



# QUARTERLY STATEMENT

As of September 30, 2018  
of the Condition and Affairs of the

## Safe Auto Insurance Company

NAIC Group Code..... 0, 0 (Current Period) (Prior Period)	NAIC Company Code..... 25405	Employer's ID Number..... 31-1379882
Organized under the Laws of OH	State of Domicile or Port of Entry OH	Country of Domicile US
Incorporated/Organized..... May 28, 1993	Commenced Business..... August 25, 1993	
Statutory Home Office	4 Easton Oval .. Columbus .. OH .. .. 43219 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	4 Easton Oval .. Columbus .. OH .. .. 43219 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	614-231-0200 <i>(Area Code) (Telephone Number)</i>
Mail Address	4 Easton Oval .. Columbus .. OH .. .. 43219 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	4 Easton Oval .. Columbus .. OH .. .. 43219 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	614-231-0200 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	www.safeauto.com	
Statutory Statement Contact	Thomas Happensack <i>(Name)</i> thomas.happensack@safeauto.com <i>(E-Mail Address)</i>	614-944-7680 <i>(Area Code) (Telephone Number) (Extension)</i> 614-559-5357 <i>(Fax Number)</i>

### OFFICERS

Name	Title	Name	Title
1. Gregory A Sutton	Chief Financial Officer & Treasurer	2. Kelly A Armstrong	Chief Legal Officer & Secretary
3. Thomas J Happensack	Controller	4. Ronald H Davies	CEO & President

### OTHER

Mark LeMaster	Claims Leader	Evan McKee	Product Leader
Partha Srinivasa	Chief Information Officer	Charles Kordes	Customer Demand & Experience Leader

### DIRECTORS OR TRUSTEES

Charles Bryan	Ryan Conlon	Ronald Davies	Ari Deshe
Elie Deshe	Jon Diamond	Gabriel Glikberg	William Graves
Oded Gur-Arie			

State of..... Ohio  
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.

_____ (Signature) Gregory A Sutton 1. (Printed Name) Chief Financial Officer & Treasurer (Title)	_____ (Signature) Kelly A Armstrong 2. (Printed Name) Chief Legal Officer & Secretary (Title)	_____ (Signature) Thomas J Happensack 3. (Printed Name) Controller (Title)
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Subscribed and sworn to before me  
This 15th day of November 2018

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 \_\_\_\_\_

## 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.....	246,546,814		246,546,814	228,236,857
2. Stocks:				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....	689,500		689,500	689,500
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 \$.....0 encumbrances).....	26,647,960		26,647,960	27,240,219
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....24,643,203), cash equivalents (\$.....6,736,534) and short-term investments (\$.....0).....	31,379,737		31,379,737	13,377,308
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....	14,739,085		14,739,085	13,897,140
9. Receivables for securities.....			0	3,359,668
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).....	320,003,096	0	320,003,096	286,800,692
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	1,809,051		1,809,051	1,819,439
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	20,320,558		20,320,558	18,390,607
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	60,021,533		60,021,533	53,184,827
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	279,434		279,434	
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.....	4,788,812		4,788,812	3,561,973
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....	6,124,048	4,462,977	1,661,071	2,101,026
21. Furniture and equipment, including health care delivery assets (\$.....0).....	624,245	624,245	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	4,772,353		4,772,353	431,686
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	18,735,771	995,055	17,740,716	16,088,513
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	437,478,901	6,082,277	431,396,624	382,378,764
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	437,478,901	6,082,277	431,396,624	382,378,764

### DETAILS OF WRITE-INS

1101.....			0	
1102.....			0	
1103.....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Corporate owned life insurance.....	9,051,325		9,051,325	7,950,487
2502. Deferred compensation life insurance.....	8,568,399		8,568,399	7,130,060
2503. Prepaid expenses.....	856,706	856,706	0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	259,341	138,349	120,992	1,007,966
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	18,735,771	995,055	17,740,716	16,088,513

