Deferred Tax Liabilities	\$ ..... 191,620	\$ .....	\$ ..... 191,620
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ ..... 1,283,960	\$ .....	\$ ..... 1,283,960

Change		
(7)	(8)	(9)
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total

(a) Gross Deferred Tax Assets	\$ .....(1,475,580)	\$ .....	\$ ..... (1,475,580)
(b) Statutory Valuation Allowance Adjustments	\$ .....	\$ .....	\$ .....
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ .....(1,475,580)	\$ .....	\$ ..... (1,475,580)
(d) Deferred Tax Assets Nonadmitted	\$ .....	\$ .....	\$ .....
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d )	\$ .....(1,475,580)	\$ .....	\$ ..... (1,475,580)
(f) Deferred Tax Liabilities	\$ .....(90,036)	\$ .....	\$ ..... (90,036)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ .....(1,385,544)	\$ .....	\$ ..... (1,385,544)

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE  
TRUSTGARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

2.

12/31/2017		
(1)	(2)	(3)
Ordinary	Capital	(Col 1+2) Total
Admission Calculation Components SSAP No. 101		
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ .....	\$ .....
(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)	\$ .....	\$ .....
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$ .....	\$ .....
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	\$ .....	\$ .....
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101.	\$ .....	\$ .....
Total (2(a) + 2(b) + 2(c))	\$ .....	\$ .....

12/31/2016		
(4)	(5)	(6)
Ordinary	Capital	(Col 4+5) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ ..... 1,314,132	\$ ..... 1,314,132
(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)	\$ ..... 66,874	\$ ..... 66,874
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$ ..... 66,874	\$ ..... 66,874
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX
(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.	\$ ..... 94,574	\$ ..... 94,574
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101.	\$ .....	\$ .....
Total (2(a) + 2(b) + 2(c))	\$ ..... 1,475,580	\$ ..... 1,475,580

Change		
(7)	(8)	(9)
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ .....(1,314,132)	\$ ..... (1,314,132)
(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)	\$ .....(66,874)	\$ ..... (66,874)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$ .....(66,874)	\$ ..... (66,874)
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX
(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.	\$ .....(94,574)	\$ ..... (94,574)
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101.	\$ .....	\$ .....
Total (2(a) + 2(b) + 2(c))	\$ .....(1,475,580)	\$ ..... (1,475,580)

3.

	2017	2016
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	..... 28,739.100	.....2,052.600
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ .....68,818,969.000	\$ .....68,845,443.000

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE  
TRUSTGARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

4.

12/31/2017	
(1)	(2)
Ordinary	Capital

Impact of Tax-Planning Strategies

(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.	
1. Adjusted Gross DTAs Amount From Note 9A1(c)	.....
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	.....
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	.....
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	.....

12/31/2016	
(3)	(4)
Ordinary	Capital

(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.	
1. Adjusted Gross DTAs Amount From Note 9A1(c)	..... 1,475,580 .....
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	.....
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	..... 1,475,580 .....
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	.....

Change	
(5)	(6)
(Col 1-3) Ordinary	(Col 2-4) Capital

(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.	
1. Adjusted Gross DTAs Amount From Note 9A1(c)	..... (1,475,580) .....
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	.....
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	..... (1,475,580) .....
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	.....

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

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

(1)	(2)	(3)
12/31/2017	12/31/2016	(Col 1-2) Change

1. Current Income Tax

(a) Federal	\$ .....(861,483.0)	\$ .....2,659,617.0	\$ ..... (3,521,100)
(b) Foreign	\$ .....	\$ .....	\$ .....
(c) Subtotal	\$ .....(861,483.0)	\$ .....2,659,617.0	\$ ..... (3,521,100)
(d) Federal income tax on net capital gains	\$ ..... 224,775.0	\$ ..... (10,880.0)	\$ ..... 235,655
(e) Utilization of capital loss carry-forwards	\$ .....	\$ .....	\$ .....
(f) Other	\$ .....(385.0)	\$ .....26,886.0	\$ ..... (27,271)
(g) Federal and foreign income taxes incurred	\$ .....(637,093.0)	\$ .....2,675,623.0	\$ ..... (3,312,716)

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE  
TRUSTGARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

2.	Deferred Tax Assets:			
	(a) Ordinary			
	(1) Discounting of unpaid losses	\$ .....	\$ .....265,334	\$ ..... (265,334)
	(2) Unearned premium reserve	\$ .....	\$ .....1,192,716	\$ ..... (1,192,716)
	(3) Policyholder reserves	\$ .....	\$ .....	\$ .....
	(4) Investments	\$ .....	\$ .....	\$ .....
	(5) Deferred acquisition costs	\$ .....	\$ .....	\$ .....
	(6) Policyholder dividends accrual	\$ .....	\$ .....	\$ .....
	(7) Fixed assets	\$ .....	\$ .....	\$ .....
	(8) Compensation and benefits accrual	\$ .....	\$ .....	\$ .....
	(9) Pension accrual	\$ .....	\$ .....	\$ .....
	(10) Receivables - nonadmitted	\$ .....	\$ .....17,530	\$ ..... (17,530)
	(11) Net operating loss carry-forward	\$ .....	\$ .....	\$ .....
	(12) Tax credit carry-forward	\$ .....	\$ .....	\$ .....
	(13) Other (including items <5% of total ordinary tax assets)	\$ .....	\$ .....	\$ .....
	(99) Subtotal	\$ .....	\$ .....1,475,580	\$ ..... (1,475,580)
	(b) Statutory valuation allowance adjustment	\$ .....	\$ .....	\$ .....
	(c) Nonadmitted	\$ .....	\$ .....	\$ .....
	(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ .....	\$ .....1,475,580	\$ ..... (1,475,580)
	(e) Capital:			
	(1) Investments	\$ .....	\$ .....	\$ .....
	(2) Net capital loss carry-forward	\$ .....	\$ .....	\$ .....
	(3) Real estate	\$ .....	\$ .....	\$ .....
	(4) Other (including items <5% of total capital tax assets)	\$ .....	\$ .....	\$ .....
	(99) Subtotal	\$ .....	\$ .....	\$ .....
	(f) Statutory valuation allowance adjustment	\$ .....	\$ .....	\$ .....
	(g) Nonadmitted	\$ .....	\$ .....	\$ .....
	(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$ .....	\$ .....	\$ .....
	(i) Admitted deferred tax assets (2d + 2h)	\$ .....	\$ .....1,475,580	\$ ..... (1,475,580)
3.	Deferred Tax Liabilities:			
	(a) Ordinary			
	(1) Investments	\$ ..... 101,584	\$ .....139,566	\$ ..... (37,982)
	(2) Fixed assets	\$ .....	\$ .....	\$ .....
	(3) Deferred and uncollected premium	\$ .....	\$ .....44,639	\$ ..... (44,639)
	(4) Policyholder reserves	\$ .....	\$ .....7,415	\$ ..... (7,415)
	(5) Other (including items<5% of total ordinary tax liabilities)	\$ .....	\$ .....	\$ .....
	(99) Subtotal	\$ ..... 101,584	\$ .....191,620	\$ ..... (90,036)
	(b) Capital:			
	(1) Investments	\$ .....	\$ .....	\$ .....
	(2) Real estate	\$ .....	\$ .....	\$ .....
	(3) Other (including items <5% of total capital tax liabilities)	\$ .....	\$ .....	\$ .....
	(99) Subtotal	\$ .....	\$ .....	\$ .....
	(c) Deferred tax liabilities (3a99 + 3b99)	\$ ..... 101,584	\$ .....191,620	\$ ..... (90,036)
4.	Net deferred tax assets/liabilities (2i - 3c)	\$ .....(101,584)	\$ .....1,283,960	\$ ..... (1,385,544)

