



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

# QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2018  
OF THE CONDITION AND AFFAIRS OF THE

## Root Insurance Company

NAIC Group Code 0000 0000 NAIC Company Code 10974 Employer's ID Number 31-1631404  
(Current) (Prior)

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

Country of Domicile United States of America

Incorporated/Organized 12/11/1998 Commenced Business 04/29/1999

Statutory Home Office 34 W. Gay St, Ste. 2A, Columbus, OH, US 43215  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 34 W. Gay St, Ste. 2A  
(Street and Number)

Columbus, OH, US 43215, 866-980-9431  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 34 W. Gay St, Ste. 2A, Columbus, OH, US 43215  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 34 W. Gay St, Ste. 2A  
(Street and Number)

Columbus, OH, US 43215, 866-980-9431  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.joinroot.com

Statutory Statement Contact Lawrence Theodore Conrad, 866-980-9431  
(Name) (Area Code) (Telephone Number)

finance@joinroot.com, 614-573-7662  
(E-mail Address) (FAX Number)

### OFFICERS

President Alexander Edward Timm Vice President Daniel Craig Manges  
Secretary Jonathan Alexander Allison Chief Financial Officer Cynthia Ann Powell

### OTHER

### DIRECTORS OR TRUSTEES

Alexander Edward Timm Christopher George Olsen Cynthia Ann Powell  
Lawrence Allen Hilsheimer David Matthew McMullen

State of Ohio SS:  
County of Franklin

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.

Alexander Edward Timm  
President

Jonathan Alexander Allison  
Secretary

Cynthia Ann Powell  
Chief Financial Officer

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_

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

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Root Insurance Company

**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	4,061,581		4,061,581	2,840,422
2. Stocks:				
2.1 Preferred stocks .....			0	
2.2 Common stocks .....			0	
3. Mortgage loans on real estate:				
3.1 First liens .....			0	
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances) .....			0	
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	
4.3 Properties held for sale (less \$ encumbrances) .....			0	
5. Cash (\$ .....9,675,751 ), cash equivalents (\$ .....2,802,526 ) and short-term investments (\$ .....22,945,631 ) .....	35,423,909		35,423,909	17,031,484
6. Contract loans (including \$ ..... premium notes) .....			0	
7. Derivatives .....			0	
8. Other invested assets .....			0	
9. Receivables for securities .....			0	
10. Securities lending reinvested collateral assets .....			0	
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	39,485,490	0	39,485,490	19,871,906
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	
14. Investment income due and accrued .....	48,626		48,626	4,139
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	590,812		590,812	8,935
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	20,590,387		20,590,387	1,635,213
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	4,948,160		4,948,160	92,320
16.2 Funds held by or deposited with reinsured companies .....			0	
16.3 Other amounts receivable under reinsurance contracts .....			0	
17. Amounts receivable relating to uninsured plans .....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	
18.2 Net deferred tax asset .....	13,475,600	13,475,600	0	0
19. Guaranty funds receivable or on deposit .....			0	
20. Electronic data processing equipment and software .....	1,345,452	1,345,452	0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	148,472	148,472	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	
23. Receivables from parent, subsidiaries and affiliates .....	35,301,245		35,301,245	11,875
24. Health care (\$ ..... ) and other amounts receivable .....			0	
25. Aggregate write-ins for other than invested assets .....	1,859,985	65,289	1,794,696	475,000
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	117,794,229	15,034,812	102,759,417	22,099,387
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	
28. Total (Lines 26 and 27)	117,794,229	15,034,812	102,759,417	22,099,387
<b>DETAILS OF WRITE-INS</b>				
1101. ....			0	0
1102. ....				
1103. ....				
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. Security Deposit .....	65,289	65,289	0	0
2502. Claims Imprest Fund .....	1,794,696		1,794,696	475,000
2503. ....				
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)	1,859,985	65,289	1,794,696	475,000

## STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Root Insurance Company

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 9,749,403 )	9,937,775	662,348
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	1,044,190	116,409
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)	7,791,268	1,758,447
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	1,058,333	61,769
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 8,505,564 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ 0 for medical loss ratio rebate per the Public Health Service Act)	21,343,939	1,076,868
10. Advance premium	461,253	45,438
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	9,080,237	237,990
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others		
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$ certified)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		
20. Derivatives	0	
21. Payable for securities		
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	35,985	21,143
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	50,752,979	3,980,411
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	50,752,979	3,980,411
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	4,500,000	4,500,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		
34. Gross paid in and contributed surplus	111,267,379	31,258,379
35. Unassigned funds (surplus)	(63,760,942)	(17,639,404)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$ )		
36.2 shares preferred (value included in Line 31 \$ )		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	52,006,438	18,118,975
38. Totals (Page 2, Line 28, Col. 3)	102,759,417	22,099,387
<b>DETAILS OF WRITE-INS</b>		
2501. Deferred Rent	28,207	21,143
2502. Withholdings Due	7,778	
2503.		
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)	35,985	21,143
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298)(Line 32 above)	0	0