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....71,611,142).....	106,572,999	99,860,889
2. Reinsurance payable on paid losses and loss adjustment expenses.....	37,914	258,116
3. Loss adjustment expenses.....	20,095,500	22,191,924
4. Commissions payable, contingent commissions and other similar charges.....	71,528	82,873
5. Other expenses (excluding taxes, licenses and fees).....	23,945,903	20,053,445
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	4,381,061	5,718,472
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....		
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....0 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act).....	102,680,551	92,038,096
10. Advance premium.....	33,136	47,715
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....		
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.....	5,202	4,762
16. Provision for reinsurance (including \$.....0 certified).....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	32,789,805	2,376,481
20. Derivatives.....		
21. Payable for securities.....		1,109,450
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	2,399,764	1,931,290
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	293,013,363	245,673,513
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	293,013,363	245,673,513
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	2,500,000	2,500,000
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.....	54,400,000	54,400,000
35. Unassigned funds (surplus).....	81,483,261	79,805,251
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36).....	138,383,261	136,705,251
38. Totals (Page 2, Line 28, Col. 3).....	431,396,624	382,378,764

### DETAILS OF WRITE-INS

2501. Funds set aside for escheatment.....	2,199,764	1,931,290
2502. Corporate reserve.....	200,000	
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	2,399,764	1,931,290
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0
3201. ....		
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

## 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 \$.....303,092,329).....	292,449,874	259,409,534	346,621,265
1.2 Assumed..... (written \$.....0).....		77,783	77,783
1.3 Ceded..... (written \$.....40,813).....	40,813	59,407	48,366
1.4 Net..... (written \$.....303,051,517).....	292,409,062	259,427,910	346,650,682
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....161,688,363):			
2.1 Direct.....	163,146,035	148,265,954	199,053,417
2.2 Assumed.....	(478,392)	123,153	677,992
2.3 Ceded.....		600,000	
2.4 Net.....	162,667,644	147,789,107	199,731,409
3. Loss adjustment expenses incurred.....	24,983,408	26,342,683	35,073,230
4. Other underwriting expenses incurred.....	107,264,709	94,741,893	119,930,730
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	294,915,761	268,873,683	354,735,369
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	(2,506,699)	(9,445,773)	(8,084,687)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned.....	5,600,932	5,752,917	7,499,365
10. Net realized capital gains (losses) less capital gains tax of \$.....0.....	195,165	9,344,853	8,784,518
11. Net investment gain (loss) (Lines 9 + 10).....	5,796,097	15,097,770	16,283,883
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....5,593,622).....	(5,593,622)	(6,038,422)	(7,547,527)
13. Finance and service charges not included in premiums.....	21,671,728	20,725,280	27,517,902
14. Aggregate write-ins for miscellaneous income.....	6,493,989	8,942,500	10,688,157
15. Total other income (Lines 12 through 14).....	22,572,095	23,629,358	30,658,532
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	25,861,493	29,281,356	38,857,727
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).....	25,861,493	29,281,356	38,857,727
19. Federal and foreign income taxes incurred.....	6,268,728	3,300,682	5,034,826
20. Net income (Line 18 minus Line 19) (to Line 22).....	19,592,765	25,980,674	33,822,901
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year.....	136,705,250	164,738,530	164,738,534
22. Net income (from Line 20).....	19,592,765	25,980,674	33,822,901
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....175,840.....	661,495	(6,403,941)	(6,406,340)
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	1,402,778	(2,122,384)	(6,542,639)
27. Change in nonadmitted assets.....	20,973	806,623	1,666,647
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.....			
32.2 Transferred from surplus (Stock Dividend).....			
32.3 Transferred to surplus.....			
33. Surplus adjustments:			
33.1 Paid in.....			
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....	(20,000,000)	(50,573,853)	(50,573,853)
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	1,678,011	(32,312,882)	(28,033,284)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	138,383,261	132,425,649	136,705,250

### DETAILS OF WRITE-INS

0501. ....			
0502. ....			
0503. ....			
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0	0
1401. Miscellaneous income.....	208,796	8,942,500	643,637
1402. Lead Fee Income.....	4,869,942		4,431,435
1403. Change in Cash Surrender Value of Life Insurance.....	1,415,251		1,613,085
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	4,000,000
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	6,493,989	8,942,500	10,688,157
3701. ....			
3702. ....			
3703. ....			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0	0