The impact of Tax Reform was a net benefit of \$67,722 to the Deferred Tax Liability balance as of 12/31/17.

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE  
TRUSTGARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

D. Reconciliation of federal income tax rate to actual effective rate:

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

	Amount	Tax Effect	Effective Tax Rate
1. Description:			
(a) Income Before Taxes	\$ 3,330,146	\$ 1,165,551	35.00%
(b) Tax-Exempt Interest	\$ (1,233,303)	\$ (431,656)	-12.96%
(c) Dividends Received Deduction	\$ 0	\$ 0	0.00%
(d) Proration	\$ 184,995	\$ 64,748	1.94%
(e) Meals & Entertainment, Lobbying Expenses, Etc.	\$ 0	\$ 0	0.00%
(f) Non-Admit Change	\$ 50,085	\$ 17,530	0.53%
(g) Donation of Securities	\$ -	\$ 0	0.00%
(h) Rate Change	\$ (193,491)	\$ (67,722)	-2.03%
(i) Other, Including Prior Year True-Up	\$ -	\$ 0	0.00%
Total	\$ 2,138,433	\$ 748,451	22.48%
2. Description:			
(a) Federal Income Tax Incurred [Expense/(Benefit)]		\$ (861,868)	-25.88%
(b) Tax on Capital Gains/(Losses)		\$ 224,775	6.75%
(c) Change in Net Deferred Income Tax [Charge/(Benefit)]		\$ 1,385,544	41.61%
Total		\$ 748,451	22.48%

E. Carryforwards, recoverable taxes, and IRC S6603 deposits:

1. At December 31, 2017, the Company had net operating loss carry forwards of: \$..... 0
- At December 31, 2017, the Company had capital loss carry forwards of: \$..... 0
- At December 31, 2017, the Company had AMT credit carry forwards, which do not expire, in the amount of: \$..... 0
2. The following is income tax expense that is available for recoupment in the event of future net losses:
- |       |              |            |    |           |
|-------|--------------|------------|----|-----------|
| Year  | Ordinary     | Capital    | \$ | Total     |
| 2015  | \$ 0         | \$ 0       | \$ | 0         |
| 2016  | \$ 2,645,632 | \$ 2,720   | \$ | 2,648,352 |
| 2017  | \$ (861,483) | \$ 224,775 | \$ | (636,708) |
|       |              |            | \$ |           |
| Total | \$ 1,784,149 | \$ 227,495 | \$ | 2,011,644 |
3. Deposits admitted under IRC S6603:  
NONE

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

1. Grange Mutual Casualty Company
2. The method of allocation among companies is subject to a written agreement, approved by the Board of Directors, whereby allocation is made primarily on a separate company basis with current credit for losses.

G. Federal or foreign income tax loss contingencies:  
The Company does not have a liability recorded for uncertain tax positions.

10. INFORMATION CONCERNNING PARENT, SUBSIDIARIES AND AFFILIATES:

A. Relationship with Parent, Subsidiaries and Affiliates:

The Company is a 100% owned subsidiary of Grange Mutual Casualty Company (GMCC), an insurance company domiciled in the State of Ohio and a member of the Grange Mutual Casualty Group.

B. Descriptions of transactions with Parent, Subsidiaries and Affiliates: None

C. Amounts of transactions with Parent, Subsidiaries and Affiliates: None

D. Amounts Due From or To Related Parties:

At December 31, 2017, the Company reported \$0.488 million as amounts due from GMCC. The terms of the settlement require that these amounts be settled within 45 days.

E. Guarantees or Contingencies for Related Parties: None

# ANNUAL STATEMENT FOR THE YEAR 2017 OF THE TRUSTGARD INSURANCE COMPANY

## NOTES TO FINANCIAL STATEMENTS

F. Description of material management or service contracts:

The Company maintains a service agreement with GMCC, whereby GMCC provides service for the Company and makes available all services necessary to support its business operations. These services include all necessary financial, actuarial, audit, accounting, tax, information technology, records management and legal and compliance services, other than those provided by third party service providers.

G. Nature of the control relationship:

The Company participates in a pooling reinsurance agreement detailed in Note 26.

H. Amount Deducted for Investment in Upstream Company: None

I. Investments in Affiliates Greater than 10% of Admitted Assets: None

J. The Company did not recognize any impairment write down for investments in Subsidiary, Controlled or Affiliated Companies during the periods reported.