**STATEMENT OF INCOME**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 55,569,831 )	27,994,992	577,252	1,711,228
1.2 Assumed (written \$ )			0
1.3 Ceded (written \$ 19,110,529 )	11,802,762	321,321	919,565
1.4 Net (written \$ 36,459,302 )	16,192,230	255,931	791,663
<b>DEDUCTIONS:</b>			
2. Losses incurred (current accident year \$ ):			
2.1 Direct	31,508,508	737,913	2,369,290
2.2 Assumed			0
2.3 Ceded	13,465,809	368,957	1,184,645
2.4 Net	18,042,699	368,956	1,184,645
3. Loss adjustment expenses incurred	2,347,065	40,357	145,595
4. Other underwriting expenses incurred	42,568,316	7,902,041	15,222,640
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	62,958,080	8,311,354	16,552,880
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	(46,765,850)	(8,055,423)	(15,761,217)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	386,804	28,646	47,714
10. Net realized capital gains (losses) less capital gains tax of \$			
11. Net investment gain (loss) (Lines 9 + 10)	386,804	28,646	47,714
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ 93,366 )	(93,366)	0	
13. Finance and service charges not included in premiums	919,724	23,223	70,820
14. Aggregate write-ins for miscellaneous income	49,258	991	0
15. Total other income (Lines 12 through 14)	875,616	24,214	70,820
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(45,503,430)	(8,002,563)	(15,642,683)
17. Dividends to policyholders			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(45,503,430)	(8,002,563)	(15,642,683)
19. Federal and foreign income taxes incurred			
20. Net income (Line 18 minus Line 19)(to Line 22)	(45,503,430)	(8,002,563)	(15,642,683)
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	18,118,975	4,128,431	4,128,431
22. Net income (from Line 20)	(45,503,430)	(8,002,563)	(15,642,683)
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains (losses) less capital gains tax of \$			
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax		(616,072)	(616,072)
27. Change in nonadmitted assets	(618,108)	317,472	(262,701)
28. Change in provision for reinsurance			
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in		3,500,000	3,500,000
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in	80,009,000	11,015,000	27,018,000
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus	0	(6,000)	(6,000)
38. Change in surplus as regards policyholders (Lines 22 through 37)	33,887,463	6,207,837	13,990,544
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	52,006,438	10,336,268	18,118,975
<b>DETAILS OF WRITE-INS</b>			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. Totals (Lines 0501 through 0503 plus 0598)(Line 5 above)	0	0	0
1401. Misc Income	49,258	991	0
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)	49,258	991	0
3701. 2016 License Fee		(6,000)	(6,000)
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. Totals (Lines 3701 through 3703 plus 3798)(Line 37 above)	0	(6,000)	(6,000)

## STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Root Insurance Company

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....	26,180,310	43,113	615,411
2. Net investment income .....	202,953	30,739	49,872
3. Miscellaneous income .....	875,616	24,214	70,820
4. Total (Lines 1 to 3) .....	27,258,880	98,066	736,103
5. Benefit and loss related payments .....	14,951,308	267,762	1,077,971
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	36,619,142	7,459,269	13,536,810
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses) .....	0	0	0
10. Total (Lines 5 through 9) .....	51,570,450	7,727,031	14,614,781
11. Net cash from operations (Line 4 minus Line 10) .....	(24,311,570)	(7,628,965)	(13,878,678)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	900,000	0	300,000
12.2 Stocks .....	0	0	0
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0	0
12.7 Miscellaneous proceeds .....	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	900,000	0	300,000
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	2,113,905	0	1,638,477
13.2 Stocks .....	0	0	0
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	0	0	0
13.5 Other invested assets .....	0	0	0
13.6 Miscellaneous applications .....	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	2,113,905	0	1,638,477
14. Net increase (or decrease) in contract loans and premium notes .....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(1,213,905)	0	(1,338,477)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock .....	45,000,000	15,500,000	31,500,000
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied) .....	(1,082,101)	(324,988)	(1,042,922)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	43,917,899	15,175,012	30,457,078
<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) .....	18,392,425	7,546,047	15,239,923
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	17,031,484	1,791,560	1,791,560
19.2 End of period (Line 18 plus Line 19.1) .....	35,423,909	9,337,607	17,031,484

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

20.0001. ....			
---------------	--	--	--

## NOTES TO FINANCIAL STATEMENTS

## NOTE 1

## Summary of Significant Accounting Policies and Going Concern

- A. **Basis of Presentation** – The financial statements of Root Insurance Company (the “Company”) are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance. The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners’ (NAIC) Accounting Practices and Procedures Manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Ohio, subject to any deviations prescribed or permitted by the Ohio Department of Insurance. There are no significant differences between Ohio prescribed practices and the NAIC SAP which affect the Company. The following reconciliation table illustrates the Company’s net income and capital and surplus under NAIC SAP and those practices prescribed and permitted by the State of Ohio:

	SSAP #	F/S Page	F/S Line #	2018	2017
NET INCOME					
(1) State Basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	(45,503,429)	(8,003,554)
(2) State Prescribed Practices that increase/(decrease) NAIC SAP:	.....	.....	.....	.....	.....
(3) State Permitted Practices that increase/(decrease) NAIC SAP:	.....	.....	.....	.....	.....
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	(45,503,429)	(8,003,554)
SURPLUS					
(5) State basis (Page 3, Line 37, Column 1 & 2)	XXX	XXX	XXX	52,006,438	18,118,975
(6) State Prescribed Practices that increase/(decrease) NAIC SAP:	.....	.....	.....	.....	.....
(7) State Permitted Practices that increase/(decrease) NAIC SAP:	.....	.....	.....	.....	.....
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	52,006,438	18,118,975

- B. **Use of Estimates in Preparation of Financial Statements** – No significant change.  
C. **Accounting Policy** – No significant change.  
D. **Going Concern** – There are no going concern issues at this time.