Statement for September 30, 2018 of the **Safe Auto 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.....	294,270,281	263,314,462	350,128,587
2. Net investment income.....	7,451,887	7,426,374	9,899,067
3. Miscellaneous income.....	22,572,095	23,629,358	30,658,532
4. Total (Lines 1 through 3).....	324,294,263	294,370,194	390,686,186
5. Benefit and loss related payments.....	156,455,170	148,651,118	202,154,066
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	131,800,839	114,957,868	146,348,001
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....51,822 tax on capital gains (losses).....	6,320,550	7,357,466	8,789,962
10. Total (Lines 5 through 9).....	294,576,559	270,966,452	357,292,029
11. Net cash from operations (Line 4 minus Line 10).....	29,717,705	23,403,742	33,394,157
<b>CASH FROM INVESTMENTS</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	49,898,899	24,919,550	43,739,475
12.2 Stocks.....		52,478,642	52,478,643
12.3 Mortgage loans.....			
12.4 Real estate.....			10,005
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			(546)
12.7 Miscellaneous proceeds.....	3,359,488	736,279	
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	53,258,387	78,134,471	96,227,577
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	69,211,926	57,032,524	68,031,763
13.2 Stocks.....		1,035,097	1,035,097
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....		970,949	1,363,040
13.6 Miscellaneous applications.....	1,109,450		3,554,575
13.7 Total investments acquired (Lines 13.1 to 13.6).....	70,321,376	59,038,570	73,984,475
14. Net increase or (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(17,062,989)	19,095,901	22,243,102
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....			
16.2 Capital and paid in surplus, less treasury stock.....			
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....	20,000,000	50,573,853	50,573,853
16.6 Other cash provided (applied).....	25,347,713	5,535,533	(6,137,129)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	5,347,713	(45,038,320)	(56,710,982)
<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 Line 15 plus Line 17).....	18,002,429	(2,538,677)	(1,073,722)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	13,377,313	14,451,036	14,451,036
19.2 End of period (Line 18 plus Line 19.1).....	31,379,742	11,912,359	13,377,313

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

20.0001 .....			
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**NOTES TO FINANCIAL STATEMENTS****Note 1 – Summary of Significant Accounting Policies and Going Concern**

## A. Accounting Practices

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

	SSAP #	F/S Page	F/S Line #	Current Year to Date	2017
<b>NET INCOME</b>					
(1) Safe Auto Insurance Company Company state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 19,592,764	\$ 33,822,902
(2) State Prescribed Practice that are an increase/(decrease) from NAIC SAP				\$	\$
(3) State Permitted Practice that are an increase/(decrease) from NAIC SAP				\$	\$
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 19,592,764	\$ 33,822,902
<b>SURPLUS</b>					
(5) Safe Auto Insurance Company Company state basis (Page 3, line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 138,383,261	\$ 136,705,251
(6) State Prescribed Practice that are an increase/(decrease) from NAIC SAP				\$	\$
(7) State Permitted Practice that are an increase/(decrease) from NAIC SAP				\$	\$
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 138,383,261	\$ 136,705,251

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

No Significant Change

## C. Accounting Policy

No Significant Change

## (1) Basis for Short-Term Investments

No Significant Change

## (2) Basis for Bonds and Amortization Schedule

No Significant Change

## (3) Basis for Common Stocks

No Significant Change

## (4) Basis for Preferred Stocks

No Significant Change

## (5) Basis for Mortgage Loans

Not Applicable

## (6) Basis for Loan-Backed Securities and Adjustment Methodology

Loan-backed securities are stated at either amortized cost or the lower of amortized costs or fair value. The retrospective adjustment method is used to value all securities except for interest only securities or securities where the yield had become negative, that are valued using the prospective method.