K. The Company does not have investments in a foreign insurance subsidiary.

L. The Company does not have investments in a Downstream Noninsurance Company.

M. All SCA Investments: None

N. Investment in Insurance SCAs: None

### 11. DEBT: NONE

### 12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS:

All employees are employed by GMCC and participate in the pension and other benefit plans of GMCC. Annual costs are shared via the pooling arrangement.

### 13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUSAI-REORGANIZATIONS:

1. The Company has 2,000,000 shares authorized, 2,000,000 shares issued and 2,000,000 shares outstanding. All shares are Class A shares.

2. The Company has no preferred stock outstanding.

3. The Company doesn't pay dividends to its policyholders.

4. No dividends were paid by the Company.

5. The Company doesn't pay dividends to its policyholders.

6. There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.

7. No advances to surplus were made.

8. No amounts of stock were held by the Company.

9. No special surplus funds are held.

10. The Company has no unrealized gains.

11. The Company has no surplus notes.

12. There has not been a restatement due to prior quasi-reorganizations.

13. There has been no quasi-reorganization in the past 10 years.

### 14. LIABILITIES, CONTINGENCIES AND ASSESSMENTS:

A. Contingent Commitments: None

B. Assessments:

Guaranty Fund Assessments are recorded by the parent, GMCC.

C. Gain Contingencies: None

D. Claims Related Extra Contractual Obligations and Bad Faith Losses Stemming from Lawsuits: None

E. Product Warranties: None

F. Joint and Several Liabilities: None

G. All Other Contingencies:

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

### 15. LEASES: NONE

### 16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATION OF CREDIT RISK: NONE

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE  
TRUSTGARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

17. TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES:

- A. Transfers of Receivables Reported as Sales: None
- B. Transfer and Servicing of Financial Assets
1. Loaned Securities:  
The Company participates in a securities lending program with JPMorgan Chase Bank as lending agent. The Company had no securities on loan at December 31, 2017. Collateral received from lending activities is maintained in accordance to the securities lending agreement, whereby the collateral requirement shall be an amount equal to 102% of the then current market value of the relevant loaned securities where securities and collateral are denominated in the same currency, and 105% for all other securities. The Company’s lending agent, JPMorgan Chase Bank, reinvests the cash collateral according to investment guidelines outlined in the securities lending agreement and is reported on-balance sheet. Collateral received in the form of securities are restricted and off-balance sheet. The Company is not able to sell or reinvest the securities received as collateral and according to the MLSA, the borrower bears all the risk associated with said securities.
2. Servicing Assets and Servicing Liabilities: None
3. Servicing Assets and Servicing Liabilities Measured at Fair Value: None
4. Securitizations, Asset-backed Financing Agreements and Similar Transfers with Continued Involvement: None
5. Assets Accounted for as Secured Borrowing: None
6. Receivables with Recourse: None
7. Securities Underlying Repurchase and Reverse Repurchase Agreements: None
- C. Wash Sales: None

18. GAINS OR LOSS TO THE REPORTING ENTITY FROM UNINSURED A&H PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS: NONE

19. DIRECT PREMIUM WRITTEN / PRODUCED BY MANAGING GENERAL AGENTS / THIRD PARTY ADMINISTRATORS: NONE

20. FAIR VALUE MEASUREMENTS:

- A. All assets and liabilities of the Company are measured and reported at cost or amortized cost in accordance with footnote 1 above.
1. Fair Value Hierarchy: None
2. Level Three Fair Value Reconciliation: None
3. Level Three Transfers In/Out: None
4. Reported Fair Value of Investments within Level 2 and Level 3: According to statutory accounting rules, fixed income securities with a rating of NAIC 1 or 2 are reported at amortized cost. Securities with a rating of NAIC 3 thru 6, or non-investment grade ratings, are measured and reported at the lower of amortized cost or fair value on the statement of financial position. As of December 31, 2017, the Company did not have any bonds rated NAIC 3 thru 6, and therefore did not report any securities at fair value.
5. Derivative Assets and Liabilities: The Company does not have derivative assets and liabilities.
- B. Other Fair Value Disclosures: None
- C. Fair Values for All Financial Instruments by Levels 1, 2 and 3:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (CV)
Bonds	68,783,520	66,733,571	8,103,858	60,679,662	0	0
Common Stock	0	0	0	0	0	0
Perpetual Preferred	0	0	0	0	0	0
Other Invested Asset	0	0	0	0	0	0
Money Market	0	0	0	0	0	0
TOTAL	68,783,520	66,733,571	8,103,858	60,679,662	0	0

- D. Not Practicable to Estimate Fair Value: None

21. OTHER ITEMS:

- A. Extraordinary Items: None
- B. Troubled Debt Restructuring: None
- C. Other Disclosures: None
- D. Business Interruption Insurance Recoveries: None
- E. State Transferable and Non-transferable Tax Credits: None
- F. Subprime Mortgage Related Risk Exposure
1. Management Definition of Exposure to Subprime Mortgage Related Risk:  
  
Management defines “subprime” mortgage loans as mortgage loans that are originated with an inherently higher risk profile or have a loan structure that is distinctly different from that of traditional mortgage loans. Management considers the following factors in determining whether or not a mortgage represents a subprime risk: borrowers with low credit ratings (FICO score); unconventionally high initial loan-to-value ratios (LTVs); unconventionally structured loans (option pay adjustable rate mortgages or negative amortizing loans); unconventionally high interest rates; and less than conventional documentation of the borrower’s income and/or assets.
2. The Company has no direct exposure through investments in subprime mortgage loans



ANNUAL STATEMENT FOR THE YEAR 2017 OF THE  
TRUSTGARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

3. Estimated Direct Exposure to Subprime Mortgage Risk Through Other Investments.

Management considers the Company's holdings in securities with underlying subprime exposure to be minimal. The majority of residential mortgage backed securities (RMBS) in the portfolio are issued by government-sponsored enterprises (GSEs). The Company did not own securities with collateral that contain subprime characteristics based on low credit (FICO scores less than 620) and/or high LTVs. The Company's bond portfolio does not include any positions in collateralized debt obligations (CDOs) on a direct basis. On a quarterly basis, management reviews all loan-backed and structured securities with an unrealized loss position according to SSAP 43-R. The best estimate of future cash flows using the appropriate discount rate is calculated for each affected security. To assist in this effort, a brokerage firm provides forward-looking assumptions for default rates, voluntary prepayment speeds, and loss severities on a majority of the securities governed by SSAP 43R. The outcomes of this process assure that anticipated cash flows will not be less than the carrying value subsequent to other-than-temporary impairments. As of December 31, 2017, management estimates there were no unrealized losses present due to subprime mortgage exposure.