## NOTE 2

Accounting Changes and Corrections of Errors – Not Applicable

## NOTE 3

Business Combinations and Goodwill – Not Applicable

## NOTE 4

Discontinued Operations – Not Applicable

## NOTE 5

Investments

- A. **Mortgage Loans** – Not Applicable  
B. **Trouble Debt Restructuring for Creditors** – Not Applicable  
C. **Reverse Mortgages** – Not Applicable  
D. **Loan Backed Securities** – Not Applicable  
E. **Repurchase Agreements** – Not Applicable  
F. **Write Downs for Impairment of Real Estate** – Not Applicable  
G. **Low Income Housing Tax Credits** – Not Applicable  
H. **Restricted Assets** – Not Applicable

## NOTE 6

Joint Ventures, Partnerships and Limited Liability Companies – Not Applicable

## NOTE 7

Investment Income

- A. **Accrued Investment Income** – No significant change.  
B. **Amounts Non-admitted** – Not Applicable

## NOTE 8

Derivative Instruments – Not Applicable

## NOTE 9

Income Taxes – No significant change.

## NOTE 10

Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

- A. **Nature of Relationships**  
Effective June 28, 2018, IBOD Company, Inc. changed its name to Root, Inc.
- B. **Detail of Transactions Greater than 1/2 of Admitted Assets**  
On March 26, 2018, Root, Inc. made \$30,000,000 in cash contributions to the Company.  
On June 30, 2018, Root, Inc. made \$15,000,000 capital contribution to the Company, which was settled on July 30, 2018.
- C. **Changes in Terms of Intercompany Arrangements** – No significant change.  
D. **Amounts Due to or from Related Parties**  
At September 30, 2018, the Company had a \$35,000,000 receivable from Root, Inc. Included in this receivable is an approved SSAP 72 \$35,000,000 capital contribution that was settled in full on October 25, 2018. See Note 22.
- E. **Management, Service Contracts, Cost Sharing Arrangements**  
Effective October 1, 2018, the Company entered into a producer agreement with Root Insurance Agency, LLC (RIA), a single member LLC of Root, Inc., to provide advertising, marketing and customer services. As compensation for RIA’s services, the Company will pay a commission based on gross written premium for business submitted and policies issued. Prior to October 1, 2018 these services and costs were borne by the Company.
- F. **Nature of Relationship’s that Could Affect Operations** – Not Applicable  
G. **Amount Deducted for Investment in Upstream Company** – Not Applicable  
H. **Detail of Investments in Affiliates Greater than 10% of Admitted Assets** – Not Applicable  
I. **Write Down for Impairments of Investments in Affiliates** – Not Applicable  
J. **Foreign Insurance Subsidiary Valued Using CARVM** – Not Applicable  
K. **Downstream Holding Company Valued Using Look-Through Method** – Not Applicable

## NOTE 11

Debt – Not Applicable

## NOTE 12

Retirement Plans, Deferred Compensation, Postretirement Benefits and Compensated Absences and Other Postretirement

Through April 30, 2018 the Company leased its employees from an unrelated third party, which provided employer-related health and welfare plans. The Company had no legal obligation to these plans. As of May 1, 2018, the Company is allocated its share of employee costs through an Administrative Services Agreement with Root Inc., the employer of record.

## NOTES TO FINANCIAL STATEMENTS

## NOTE 13

## Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

## A. Outstanding Shares

At September 30, 2018, the Company has 850 shares of \$10,000 par value common stock authorized and 450 shares issued and outstanding.

- B. Dividend Rate of Preferred Stock – Not Applicable
- C. Dividend Restrictions – Not Applicable
- D. Dates and Amounts of Dividends Paid – Not Applicable
- E. Number of Ordinary Dividends that May be Paid – Not Applicable
- F. Restrictions on Unassigned Funds – Not Applicable
- G. Mutual Surplus Advances – Not Applicable
- H. Company Stock Held for Special Purposes – Not Applicable
- I. Changes in Special Surplus Funds – Not Applicable
- J. Changes in Unassigned Funds – Not Applicable
- K. Surplus Notes – Not Applicable
- L. Impact of Quasi-Reorganization – Not Applicable
- M. Date of Quasi-Reorganizations – Not Applicable

## NOTE 14

## Contingencies

- A. Contingent Commitments – Not Applicable
- B. Guaranty Fund and Other Assessments – Not Applicable
- C. Gain Contingencies – Not Applicable
- D. Extra Contractual Obligations and Bad Faith Losses – Not Applicable
- E. Product Warranties – Not Applicable
- F. Other Contingencies – Not Applicable

## NOTE 15

## Leases

- A. Lessee Operating Lease – No significant change.
- B. Lessor Leases – Not Applicable

## NOTE 16

Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations – Not Applicable

## NOTE 17

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

- A. Transfer of Receivables Reported as Sales – Not Applicable
- B. Transfers and Servicing of Financial Assets – Not Applicable
- C. Wash Sales – Not Applicable

## NOTE 18

Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans – Not Applicable

## NOTE 19

Direct Premium Written/Produced By Managing General Agents/Third Party Administrators – Not Applicable

## NOTE 20

## Fair Value Measurement

- A. Inputs Used for Assets & Liabilities Measured at Fair Value – Not Applicable
- B. Other Fair Value Disclosures – Not Applicable
- C. Fair Values for All Financial Instruments by Level 1, 2 and 3 – Not Applicable
- D. Financial Instruments for which Not Practicable to Determine Fair Values – Not Applicable

## NOTE 21

## Other Items

- A. Extraordinary Items – Not Applicable
- B. Troubled Debt Restructuring for Debtors – Not Applicable
- C. Other Disclosures – Not Applicable
- D. Business Interruption Insurance Recoveries – Not Applicable
- E. State Transferable and non-transferable Tax Credits – Not Applicable
- F. Subprime Mortgage Related Risk Exposure – Not Applicable

## NOTE 22

## Subsequent Events

At September 30, 2018, the Company had a \$35,000,000 receivable from Root, Inc. Included in this receivable is an approved SSAP 72 \$35,000,000 capital contribution that was settled in full on October 25, 2018.