## (7) Accounting Policies for Investments in Subsidiaries, Controlled and Affiliated Entities

No Significant Change

## (8) Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities

No Significant Change

## (9) Accounting Policies for Derivatives

No Significant Change

## (10) Anticipated Investment Income Used in Premium Deficiency Calculation

No Significant Change

## (11) Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses for A&amp;H Contracts

No Significant Change

## (12) Changes in the Capitalization Policy and Predefined Thresholds from Prior Period

No Significant Change

## (13) Method Used to Estimate Pharmaceutical Rebate Receivables

Not Applicable

## D. Going Concern

Not Applicable

**Note 2 – Accounting Changes and Correction of Errors**

**NOTES TO FINANCIAL STATEMENTS**

No significant changes

**Note 3 – Business Combinations and Goodwill**

- A. Statutory Purchase Method  
None
- B. Statutory Merger  
None
- C. Assumption Reinsurance  
None
- D. Impairment Loss  
None

**Note 4 – Discontinued Operations**

- A. Discontinued Operation Disposed of or Classified as Held for Sale  
Not Applicable
- (1) List of Discontinued Operations Disposed of or Classified as Held for Sale  
Not Applicable
- (2) Description of the Facts and Circumstances Leading to the Disposal or Expected Disposal and a Description of the Expected Manner and Timing of that Disposal  
Not Applicable
- (3) Loss Recognized on Discontinued Operations  
Not Applicable
- (4) Carrying Amount and Fair Value of Discontinued Operations and the Effect on Assets, Liabilities, Surplus and Income
- a. Carrying Amount of Discontinued Operations  
Not Applicable
- b. Effect of Discontinued Operations on Assets, Liabilities, Surplus and Income  
Not Applicable
- B. Change in Plan of Sale of Discontinued Operation  
Not Applicable
- C. Nature of any Significant Continuing Involvement with Discontinued Operations After Disposal  
Not Applicable
- D. Equity Interest Retained in the Discontinued Operation After Disposal  
Not Applicable

**Note 5 – Investments**

- A. Mortgage Loans, including Mezzanine Real Estate Loans
- (1) Maximum and Minimum Lending Rates  
Not Applicable
- (2) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgage was:  
Not Applicable
- |   | Current Year to Date | Prior Year |
|---|----------------------|------------|
| (3) Taxes, assessments and any amounts advanced and not included in the mortgage loan total | \$ 0                 | \$ 0       |
- (4) Age Analysis of Mortgage Loans and Identification of Mortgage Loans in which the Insurer is a Participant or Co-Lender in a Mortgage Loan Agreement:  
Not Applicable
- (5) Investment in Impaired Loans with or without Allowance for Credit Losses and Impaired Loans Subject to a Participant or Co-Lender Mortgage Loan Agreement for which the Reporting Entity is Restricted from Unilaterally Foreclosing on the Mortgage Loan:  
Not Applicable
- (6) Investment in Impaired Loans – Average Recorded Investment, Interest Income Recognized, Recorded Investment on Nonaccrual Status and Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting:  
Not Applicable
- (7) Allowance for Credit Balances:  
Not Applicable
- (8) Mortgage Loans Derecognized as a Result of Foreclosure:  
Not Applicable

**NOTES TO FINANCIAL STATEMENTS**

- 9) Policy for Recognizing Interest Income on Impaired Loans  
Not Applicable

## B. Debt Restructuring

Not Applicable

- (4) Creditor's Income Recognition Policy for Interest Income on Impaired Loans  
Not Applicable

## C. Reverse Mortgages

- (1) Description of Accounting Policies and Methods  
Not Applicable
- (2) General Information Regarding Commitment Under the Agreement  
Not Applicable
- (3) At end of current quarter, the actuarial reserve of \$0 reduced the asset value of the group of reverse mortgages.
- (4) The Company recorded an unrealized loss \$0 as a result of the re-estimates of the cash flows.