4. The Company does not write Mortgage Guaranty or Financial Guaranty insurance coverage.

G. Insurance Linked Securities: None

22. EVENTS SUBSEQUENT:

There have been no events, which have occurred subsequent to year end but before the filing of this statement, which have a material effect upon the financial condition of the Company.

Assessments relating to Section 9010 of the Federal Affordable Care Act:

The Company does not write business subject to Section 9010 of the Federal Affordable Care Act.

23. REINSURANCE:

A. Unsecured Reinsurance Recoverables:

None exceed 3% of Surplus

B. Reinsurance Recoverable in Dispute: None

C. Reinsurance Assumed and Ceded:

1.	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium	Commission	Premium	Commission	Premium	Commission
	Reserve	Equity	Reserve	Equity	Reserve	Equity
a. Affiliates	0	0	56,568,082	10,182,255	(56,568,082)	(10,182,255)
b. All Other	64,130	11,543	43,380	7,808	20,751	3,735
c. TOTAL	64,130	11,543	56,611,462	10,190,063	(56,547,332)	(10,178,520)
d. Direct unearned Premium Reserve	56,547,332					
			Direct	Assumed	Ceded	Net
2. Contingent Commission			2,718,747	0	2,718,747	0

D. Uncollectible Reinsurance: None

E. Commutation of Ceded Reinsurance: None

F. Retroactive Reinsurance: None

G. Reinsurance Accounted For as a Deposit: None

H. Disclosures for the Transfer of Property and Casualty Run-Off Agreements: None

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation: None

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION: NONE

ANNUAL STATEMENT FOR THE YEAR 2017 OF THE  
TRUSTGARD INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

25. CHANGES IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES:

As a result of the change to the Intercompany Pooling Agreement (See FN 26), all reserves have been ceded to the lead company of the pooling agreement.

LOSSES AND LAE	2017	2016
BALANCE JANUARY 1	32,947,527	33,586,540
LESS REINSURANCE RECOVERABLES	8,574,571	9,995,543
NET BALANCE JANUARY 1	24,372,956	23,590,997
INCURRED RELATED TO:		
CURRENT YEAR	-	27,182,100
PRIOR YEAR	-	(1,404,419)
TOTAL INCURRED	-	25,777,681
PAID RELATED TO:		
CURRENT YEAR	-	15,921,627
PRIOR YEAR	24,372,956	9,074,095
TOTAL PAID	24,372,956	24,995,722
NET BALANCE AT DECEMBER 31	-	24,372,956
PLUS REINSURANCE RECOVERABLES	-	8,574,571
BALANCE AT DECEMBER 31	-	32,947,527

26. INTERCOMPANY POOLING AGREEMENTS:

Effective January 1, 2017 the pooling agreement was modified to have the pooling percentages as follows:

		Pool		
		NAIC #	Share	
			12/31/2017	12/31/2016
Lead Company:	Grange Mutual Casualty Company	14060	96.0%	84.0%
Affiliates:	Trustgard Insurance Company	40118	0.0%	3.5%
	Grange Indemnity Insurance Company	10322	0.0%	4.0%
	Grange Insurance Company of Michigan	11136	0.0%	2.5%
	Grange Property & Casualty Insurance Company	11982	0.0%	2.0%
	Integrity Mutual Insurance Company	14303	4.0%	3.3%
	Integrity Property & Casualty Insurance Company	12986	0.0%	0.7%
	Integrity Select Insurance Company	10288	0.0%	n/a

The purpose of the pooling agreement change was to add a new stock company, Integrity Select Insurance Company, to the agreement, as well as to create operational efficiencies and simplify reporting of financial results for the companies in the pool. The intercompany pooling agreement now cedes underwriting results back only to the two mutual parent companies, Grange Mutual Casualty Company and Integrity Mutual Insurance Company, with their respective stock subsidiary companies receiving 0% from the pool. Grange Mutual Casualty Company remains the lead company.

All lines of business are subject to the pooling agreement, with no exceptions. All members of the pool are parties to all reinsurance treaties entered into by the group with non-affiliated reinsurers. There are no discrepancies between the reinsurance schedules of the lead company and the reinsurance schedules of the other participants.

27. STRUCTURED SETTLEMENTS:

All unassigned structure settlements where the claimant is the payee have amortized values, by company, less than 1% of the Company’s surplus.

28. HEALTH CARE RECEIVABLES: NONE

29. PARTICIPATING POLICIES: NONE

30. PREMIUM DEFICIENCY RESERVES:

- 1. Liability carried for Premium Deficiency Reserves is zero.
- 2. Date of the most recent evaluation of this liability was 12/31/2017.
- 3. Anticipated investment income was not utilized in this calculation.