Effective October 1, 2018, the Company entered into a producer agreement with Root Insurance Agency, LLC (RIA), a single member LLC of Root, Inc., to provide advertising, marketing and customer services. As compensation for RIA's services, the Company will pay a commission based on gross written premium for business submitted and policies issued. Prior to October 1, 2018 these services and costs were borne by the Company.

## NOTE 23

## Reinsurance

- A. Unsecured Reinsurance Recoverable – Not Applicable
- B. Reinsurance Recoverable in Dispute – Not Applicable
- C. Reinsurance Assumed and Ceded

	Assumed Reinsurance		Ceded Reinsurance		Net	
	(1) Premium Reserve	(2) Commission Equity	(3) Premium Reserve	(4) Commission Equity	(5) Premium Reserve	(6) Commission Equity
a. Affiliates						
b. All Other			8,505,564	3,042,556	(8,505,564)	(3,042,556)
c. Total			\$ 8,505,564	\$ 3,042,556	\$ (8,505,564)	\$ (3,042,556)
d. Direct Unearned Premium Reserve			\$ 29,849,503			

Effective July 1, 2016, the Company entered into a quota-share agreement ("Quota Share Treaty 1") that ceded 50 percent of the premiums written and losses and loss adjustment expenses incurred on policies written during the contract period. The Quota Share Treaty 1 was terminated on May 31, 2018. Effective June 1, 2018, the Company entered into a 7-month quota-share agreement ("Quota Share Treaty 2") that cedes 25 percent of the premiums written and losses incurred on policies written during the contract period. The contract also includes a 10% loss adjustment expense allowance based on premiums ceded.

Effective July 1, 2016, the Company entered into an excess-of-loss contract ("XOL Treaty 1") that covers individual loss occurrences up to \$1,000,000 in excess of \$100,000. XOL Treaty 1 was terminated on May 31, 2018. Effective June 1, 2018, the Company entered into a 7-month excess-of-loss contract ("XOL Treaty 2") that covers individual loss occurrences up to \$1,000,000 in excess of \$100,000.

Effective September 1, 2018, the Company entered into a 9-month property catastrophe excess-of-loss contract ("CAT Treaty") that covers property losses for individual catastrophe occurrence up to \$2,500,000 in excess of \$500,000.

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

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 24**

**Retrospectively Rated Contracts & Contracts Subject to Redetermination** – Not Applicable

**NOTE 25**

**Changes in Incurred Losses and Loss Adjustment Expenses**

Incurred loss and loss adjustment expenses attributable to prior accident years decreased by \$216,000 from December 31, 2017. This decrease is primarily the result of claims settling less than the case reserve and lack of newly reported claims on prior years across both personal auto liability and physical damage coverages. These estimates are continually reviewed and increased or decreased as additional information becomes known regarding individual claims.

**NOTE 26**

**Intercompany Pooling Arrangements** – Not Applicable

**NOTE 27**

**Structured Settlements** – Not Applicable

**NOTE 28**

**Health Care Receivables** – Not Applicable

**NOTE 29**

**Participating Policies** – Not Applicable

**NOTE 30**

**Premium Deficiency Reserves**

Liability carried for premium deficiency reserves ..... 0  
Date of the most recent evaluation of this liability .....9/30/2018  
Was anticipated investment income utilized in the calculation? .....Yes [ X ] No [ ]

**NOTE 31**

**High Deductibles** – Not Applicable

**NOTE 32**

**Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses** – Not Applicable

**NOTE 33**

**Asbestos/Environmental Reserves** – Not Applicable

**NOTE 34**

**Subscriber Savings Accounts** – Not Applicable

**NOTE 35**

**Multiple Peril Crop Insurance** – Not Applicable

**NOTE 36**

**Financial Guaranty Insurance** – Not Applicable

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes [ ] No [ X ]
- 1.2 If yes, has the report been filed with the domiciliary state? ..... Yes [ ] No [ X ]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [ X ]
- 2.2 If yes, date of change: .....
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes [ X ] No [ ]  
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes [ ] No [ X ]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? ..... Yes [ ] No [ X ]
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. ....
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes [ ] No [ X ]
- 4.2 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
.....	.....	.....

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [ ] No [ X ] N/A [ ]  
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .... 12/31/2014
- 6.2 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
- 6.3 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). .... 02/26/2016
- 6.4 By what department or departments?  
Ohio Department of Insurance
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ ] No [ ] N/A [ X ]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [ ] No [ ] N/A [ X ]
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes [ ] No [ X ]
- 7.2 If yes, give full information:
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes [ ] No [ X ]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes [ ] No [ X ]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

**GENERAL INTERROGATORIES**

- 9.1 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  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.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? ..... Yes  No
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes  No
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

**FINANCIAL**

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes  No
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$ 35,301,245

**INVESTMENT**

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes  No
- 11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: ..... \$
13. Amount of real estate and mortgages held in short-term investments: ..... \$
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes  No
- 14.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ 0	\$
14.22 Preferred Stock .....	\$ 0	\$
14.23 Common Stock .....	\$ 0	\$
14.24 Short-Term Investments .....	\$ 0	\$
14.25 Mortgage Loans on Real Estate .....	\$ 0	\$
14.26 All Other .....	\$ 0	\$
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....	\$ 0	\$ 0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$	\$

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes  No
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes  No   
 If no, attach a description with this statement.