## D. Loan-Backed Securities

- (1) Description of Sources Used to Determine Prepayment Assumptions  
Prepayment assumptions for Agency Mortgage-Backed Securities and Collateralized Mortgage Obligations were generated using a third-party prepayment model. The multi-factor model captures house price change trends, housing turnover, borrower default, and refinance incentive, among other factors. On an ongoing basis, we monitor the rate of prepayment and calibrate the model to reflect actual experience, market factors, and viewpoint.
- (2) Securities with Recognized Other-Than-Temporary Impairment  
The Company recognized no OTTI on loan backed securities in the third quarter of 2018
- (3) Recognized OTTI securities  
Not Applicable
- (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. The aggregate amount of unrealized losses:	1. Less than 12 Months	\$	944,553
	2. 12 Months or Longer	\$	1,701,797
b. The aggregate related fair value of securities with unrealized losses:	1. Less than 12 Months	\$	55,281,389
	2. 12 Months or Longer	\$	36,353,881

- (5) Information Investor Considered in Reaching Conclusion that Impairments are Not Other-Than-Temporary  
Recommendations for potential impairments are based on periodic analytical reviews and/or Company specified OTTI requirements. Analysis relies on actual collateral performance measurements including, but not limited to prepayment rates, default rates, delinquencies and loss severity sourced through third party data providers.

## E. Dollar Repurchase Agreements and/or Securities Lending Transactions

- (1) Policy for Requiring Collateral or Other Security  
Not Applicable
- (2) Disclose the Carrying Amount and Classification of Both Assets and Liabilities  
Not Applicable
- (3) Collateral Received  
Not Applicable

c. Information about Sources and Uses of Collateral  
Not Applicable

- (4) Aggregate Value of the Reinvested Collateral  
Not Applicable

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## NOTES TO FINANCIAL STATEMENTS

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(5) Collateral Reinvestment  
Not Applicable

b. Explanation of Additional Sources of Liquidity for Maturity Date Mismatches  
Not Applicable

(6) Detail on Collateral Transactions Not Permitted by Contract or Custom to Sell or Repledge  
Not Applicable

(7) Collateral for Securities Lending transactions that extend beyond one year from the reporting date.  
Not Applicable

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

(1) Company Policies or Strategies for Repo Programs  
Not Applicable

(2) Type of Repo Trades Used  
Not Applicable

(3) Maturity Time Frame  
Not Applicable

(4) Counterparty, Jurisdiction and Fair Value (FV)  
Not Applicable

(5) Securities "Sold" Under Repo – Secured Borrowing  
Not Applicable

(6) Securities Sold Under Repo – Secured Borrowing by NAIC Designation  
Not Applicable

(7) Collateral Received – Secured Borrowing  
Not Applicable

(8) Cash & Non-Cash Collateral Received – Secured Borrowing by NAIC Designation  
Not Applicable

(9) Allocation of Aggregate Collateral by Remaining Contractual Maturity  
Not Applicable

(10) Allocation of Aggregate Collateral Reinvested by Remaining Contractual Maturity  
Not Applicable

(11) Liability to Return Collateral – Secured Borrowing (Total)  
Not Applicable

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing  
Repurchase Transactions – Cash Provider – Overview of Secured Borrowing Transactions

(1) Company Policy or Strategies for Engaging in Repo Programs  
Not Applicable

(2) Type of Repo Trades Used  
Not Applicable

(3) Original (Flow) and Residual Maturity  
Not Applicable

(4) Counterparty, Jurisdiction and Fair Value (FV)  
Not Applicable

(5) Fair Value of Securities Acquired Under Repo – Secured Borrowing  
Not Applicable

(6) Securities Acquired Under Repo – Secured Borrowing by NAIC Designation  
Not Applicable

**NOTES TO FINANCIAL STATEMENTS**

(7) Collateral Pledged – Secured Borrowing

	First Quarter				Second Quarter			
	1 Minimum	2 Maximum	3 Average Daily Balance	4 Ending Balance	5 Minimum	6 Maximum	7 Average Daily Balance	8 Ending Balance
a. Cash	\$	\$	\$	\$	\$	\$	\$	\$
b. Securities (FV)	\$	\$	\$	\$	\$	\$	\$	\$
c. Securities (BACV)	XXX	XXX	XXX	\$	XXX	XXX	XXX	\$
d. Nonadmitted Subset (BACV)	XXX	XXX	XXX	\$	XXX	XXX	XXX	\$