31. HIGH DEDUCTIBLES: NONE

32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES: NONE

33. ASBESTOS/ENVIRONMENTAL RESERVES: NONE

34. SUBSCRIBER SAVINGS ACCOUNTS: NOT APPLICABLE

35. MULTIPLE PERIL CROP INSURANCE: NONE

36. FINANCIAL GUARANTY INSURANCE: NONE

# ANNUAL STATEMENT FOR THE YEAR 2017 OF THE TRUSTGARD INSURANCE COMPANY

## NOTES TO FINANCIAL STATEMENTS

### 37. CATASTROPHIC PLANNING:

The Company utilizes a variety of catastrophe mitigation techniques including exposure management, catastrophe modeling, transfer of risk via reinsurance and claims staff preparation. Exposure management includes active management of exposures and loss potentials such as monitoring of changes in insured values, peril avoidance, pricing actions and/or agency realignments. The Company primarily relies on two probabilistic catastrophe models to identify PML and TVaR estimates on an annual basis. A deterministic model augments this effort. The Company has a comprehensive catastrophic reinsurance program in place and we currently purchase coverage up to our 250 year event outcome. The Company places an emphasis on settlement of claims by Company personnel and these associates receive ongoing training on property claims practices.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

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

Yes ☒ No ☐
- If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2

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

Yes ☒ No ☐ N/A ☐
- 1.3

State Regulating?

Ohio.....
- 2.1

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

Yes ☒ No ☐
- 2.2

If yes, date of change:

.....07/17/2017
- 3.1

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

.....12/31/2014
- 3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

.....12/31/2014
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

.....11/24/2015
- 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 ☒
- 3.6

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

Yes ☒ No ☐ N/A ☐
- 4.1

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

4.11 sales of new business? Yes ☐ No ☒

4.12 renewals? Yes ☐ No ☒
- 4.2

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

4.21 sales of new business? Yes ☐ No ☒

4.22 renewals? Yes ☐ No ☒
- 5.1

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

Yes ☐ No ☒
- 5.2

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

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

- 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 ☒
- 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 ☒
- 7.2

If yes,
- 7.21

State the percentage of foreign control

.....0.0
- 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
.....	.....
.....	.....
.....	.....
.....	.....
.....	.....

GENERAL INTERROGATORIES

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

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

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

8.4 If response to 8.3 is yes, please provide 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	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
PricewaterhouseCoopers LLP, Columbus, Ohio.....

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

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

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

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

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

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

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
Philip A. Baum, FCAS, MAAA, Officer of the Reporting Entity.....

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [ X ]

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value

\$.....0

12.2 If yes, provide explanation

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

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

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ]

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

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

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

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

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

c. Compliance with applicable governmental laws, rules and regulations;

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

e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

14.2 Has the code of ethics for senior managers been amended? Yes [ ] No [ X ]

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

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

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

GENERAL INTERROGATORIES

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

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

BOARD OF DIRECTORS

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?
- Yes [ ] No [ X ]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers \$.....
- 20.12 To stockholders not officers \$.....
- 20.13 Trustees, supreme or grand (Fraternal only) \$.....
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers \$.....
- 20.22 To stockholders not officers \$.....
- 20.23 Trustees, supreme or grand (Fraternal only) \$.....
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?
- Yes [ ] No [ X ]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$.....
- 21.22 Borrowed from others \$.....
- 21.23 Leased from others \$.....
- 21.24 Other \$.....
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments?
- Yes [ ] No [ X ]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$.....
- 22.22 Amount paid as expenses \$.....
- 22.23 Other amounts paid \$.....
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?
- Yes [ X ] No [ ]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:
- \$.....488,428

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 [ ] No [ X ]
- 24.02 If no, give full and complete information, relating thereto
- On deposit in custodial account.....
- 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)
- See Notes to Financial Statement Number 17.....
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?
- Yes [ X ] No [ ] NA [ ]
- 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.
- \$.....
- 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 [ X ] No [ ] NA [ ]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?
- Yes [ X ] No [ ] NA [ ]
- 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 [ X ] No [ ] NA [ ]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....0
- 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....0
- 24.103 Total payable for securities lending reported on the liability page \$.....0

GENERAL INTERROGATORIES

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

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

25.21 Subject to repurchase agreements

25.22 Subject to reverse repurchase agreements

25.23 Subject to dollar repurchase agreements

25.24 Subject to reverse dollar repurchase agreements

25.25 Placed under option agreements

25.26 Letter stock or securities restricted as to sale – excluding FHLB Capital Stock

25.27 FHLB Capital Stock

25.28 On deposit with states

25.29 On deposit with other regulatory bodies

25.30 Pledged as collateral – excluding collateral pledged to an FHLB

25.31 Pledged as collateral to FHLB – including assets backing funding agreements

25.32 Other

\$

\$

\$

\$

\$

\$

\$

\$

\$

\$

\$

\$

2,337,382

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 [ ] 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. \$

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

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

1 Name of Custodian(s)	2 Custodian’s Address
JP Morgan Chase Bank, N.A.....	4 Chase Metrotech Center, Floor 16, Brooklyn, NY 11245.....

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

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

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

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

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

GENERAL INTERROGATORIES

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

1 Name of Firm or Individual	2 Affiliation
J. Christopher Montgomery.....	I.....
James Habegger.....	I.....
John Ammendola.....	I.....
Teresa Dalenta.....	I.....

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

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

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....

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

29.2 If yes, complete the following schedule:

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

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	66,733,571	68,783,520	2,049,949
30.2 Preferred Stocks.....	0	0	0
30.3 Totals	66,733,571	68,783,520	2,049,949

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

Fair values obtained primarily from Bloomberg, otherwise fair values from custodial statements are used.....

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

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

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

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

32.2 If no, list exceptions:



GENERAL INTERROGATORIES

33. By self-designating 5\*GI securities, the reporting entity is certifying the following elements of each self-designated 5\*GI security:
- a.Documentation necessary to permit a full credit analysis of the security does not exist.
  - b.Issuer or obligor is current on all contracted interest and principal payments.
  - c.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? \$ .....
- 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
.....	\$.....
.....	\$.....
.....	\$.....

- 35.1 Amount of payments for legal expenses, if any? \$ .....
- 35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$.....
.....	\$.....
.....	\$.....

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

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? .....

\$ .....

1.31

Reason for excluding

.....

1.4

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

\$ .....

1.5

Indicate total incurred claims on all Medicare Supplement insurance. ....

\$ .....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

\$ .....0

\$ .....41,398,896

2.3

Premium Ratio (2.1/2.2)

.....0.000

.....0.000

2.4

Reserve Numerator

\$ .....0

\$ .....77

2.5

Reserve Denominator

\$ .....0

\$ .....40,725,695

2.6

Reserve Ratio (2.4/2.5)

.....0.000

.....0.000

3.1

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

Yes [ ] No [ X ]

3.2

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

3.21

Participating policies.....