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Root Insurance Company

**GENERAL INTERROGATORIES**

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 .....\$ .....0
  - 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 .....\$ .....0
  - 16.3 Total payable for securities lending reported on the liability page .....\$ .....0

17. 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 [ ]
- 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
US Bank	1555 N Rivercenter Dr. Suite 300 Milwaukee, WI 53212
Regions Bank	201 Milan Parkway, Second Floor Birmingham, AL 35211
The Huntington Investment Co.	41 South High Street, 7th Floor Columbus, OH 43215
Century Trust, LLP	100 S. Federal Place Santa Fe, CA 87501

- 17.2 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)
.....	.....	.....

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? ..... Yes [ ] No [ X ]
- 17.4 If yes, give full information relating thereto:

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

- 17.5 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
Cynthia Powell, Chief Financial Officer	I.....
Asset Allocation & Management, LLC (AAM)	U.....

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets? ..... Yes [ X ] No [ ]

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? ..... Yes [ X ] No [ ]

- 17.6 For those firms or individuals listed in the table for 17.5 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
109875	Asset Allocation & Management Company, LLC (AAM)	549300DSCH1V5W3U963	Securities and Exchange Commission	NO

- 18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? ..... Yes [ X ] No [ ]
- 18.2 If no, list exceptions:

19. By self-designating 5\*GI securities, the reporting entity is certifying the following elements for 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 ]

# GENERAL INTERROGATORIES

## PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? ..... Yes [ ] No [ ] N/A [ X ]  
If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? ..... Yes [ ] No [ X ]  
If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? ..... Yes [ ] No [ X ]

3.2 If yes, give full and complete information thereto.

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see Annual Statement Instructions pertaining to disclosure of discounting for definition of "tabular reserves") discounted at a rate of interest greater than zero? ..... Yes [ ] No [ X ]

4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
						0				0
TOTAL			0	0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent ..... %

5.2 A&H cost containment percent ..... %

5.3 A&H expense percent excluding cost containment expenses ..... %

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

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

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

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

7. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? ..... Yes [ X ] No [ ]

7.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? ..... Yes [ ] No [ ]



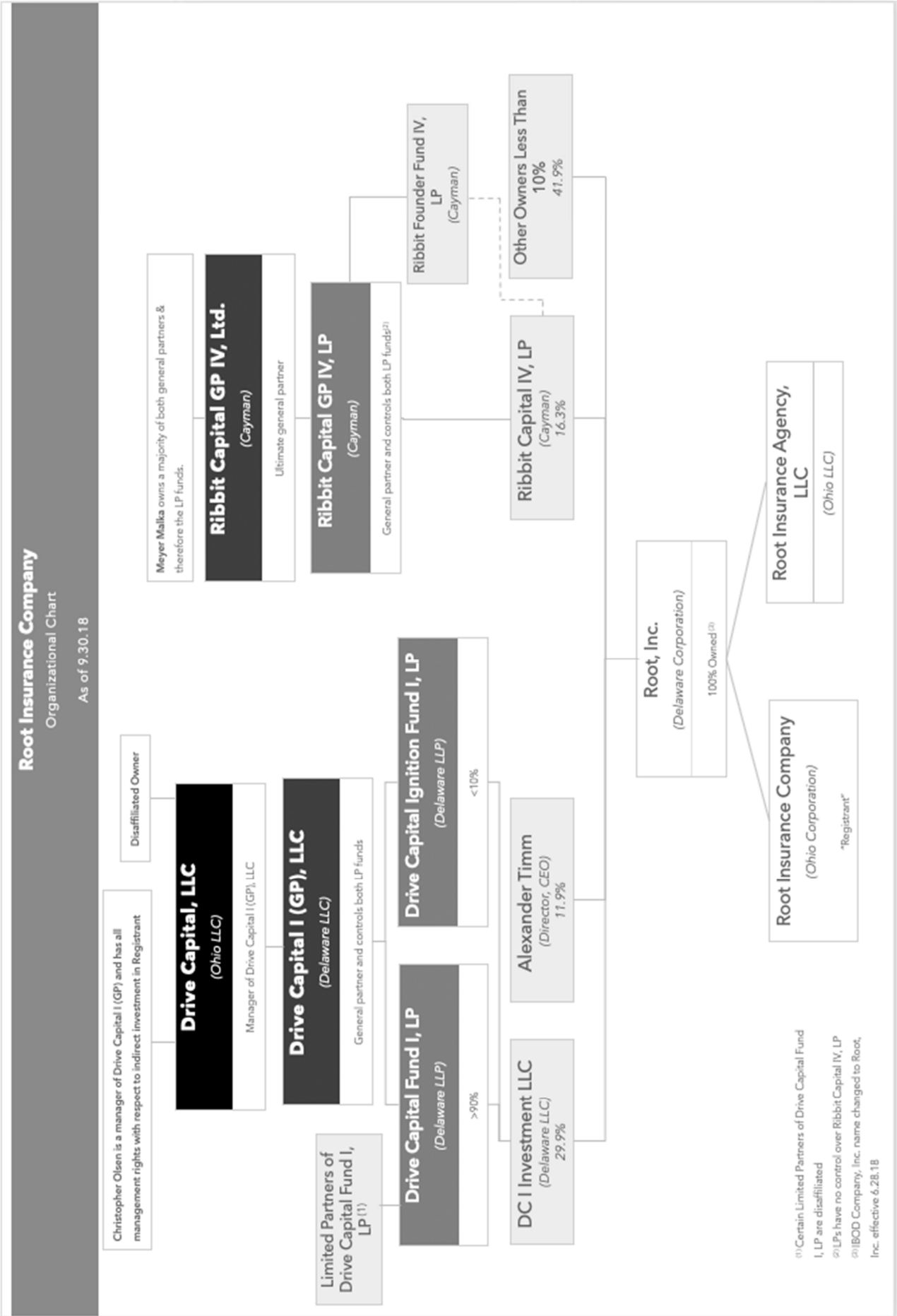
STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Root Insurance Company  
**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Current Year to Date - Allocated by States and Territories