	Third Quarter				Fourth Quarter			
	9 Minimum	10 Maximum	11 Average Daily Balance	12 Ending Balance	13 Minimum	14 Maximum	15 Average Daily Balance	16 Ending Balance
a. Cash	\$	\$	\$	\$	\$	\$	\$	\$
b. Securities (FV)	\$	\$	\$	\$	\$	\$	\$	\$
c. Securities (BACV)	XXX	XXX	XXX	\$	XXX	XXX	XXX	\$
d. Nonadmitted Subset (BACV)	XXX	XXX	XXX	\$	XXX	XXX	XXX	\$

(8) Allocation of Aggregate Collateral Pledged by Remaining Contractual Maturity

	Amortized Cost	Fair Value
a. Overnight and Continuous	\$	\$
b. 30 Days or Less	\$	\$
c. 31 to 90 Days	\$	\$
d. >90 Days	\$	\$

(9) Recognized Receivable for Return of Collateral – Secured Borrowing

	First Quarter				Second Quarter			
	1 Minimum	2 Maximum	3 Average Daily Balance	4 Ending Balance	5 Minimum	6 Maximum	7 Average Daily Balance	8 Ending Balance
a. Cash								
b. Securities (FV)								

	Third Quarter				Fourth Quarter			
	9 Minimum	10 Maximum	11 Average Daily Balance	12 Ending Balance	13 Minimum	14 Maximum	15 Average Daily Balance	16 Ending Balance
a. Cash								
b. Securities (FV)								

(10) Recognized Liability to Return Collateral – Secured Borrowing (Total)

	First Quarter				Second Quarter			
	1 Minimum	2 Maximum	3 Average Daily Balance	4 Ending Balance	5 Minimum	6 Maximum	7 Average Daily Balance	8 Ending Balance
a. Repo Securities Sold/Acquired with Cash Collateral								
b. Repo Securities Sold/Acquired with Securities Collateral (FV)								

	Third Quarter				Fourth Quarter			
	9 Minimum	10 Maximum	11 Average Daily Balance	12 Ending Balance	13 Minimum	14 Maximum	15 Average Daily Balance	16 Ending Balance
a. Repo Securities Sold/Acquired with Cash Collateral								
b. Repo Securities Sold/Acquired with Securities Collateral (FV)								

H. Repurchase Agreements Transactions Accounted for as a Sale  
Repurchase Transaction – Cash Taker – Overview of Sale Transactions

(1) Company Policy or Strategies for Engaging in Repo Programs  
Not Applicable

(2) Type of Repo Trades Used

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

## NOTES TO FINANCIAL STATEMENTS

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Bilateral (YES/NO)				
b. Tri-Party (YES/NO)				

(3) Original (Flow) & Residual Maturity

	First Quarter				Second Quarter			
	1 Minimum	2 Maximum	3 Average Daily Balance	4 Ending Balance	5 Minimum	6 Maximum	7 Average Daily Balance	8 Ending Balance
a. Open – No Maturity	\$	\$	\$	\$	\$	\$	\$	\$
b. Overnight	\$	\$	\$	\$	\$	\$	\$	\$
c. 2 Days to 1 Week	\$	\$	\$	\$	\$	\$	\$	\$
d. >1 Week to 1 Month	\$	\$	\$	\$	\$	\$	\$	\$
e. >1 Month to 3 Months	\$	\$	\$	\$	\$	\$	\$	\$
f. >3 Months to 1 Year	\$	\$	\$	\$	\$	\$	\$	\$
g. > 1 Year	\$	\$	\$	\$	\$	\$	\$	\$

	Third Quarter				Fourth Quarter			
	9 Minimum	10 Maximum	11 Average Daily Balance	12 Ending Balance	13 Minimum	14 Maximum	15 Average Daily Balance	16 Ending Balance
a. Open – No Maturity	\$	\$	\$	\$	\$	\$	\$	\$
b. Overnight	\$	\$	\$	\$	\$	\$	\$	\$
c. 2 Days to 1 Week	\$	\$	\$	\$	\$	\$	\$	\$
d. >1 Week to 1 Month	\$	\$	\$	\$	\$	\$	\$	\$
e. >1 Month to 3 Months	\$	\$	\$	\$	\$	\$	\$	\$
f. >3 Months to 1 Year	\$	\$	\$	\$	\$	\$	\$	\$
g. > 1 Year	\$	\$	\$	\$	\$	\$	\$	\$