\$ .....

3.22

Non-participating policies.....

\$ .....

4.

For Mutual reporting entities and Reciprocal Exchanges only:

4.1

Does the reporting entity issue assessable policies?.....

Yes [ ] No [ X ]

4.2

Does the reporting entity issue non-assessable policies?.....

Yes [ X ] No [ ]

4.3

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

%

4.4

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

\$ .....

5.

For Reciprocal Exchanges Only:

5.1

Does the exchange appoint local agents?.....

Yes [ ] No [ X ]

5.2

If yes, is the commission paid:

5.21

Out of Attorney's-in-fact compensation.....

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

5.22

As a direct expense of the exchange.....

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

5.3

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

.....

5.4

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

Yes [ ] No [ X ]

5.5

If yes, give full information

.....

# GENERAL INTERROGATORIES

## PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- ## 16.1

GENERAL INTERROGATORIES  
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

11.1

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

Yes [ ] No [X]

11.2

If yes, give full information

12.1

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

12.11

Unpaid losses

\$

12.12

Unpaid underwriting expenses (including loss adjustment expenses)

\$

12.2

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

\$

12.3

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

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

12.4

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

12.41

From

%

12.42

To

%

12.5

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

Yes [ ] No [X]

12.6

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

12.61

Letters of Credit

\$

12.62

Collateral and other funds

\$

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 [X] No [ ]

14.2

If yes, please describe the method of allocating and recording reinsurance among the cedants:  
See Notes to Financial Statement Number 26. Catastrophe Excess Loss Agreement allocated based on percentage of participation

14.3

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

Yes [X] No [ ]

14.4

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

Yes [ ] No [ ]

14.5

If the answer to 14.4 is no, please explain:

15.1

Has the reporting entity guaranteed any financed premium accounts?

Yes [ ] No [X]

15.2

If yes, give full information

16.1

Does the reporting entity write any warranty business?

Yes [ ] No [X]

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

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

\* Disclose type of coverage:

GENERAL INTERROGATORIES  
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

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

17.11	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5.....	\$.....
17.12	Unfunded portion of Interrogatory 17.11.....	\$.....
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11	\$.....
17.14	Case reserves portion of Interrogatory 17.11.....	\$.....
17.15	Incurred but not reported portion of Interrogatory 17.11.....	\$.....
17.16	Unearned premium portion of Interrogatory 17.11.....	\$.....
17.17	Contingent commission portion of Interrogatory 17.11.....	\$.....

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

17.18	Gross amount of unauthorized reinsurance in Schedule F – Part 3 excluded from Schedule F – Part 5.....	\$.....
17.19	Unfunded portion of Interrogatory 17.18.....	\$.....
17.20	Paid losses and loss adjustment expenses portion of Interrogatory 17.18	\$.....
17.21	Case reserves portion of Interrogatory 17.18.....	\$.....
17.22	Incurred but not reported portion of Interrogatory 17.18.....	\$.....
17.23	Unearned premium portion of Interrogatory 17.18.....	\$.....
17.24	Contingent commission portion of Interrogatory 17.18.....	\$.....

18.1 Do you act as a custodian for health savings accounts? ..... Yes [   ] No [ X ]  
18.2 If yes, please provide the amount of custodial funds held as of the reporting date. .... \$.....  
18.3 Do you act as an administrator for health savings accounts? ..... Yes [   ] No [ X ]  
18.4 If yes, please provide the balance of the funds administered as of the reporting date. .... \$.....

FIVE-YEAR HISTORICAL DATA

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

	1 2017	2 2016	3 2015	4 2014	5 2013
<b>Gross Premiums Written</b> (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) .....	55,712,044	79,281,921	87,413,248	91,122,901	84,494,025
2. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	45,138,644	62,369,921	65,563,312	63,346,032	56,962,443
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	29,377,101	57,996,225	66,122,165	67,706,113	63,313,420
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	1,150	2,550	3,399
5. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
6. Total (Line 35) .....	130,227,790	199,648,067	219,099,875	222,177,596	204,773,287
<b>Net Premiums Written</b> (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) .....	(5,294,940)	15,631,152	16,733,963	17,110,294	16,215,809
8. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	(3,788,336)	11,514,384	11,670,894	11,264,835	10,505,195
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	(7,269,462)	13,815,255	14,377,846	14,173,736	13,168,918
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	1,150	2,550	3,399
11. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
12. Total (Line 35) .....	(16,352,738)	40,960,792	42,783,854	42,551,415	39,893,321
<b>Statement of Income</b> (Page 4)					
13. Net underwriting gain (loss) (Line 8) .....	0	2,360,097	127,689	(70,657)	(5,139)
14. Net investment gain (loss) (Line 11) .....	3,105,371	3,208,541	3,173,510	2,940,740	2,820,670
15. Total other income (Line 15) .....	0	3,341,705	4,009,539	4,188,169	3,769,544
16. Dividends to policyholders (Line 17) .....	0	126,294	115,456	115,150	113,380
17. Federal and foreign income taxes incurred (Line 19) .....	(861,868)	2,686,504	2,085,861	2,036,279	2,111,230
18. Net income (Line 20) .....	3,967,239	6,097,545	5,109,421	4,906,823	4,360,465
<b>Balance Sheet Lines</b> (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3) .....	72,840,459	117,003,866	113,303,405	105,763,557	96,223,148
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1) .....	0	8,231,136	8,301,996	8,325,638	7,576,807
20.2 Deferred and not yet due (Line 15.2) .....	0	32,628	25,937	18,054	12,629
20.3 Accrued retrospective premiums (Line 15.3) .....	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26) .....	105,750	46,900,937	49,272,250	46,762,514	42,060,807
22. Losses (Page 3, Line 1) .....	0	18,742,947	18,566,594	16,128,057	14,703,824
23. Loss adjustment expenses (Page 3, Line 3) .....	0	5,630,010	5,024,402	4,568,604	4,393,818
24. Unearned premiums (Page 3, Line 9) .....	0	16,352,738	16,790,842	16,893,831	15,696,006
25. Capital paid up (Page 3, Lines 30 & 31) .....	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
26. Surplus as regards policyholders (Page 3, Line 37) .....	72,734,709	70,102,929	64,031,155	59,001,043	54,162,341
<b>Cash Flow</b> (Page 5)					
27. Net cash from operations (Line 11) .....	(34,847,384)	7,808,073	8,580,475	7,025,684	8,102,559
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital .....	72,734,709	70,102,929	64,031,155	59,001,043	54,162,341
29. Authorized control level risk-based capital .....	253,154	3,194,946	3,521,941	3,331,875	2,901,404
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b>					
(Page 2, Col. 3)(Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1) .....	94.1	99.4	95.4	95.1	97.1
31. Stocks (Lines 2.1 & 2.2) .....	0.0	0.0	0.0	0.0	0.0
32. Mortgage loans on real estate (Lines 3.1 and 3.2) .....	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3) .....	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5) .....	5.9	0.6	1.3	0.7	1.0
35. Contract loans (Line 6) .....	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7) .....	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8) .....	0.0	0.0	0.0	0.0	0.0
38. Receivables for securities (Line 9) .....	0.0	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10) .....	0.0	0.0	3.3	4.1	1.9
40. Aggregate write-ins for invested assets (Line 11) .....	0.0	0.0	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 12) .....	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1) .....	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1) .....	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1) .....	0	0	0	0	2,000
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10) .....	0	0	0	0	0
46. Affiliated mortgage loans on real estate .....	0	0	0	0	0
47. All other affiliated .....	0	0	0	0	0
48. Total of above Lines 42 to 47 .....	0	0	0	0	2,000
49. Total Investment in parent included in Lines 42 to 47 above .....		0	0	0	0
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	0.0	0.0	0.0	0.0