States, etc.	1 Active Status (a)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL	N					
2. Alaska	AK	L					
3. Arizona	AZ	L	5,503,132	460,637	1,958,358	64,266	1,763,610
4. Arkansas	AR	L	1,096,763		119,759		252,150
5. California	CA	N					
6. Colorado	CO	N					
7. Connecticut	CT	L					
8. Delaware	DE	L	440,173		33,886		59,042
9. District of Columbia	DC	L					
10. Florida	FL	N					
11. Georgia	GA	L					
12. Hawaii	HI	L					
13. Idaho	ID	N					
14. Illinois	IL	L	2,438,121	818	973,324		846,037
15. Indiana	IN	L	2,363,544	108,808	919,647	65	1,245,835
16. Iowa	IA	L	284,171		27,489		161,299
17. Kansas	KS	N					
18. Kentucky	KY	L	5,057,054		1,101,048		1,523,605
19. Louisiana	LA	L	1,962,768		190,513		411,080
20. Maine	ME	N					
21. Maryland	MD	L	599,358		(6)		53,647
22. Massachusetts	MA	N					
23. Michigan	MI	N					
24. Minnesota	MN	N					
25. Mississippi	MS	L	524,287		123,526		196,584
26. Missouri	MO	L	1,698,349		233,807		305,085
27. Montana	MT	L	247,222		31,711		44,562
28. Nebraska	NE	L					
29. Nevada	NV	N					
30. New Hampshire	NH	N					
31. New Jersey	NJ	N					
32. New Mexico	NM	L	717,946		83,539		153,148
33. New York	NY	N					
34. North Carolina	NC	L					
35. North Dakota	ND	L	48,716				4,095
36. Ohio	OH	L	5,514,933	803,469	2,766,214	318,905	2,495,032
37. Oklahoma	OK	L	1,648,833		337,787		355,036
38. Oregon	OR	L	342,684		1,338		4,436
39. Pennsylvania	PA	L	2,660,040		638,606		611,599
40. Rhode Island	RI	N					
41. South Carolina	SC	L					
42. South Dakota	SD	N					
43. Tennessee	TN	N					
44. Texas	TX	L	19,383,854		5,213,997		5,158,666
45. Utah	UT	L	3,037,883	2,475	1,106,399		1,327,713
46. Vermont	VT	N					
47. Virginia	VA	N					
48. Washington	WA	N					
49. West Virginia	WV	L					
50. Wisconsin	WI	N					
51. Wyoming	WY	N					
52. American Samoa	AS	N					
53. Guam	GU	N					
54. Puerto Rico	PR	N					
55. U.S. Virgin Islands	VI	N					
56. Northern Mariana Islands	MP	N					
57. Canada	CAN	N					
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0
59. Totals	XXX		55,569,831	1,376,207	15,860,942	383,236	16,972,261
DETAILS OF WRITE-INS							
58001.	XXX						
58002.	XXX						
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX		0	0	0	0	0

(a) Active Status Counts:

L - Licensed or Chartered - Licensed Insurance carrier or domiciled RRG	29	R - Registered - Non-domiciled RRGs	0
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - see DSLI)	0	Q - Qualified - Qualified or accredited reinsurer	0
D - Domestic Surplus Lines Insurer (DSLII) - Reporting entities authorized to write surplus lines in the state of domicile	0	N - None of the above - Not allowed to write business in the state	28





STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Root Insurance Company

**PART 1 - LOSS EXPERIENCE**

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire			0.0	0.0
2. Allied Lines			0.0	0.0
3. Farmowners multiple peril			0.0	0.0
4. Homeowners multiple peril			0.0	0.0
5. Commercial multiple peril			0.0	0.0
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine			0.0	0.0
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability - occurrence			0.0	0.0
11.2 Medical professional liability - claims-made			0.0	0.0
12. Earthquake			0.0	0.0
13. Group accident and health			0.0	0.0
14. Credit accident and health			0.0	0.0
15. Other accident and health			0.0	0.0
16. Workers' compensation			0.0	0.0
17.1 Other liability - occurrence			0.0	0.0
17.2 Other liability - claims-made			0.0	0.0
17.3 Excess workers' compensation			0.0	0.0
18.1 Products liability - occurrence			0.0	0.0
18.2 Products liability - claims-made			0.0	0.0
19.1,19.2 Private passenger auto liability	16,701,037	15,070,979	90.2	40.3
19.3,19.4 Commercial auto liability			0.0	0.0
21. Auto physical damage	11,293,955	16,437,529	145.5	270.2
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft			0.0	0.0
27. Boiler and machinery			0.0	0.0
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			0.0	0.0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
35. Totals	27,994,992	31,508,508	112.6	127.8
<b>DETAILS OF WRITE-INS</b>				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)	0	0	0.0	0.0