(4) Counterparty, Jurisdiction and Fair Value (FV)

1	2 Jurisdiction	First Quarter				Second Quarter			
		3 Minimum	4 Maximum	5 Average Daily Balance	6 Ending Balance	7 Minimum	8 Maximum	9 Average Daily Balance	10 Ending Balance
a. Default (Fair Value of Securities Sold/ Outstanding for which the Repo Agreement Defaulted)	XXX	\$	\$	\$	\$	\$	\$	\$	\$
b. Counterparty		\$	\$	\$	\$	\$	\$	\$	\$

1	2 Jurisdiction	Third Quarter				Fourth Quarter			
		11 Minimum	12 Maximum	13 Average Daily Balance	14 Ending Balance	15 Minimum	16 Maximum	17 Average Daily Balance	18 Ending Balance
a. Default (Fair Value of Securities Sold/ Outstanding for which the Repo Agreement Defaulted)	XXX	\$	\$	\$	\$	\$	\$	\$	\$
b. Counterparty		\$	\$	\$	\$	\$	\$	\$	\$

(5) Securities "Sold" Under Repo – Sale

	First Quarter				Second Quarter			
	1 Minimum	2 Maximum	3 Average Daily Balance	4 Ending Balance	5 Minimum	6 Maximum	7 Average Daily Balance	8 Ending Balance
a. BACV	XXX	XXX	XXX	\$	XXX	XXX	XXX	\$
b. Nonadmitted – Subset of BACV	XXX	XXX	XXX	\$	XXX	XXX	XXX	\$
c. Fair Value	\$	\$	\$	\$	\$	\$	\$	\$

	Third Quarter				Fourth Quarter			
	9 Minimum	10 Maximum	11 Average Daily Balance	12 Ending Balance	13 Minimum	14 Maximum	15 Average Daily Balance	16 Ending Balance
a. BACV	XXX	XXX	XXX	\$	XXX	XXX	XXX	\$
b. Nonadmitted – Subset of BACV	XXX	XXX	XXX	\$	XXX	XXX	XXX	\$
c. Fair Value	\$	\$	\$	\$	\$	\$	\$	\$

(6) Securities Sold Under Repo – Sale by NAIC Designation

	1 None	2 NAIC 1	3 NAIC 2	4 NAIC 3	5 NAIC 4	6 NAIC 5	7 NAIC 6	8 Nonadmitted
Ending Balance								

**NOTES TO FINANCIAL STATEMENTS**

a. Bonds-BACV	\$	\$	\$	\$	\$	\$	\$	\$
b. Bonds-FV								
c. LB & SS-BACV								
d. LB & SS-FV								
e. Preferred Stock-BACV								
f. Preferred Stock-FV								
g. Common Stock								
h. Mortgage Loans-BACV								
i. Mortgage Loans-FV								
j. Real Estate-BACV								
k. Real Estate-FV								
l. Derivatives-BACV								
m. Derivatives-FV								
n. Other Invested Assets-BACV								
o. Other Invested Assets-FV								
p. Total Assets-BACV	\$	\$	\$	\$	\$	\$	\$	\$
q. Total Assets-FV	\$	\$	\$	\$	\$	\$	\$	\$

$p = a + c + e + g + h + j + l + n$        $q = b + d + f + g + i + k + m + o$

(7) Proceeds Received – Sale

	First Quarter				Second Quarter			
	1 Minimum	2 Maximum	3 Average Daily Balance	4 Ending Balance	5 Minimum	6 Maximum	7 Average Daily Balance	8 Ending Balance
a. Cash	\$	\$	\$	\$	\$	\$	\$	\$
b. Securities (FV)	\$	\$	\$	\$	\$	\$	\$	\$
c. Nonadmitted	\$	\$	\$	\$	\$	\$	\$	\$