FIVE-YEAR HISTORICAL DATA

	1	2	3	4	5
	2017	2016	2015	2014	2013
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	0	0	0	0	0
52. Dividends to stockholders (Line 35)	0	0	0	0	0
53. Change in surplus as regards policyholders for the year (Line 38)	2,631,780	6,071,775	5,030,112	4,838,702	4,513,893
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)	56,727,496	54,337,205	55,259,385	48,686,892	46,139,415
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	23,402,644	30,889,013	35,503,317	34,561,776	29,775,237
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	25,880,015	24,892,312	30,819,619	36,034,084	32,565,758
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	24	23	401	2,331	5,509
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
59. Total (Line 35)	106,010,179	110,118,552	121,582,722	119,285,083	108,485,919
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)	14,568,114	9,509,371	9,654,050	9,113,315	8,168,952
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	129,197	5,734,243	6,214,802	6,175,498	5,608,146
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	4,045,612	5,148,437	6,261,564	7,057,403	6,499,987
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	24	23	401	2,331	5,509
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
65. Total (Line 35)	18,742,947	20,392,073	22,130,816	22,348,547	20,282,594
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)	0.0	49.7	57.3	57.5	55.1
68. Loss expenses incurred (Line 3)	0.0	12.6	11.9	11.4	11.8
69. Other underwriting expenses incurred (Line 4)	0.0	32.0	30.6	31.2	33.1
70. Net underwriting gain (loss) (Line 8)	0.0	5.7	0.3	(0.2)	0.0
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)	0.0	24.2	21.3	20.5	22.6
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	0.0	62.3	69.1	68.9	66.9
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)	(22.5)	58.4	66.8	72.1	73.7
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)	0	(836)	723	410	(176)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0)	0.0	(1.3)	1.2	0.8	(0.4)
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)	0	227	762	305	(914)
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)	0.0	0.4	1.4	0.6	(2.0)