**PART 2 - DIRECT PREMIUMS WRITTEN**

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
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	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	19,966,897	33,514,176	530,466
19.3,19.4 Commercial auto liability	0		
21. Auto physical damage	12,825,960	22,055,655	845,741
22. Aircraft (all perils)	0		
23. Fidelity	0		
24. Surety	0		
26. Burglary and theft	0		
27. Boiler and machinery	0		
28. Credit	0		
29. International	0		
30. Warranty	0		
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0
35. Totals	32,792,858	55,569,831	1,376,207
<b>DETAILS OF WRITE-INS</b>			
3401.			
3402.			
3403.			
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)	0	0	0

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Root Insurance Company

**PART 3 (000 omitted)**

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1+2)	2018 Loss and LAE Payments on Claims Reported as of Prior Year-End	2018 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2018 Loss and LAE Payments (Cols. 4+5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7+8+9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols.4+7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5+8+9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11+12)
1. 2015 + Prior .....			0			0				0	0	0	0
2. 2016 .....			0	1		1				0	1	0	1
3. Subtotals 2016 + Prior .....	0	0	0	1	0	1	0	0	0	0	1	0	1
4. 2017 .....	506	273	779	240	95	335	120	59	48	227	(146)	(71)	(217)
5. Subtotals 2017 + Prior .....	506	273	779	241	95	336	120	59	48	227	(145)	(71)	(216)
6. 2018 .....	XXX	XXX	XXX	XXX	9,851	9,851	XXX	8,665	2,090	10,755	XXX	XXX	XXX
7. Totals .....	506	273	779	241	9,946	10,187	120	8,724	2,138	10,982	(145)	(71)	(216)
8. Prior Year-End Surplus As Regards Policyholders	18,119										Col. 11, Line 7 As % of Col. 1 Line 7	Col. 12, Line 7 As % of Col. 2 Line 7	Col. 13, Line 7 As % of Col. 3 Line 7
											1. (28.7)	2. (26.0)	3. (27.7)
													Col. 13, Line 7 As a % of Col. 1 Line 8
													4. (1.2)

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

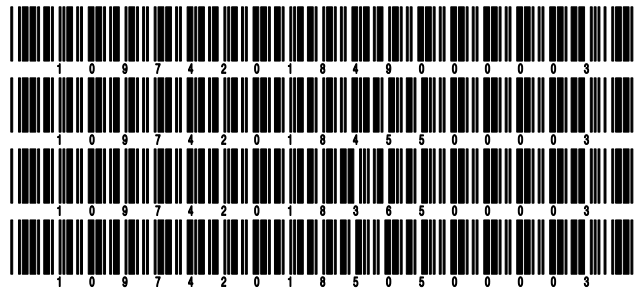
	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement? .....	NO
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement? .....	NO
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement? .....	NO
4. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement? .....	NO

Explanations:

- 1.
- 2.
- 3.
- 4.

Bar Codes:

1. Trusteed Surplus Statement [Document Identifier 490]
2. Supplement A to Schedule T [Document Identifier 455]
3. Medicare Part D Coverage Supplement [Document Identifier 365]
4. Director and Officer Supplement [Document Identifier 505]



**OVERFLOW PAGE FOR WRITE-INS**

**NONE**

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Root Insurance Company

**SCHEDULE A - VERIFICATION**

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Current year change in encumbrances .....		
4. Total gain (loss) on disposals .....		
5. Deduct amounts received on disposals .....		
6. Total foreign exchange change in book/adjusted carrying value .....		
7. Deduct current year's other than temporary impairment recognized .....		
8. Deduct current year's depreciation .....		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....		
10. Deduct total nonadmitted amounts .....		
11. Statement value at end of current period (Line 9 minus Line 10) .....		

**NONE**

**SCHEDULE B - VERIFICATION**

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and mortgage investment and commitment fees .....		
9. Total foreign exchange change in book value/recorded investment including accrued interest .....		
10. Deduct current year's other than temporary impairment recognized .....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....		
12. Total valuation allowance .....		
13. Subtotal (Line 11 plus Line 12) .....		
14. Deduct total nonadmitted amounts .....		
15. Statement value at end of current period (Line 13 minus Line 14) .....		

**NONE**

**SCHEDULE BA - VERIFICATION**

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		
2.2 Additional investment made after acquisition .....		
3. Capitalized deferred interest and other .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease) .....		
6. Total gain (loss) on disposals .....		
7. Deduct amounts received on disposals .....		
8. Deduct amortization of premium and depreciation .....		
9. Total foreign exchange change in book/adjusted carrying value .....		
10. Deduct current year's other than temporary impairment recognized .....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....		
12. Deduct total nonadmitted amounts .....		
13. Statement value at end of current period (Line 11 minus Line 12) .....		

**NONE**

**SCHEDULE D - VERIFICATION**

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	2,840,421	1,504,692
2. Cost of bonds and stocks acquired .....	2,113,905	1,638,477
3. Accrual of discount .....	8,652	1
4. Unrealized valuation increase (decrease) .....		0
5. Total gain (loss) on disposals .....		0
6. Deduct consideration for bonds and stocks disposed of .....	900,000	300,000
7. Deduct amortization of premium .....	1,397	2,748
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other than temporary impairment recognized .....		0
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees .....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10) .....	4,061,581	2,840,421
12. Deduct total nonadmitted amounts .....		0
13. Statement value at end of current period (Line 11 minus Line 12) .....	4,061,581	2,840,421

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Root Insurance Company

**SCHEDULE D - PART 1B**

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a) .....	25,542,394	11,069,240	9,700,000	95,579	3,268,522	25,542,394	27,007,212	2,840,421
2. NAIC 2 (a) .....	0				0	0	0	
3. NAIC 3 (a) .....	0				0	0	0	
4. NAIC 4 (a) .....	0				0	0	0	
5. NAIC 5 (a) .....	0				0	0	0	
6. NAIC 6 (a) .....	0				0	0	0	
7. Total Bonds	25,542,394	11,069,240	9,700,000	95,579	3,268,522	25,542,394	27,007,212	2,840,421
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....	0				0	0	0	0
9. NAIC 2 .....	0				0	0	0	0
10. NAIC 3 .....	0				0	0	0	0
11. NAIC 4 .....	0				0	0	0	0
12. NAIC 5 .....	0				0	0	0	0
13. NAIC 6 .....	0				0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock	25,542,394	11,069,240	9,700,000	95,579	3,268,522	25,542,394	27,007,212	2,840,421

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:

NAIC 1 \$ 22,945,631 ; NAIC 2 \$ ; NAIC 3 \$ ; NAIC 4 \$ ; NAIC 5 \$ ; NAIC 6 \$

**SCHEDULE DA - PART 1**

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year-to-Date	Paid for Accrued Interest Year-to-Date
9199999 Totals	22,945,631	XXX	22,863,308	42,713	44,502

**SCHEDULE DA - VERIFICATION**

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	0	
2. Cost of short-term investments acquired .....	25,944,867	
3. Accrual of discount .....	100,764	
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration received on disposals .....	3,100,000	
7. Deduct amortization of premium .....		
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other than temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	22,945,631	0
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11)	22,945,631	0

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

**N O N E**

Schedule DB - Part B - Verification - Futures Contracts

**N O N E**

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

**N O N E**

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

**N O N E**

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of  
Derivatives

**N O N E**

**SCHEDULE E - PART 2 - VERIFICATION**

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	15,962,077	821,611
2. Cost of cash equivalents acquired .....	48,612,412	31,429,228
3. Accrual of discount .....	31,346	
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....	0	
6. Deduct consideration received on disposals .....	61,803,309	16,288,762
7. Deduct amortization of premium .....		
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other than temporary impairment recognized .....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	2,802,526	15,962,077
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11)	2,802,526	15,962,077

Schedule A - Part 2 - Real Estate Acquired and Additions Made

**NONE**

Schedule A - Part 3 - Real Estate Disposed

**NONE**

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made

**NONE**

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

**NONE**

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired and Additions Made

**NONE**

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid

**NONE**

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Root Insurance Company

**SCHEDULE D - PART 3**

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
882724-GU-5	TEXAS ST		.08/29/2018	PIPER JAFFRAY		215,000	215,000	0	1
1799999. Subtotal - Bonds - U.S. States, Territories and Possessions						215,000	215,000	0	XXX
438687-EA-9	HONOLULU HAWAII CITY & CNTY		.08/16/2018	MERRILL LYNCH MUNICIPAL		400,000	400,000	0	1
2499999. Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						400,000	400,000	0	XXX
8399997. Total - Bonds - Part 3						615,000	615,000	0	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX
8399999. Total - Bonds						615,000	615,000	0	XXX
8999997. Total - Preferred Stocks - Part 3						0	XXX	0	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks						0	XXX	0	XXX
9799997. Total - Common Stocks - Part 3						0	XXX	0	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX
9799999. Total - Common Stocks						0	XXX	0	XXX
9899999. Total - Preferred and Common Stocks						0	XXX	0	XXX
9999999 - Totals						615,000	XXX	0	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....

STATEMENT AS OF SEPTEMBER 30, 2018 OF THE Root Insurance Company

**SCHEDULE D - PART 4**

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22		
										11	12	13	14	15									
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)		
912828-L4-0	UNITED STATES TREASURY		09/17/2018	Maturity @ 100.00		100,000	100,000	100,345	100,125	0	(125)	0	(125)	0	100,000	0	0	0	1,000	09/15/2018	1		
912828-K8-2	UNITED STATES TREASURY		08/15/2018	Maturity @ 100.00		100,000	100,000	100,386	100,129	0	(129)	0	(129)	0	100,000	0	0	0	1,000	08/15/2018	1		
912828-XK-1	UNITED STATES TREASURY		07/16/2018	Maturity @ 100.00		100,000	100,000	100,149	100,045	0	(45)	0	(45)	0	100,000	0	0	0	875	07/15/2018	1		
0599999. Subtotal - Bonds - U.S. Governments						300,000	300,000	300,880	300,299	0	(299)	0	(299)	0	300,000	0	0	0	2,875	XXX	XXX		
8399997. Total - Bonds - Part 4						300,000	300,000	300,880	300,299	0	(299)	0	(299)	0	300,000	0	0	0	2,875	XXX	XXX		
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
8399999. Total - Bonds						300,000	300,000	300,880	300,299	0	(299)	0	(299)	0	300,000	0	0	0	2,875	XXX	XXX		
8999997. Total - Preferred Stocks - Part 4						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799997. Total - Common Stocks - Part 4						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799999. Total - Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9899999. Total - Preferred and Common Stocks						0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9999999 - Totals						300,000	XXX	300,880	300,299	0	(299)	0	(299)	0	300,000	0	0	0	0	2,875	XXX	XXX	

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues.....

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open

**NONE**

Schedule DB - Part B - Section 1 - Futures Contracts Open

**NONE**

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made

**NONE**

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open

**NONE**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By

**NONE**

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To

**NONE**

Schedule DL - Part 1 - Reinvested Collateral Assets Owned

**NONE**

Schedule DL - Part 2 - Reinvested Collateral Assets Owned

**NONE**