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

If no, please explain

Schedule P - Part 1 - Summary

NONE

Schedule P - Part 2 - Summary

NONE

Schedule P - Part 3 - Summary

NONE

Schedule P - Part 4 - Summary

NONE



SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated By States And Territories									
States, etc.	1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		2	3						
	Active Status	Direct Premiums Written	Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges Not Included in Premiums	Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
1. Alabama	AL N	.0	.0	.0	.0	.0	.0	.0	
2. Alaska	AK N	.0	.0	.0	.0	.0	.0	.0	
3. Arizona	AZ N	.0	.0	.0	.0	.0	.0	.0	
4. Arkansas	AR N	.0	.0	.0	.0	.0	.0	.0	
5. California	CA N	.0	.0	.0	.0	.0	.0	.0	
6. Colorado	CO L	.0	.0	.0	.0	.0	.0	.0	
7. Connecticut	CT N	.0	.0	.0	.0	.0	.0	.0	
8. Delaware	DE N	.0	.0	.0	.0	.0	.0	.0	
9. Dist. Columbia	DC N	.0	.0	.0	.0	.0	.0	.0	
10. Florida	FL N	.0	.0	.0	.0	.0	.0	.0	
11. Georgia	GA L	17,820,888	17,257,721	.0	8,966,528	11,473,815	5,767,751	196,595	
12. Hawaii	HI N	.0	.0	.0	.0	.0	.0	.0	
13. Idaho	ID N	.0	.0	.0	.0	.0	.0	.0	
14. Illinois	IL L	14,259,267	15,469,547	.0	12,156,369	10,825,219	6,031,358	202,212	
15. Indiana	IN L	30,564,396	30,652,517	.0	16,844,689	16,350,697	8,004,393	469,093	
16. Iowa	IA L	.0	.0	.0	.0	.0	.0	.0	
17. Kansas	KS L	.0	.0	.0	.0	.0	.0	.0	
18. Kentucky	KY L	8,275,814	8,931,320	.0	3,453,701	3,792,994	2,218,271	114,597	
19. Louisiana	LA N	.0	.0	.0	.0	.0	.0	.0	
20. Maine	ME N	.0	.0	.0	.0	.0	.0	.0	
21. Maryland	MD N	.0	.0	.0	.0	.0	.0	.0	
22. Massachusetts	MA N	.0	.0	.0	.0	.0	.0	.0	
23. Michigan	MI N	.0	.0	.0	.0	.0	.0	.0	
24. Minnesota	MN L	.0	.0	.0	.0	.0	.0	.0	
25. Mississippi	MS N	.0	.0	.0	.0	.0	.0	.0	
26. Missouri	MO L	.0	.0	.0	(67)	(67)	.0	.0	
27. Montana	MT N	.0	.0	.0	.0	.0	.0	.0	
28. Nebraska	NE L	.0	.0	.0	.0	.0	.0	.0	
29. Nevada	NV N	.0	.0	.0	.0	.0	.0	.0	
30. New Hampshire	NH N	.0	.0	.0	.0	.0	.0	.0	
31. New Jersey	NJ N	.0	.0	.0	.0	.0	.0	.0	
32. New Mexico	NM N	.0	.0	.0	.0	.0	.0	.0	
33. New York	NY N	.0	.0	.0	.0	.0	.0	.0	
34. No. Carolina	NC N	.0	.0	.0	.0	.0	.0	.0	
35. No. Dakota	ND L	.0	.0	.0	.0	.0	.0	.0	
36. Ohio	OH L	16,311,558	16,922,230	.0	10,069,517	8,856,865	6,625,751	1,073,691	
37. Oklahoma	OK N	.0	.0	.0	.0	.0	.0	.0	
38. Oregon	OR L	.0	.0	.0	.0	.0	.0	.0	
39. Pennsylvania	PA L	13,714,232	14,756,209	.0	9,203,916	7,503,816	5,983,673	202,586	
40. Rhode Island	RI N	.0	.0	.0	.0	.0	.0	.0	
41. So. Carolina	SC L	6,159,957	7,307,788	.0	5,580,276	5,677,858	8,885,303	87,430	
42. So. Dakota	SD L	.0	.0	.0	.0	.0	.0	.0	
43. Tennessee	TN L	22,303,091	22,193,054	.0	10,604,066	10,418,451	5,176,878	271,837	
44. Texas	TX L	.0	.0	.0	.0	.0	.0	.0	
45. Utah	UT N	.0	.0	.0	.0	.0	.0	.0	
46. Vermont	VT N	.0	.0	.0	.0	.0	.0	.0	
47. Virginia	VA L	17,039,345	16,070,992	.0	10,327,030	10,613,252	13,724,226	223,416	
48. Washington	WA L	.0	.0	.0	.0	.0	.0	.0	
49. West Virginia	WV N	.0	.0	.0	.0	.0	.0	.0	
50. Wisconsin	WI L	.0	.0	.0	.0	.0	.0	.0	
51. Wyoming	WY N	.0	.0	.0	.0	.0	.0	.0	
52. American Samoa	AS N	.0	.0	.0	.0	.0	.0	.0	
53. Guam	GU N	.0	.0	.0	.0	.0	.0	.0	
54. Puerto Rico	PR N	.0	.0	.0	.0	.0	.0	.0	
55. U.S. Virgin Islands	VI N	.0	.0	.0	.0	.0	.0	.0	
56. Northern Mariana Islands	MP N	.0	.0	.0	.0	.0	.0	.0	
57. Canada	CAN N	.0	.0	.0	.0	.0	.0	.0	
58. Aggregate other alien	OT XXX	.0	.0	.0	.0	.0	.0	.0	.0
59. Totals	(a) 21	146,448,547	149,561,377	0	87,206,027	85,512,899	62,417,603	2,841,457	0
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Sum. of remaining write-ins for Line 58 from overflow page	XXX	.0	.0	.0	.0	.0	.0	.0	.0
58999. Totals (Lines 58001 through 58003 + 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.

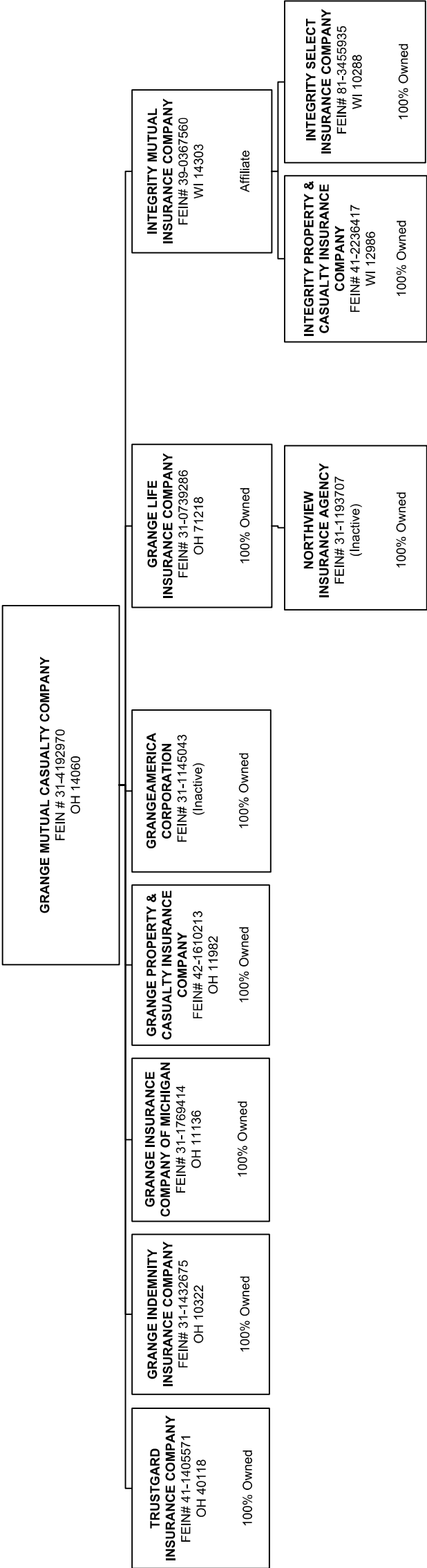
Explanation of basis of allocation of premiums by states, etc.

Location of the risk.

(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



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