	Third Quarter				Fourth Quarter			
	9 Minimum	10 Maximum	11 Average Daily Balance	12 Ending Balance	13 Minimum	14 Maximum	15 Average Daily Balance	16 Ending Balance
a. Cash	\$	\$	\$	\$	\$	\$	\$	\$
b. Securities (FV)	\$	\$	\$	\$	\$	\$	\$	\$
c. Nonadmitted	\$	\$	\$	\$	\$	\$	\$	\$

(8) Cash & Non-Cash Collateral Received – Sale by NAIC Designation

Ending Balance	1 None	2 NAIC 1	3 NAIC 2	4 NAIC 3	5 NAIC 4	6 NAIC 5	7 NAIC 6	8 Nonadmitted
a. Bonds-FV	\$	\$	\$	\$	\$	\$	\$	\$
b. LB & SS-FV								
c. Preferred Stock-FV								
d. Common Stock								
e. Mortgage Loans-FV								
f. Real Estate-FV								
g. Derivatives-FV								
h. Other Invested Assets-FV								
i. Total Assets-FV (Sum of a through h)								

(9) Recognized Forward Resale Commitment

First Quarter				Second Quarter			
1 Minimum	2 Maximum	3 Average Daily Balance	4 Ending Balance	5 Minimum	6 Maximum	7 Average Daily Balance	8 Ending Balance
\$	\$	\$	\$	\$	\$	\$	\$

Third Quarter				Fourth Quarter			
9 Minimum	10 Maximum	11 Average Daily Balance	12 Ending Balance	13 Minimum	14 Maximum	15 Average Daily Balance	16 Ending Balance
\$	\$	\$	\$	\$	\$	\$	\$

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale  
Repurchase Transaction – Cash Provider – Overview of Sale Transactions

(1) Company Policy or Strategies for Engaging in Repo Programs  
Not Applicable

(2) Type of Repo Trades Used

	1	2	3	4
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## NOTES TO FINANCIAL STATEMENTS

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Bilateral (YES/NO)				
b. Tri-Party (YES/NO)				

(3) Original (Flow) & Residual Maturity

	First Quarter				Second Quarter			
	1 Minimum	2 Maximum	3 Average Daily Balance	4 Ending Balance	5 Minimum	6 Maximum	7 Average Daily Balance	8 Ending Balance
a. Open – No Maturity	\$	\$	\$	\$	\$	\$	\$	\$
b. Overnight	\$	\$	\$	\$	\$	\$	\$	\$
c. 2 Days to 1 Week	\$	\$	\$	\$	\$	\$	\$	\$
d. >1 Week to 1 Month	\$	\$	\$	\$	\$	\$	\$	\$
e. >1 Month to 3 Months	\$	\$	\$	\$	\$	\$	\$	\$
f. >3 Months to 1 Year	\$	\$	\$	\$	\$	\$	\$	\$
g. > 1 Year	\$	\$	\$	\$	\$	\$	\$	\$

	Third Quarter				Fourth Quarter			
	9 Minimum	10 Maximum	11 Average Daily Balance	12 Ending Balance	13 Minimum	14 Maximum	15 Average Daily Balance	16 Ending Balance
a. Open – No Maturity	\$	\$	\$	\$	\$	\$	\$	\$
b. Overnight	\$	\$	\$	\$	\$	\$	\$	\$
c. 2 Days to 1 Week	\$	\$	\$	\$	\$	\$	\$	\$
d. >1 Week to 1 Month	\$	\$	\$	\$	\$	\$	\$	\$
e. >1 Month to 3 Months	\$	\$	\$	\$	\$	\$	\$	\$
f. >3 Months to 1 Year	\$	\$	\$	\$	\$	\$	\$	\$
g. > 1 Year	\$	\$	\$	\$	\$	\$	\$	\$

(4) Counterparty, Jurisdiction and Fair Value (FV)

1	2 Jurisdiction	First Quarter				Second Quarter			
		3 Minimum	4 Maximum	5 Average Daily Balance	6 Ending Balance	7 Minimum	8 Maximum	9 Average Daily Balance	10 Ending Balance
a. Default (Fair Value of Securities Sold/ Outstanding for which the Repo Agreement Defaulted)	XXX	\$	\$	\$	\$	\$	\$	\$	\$
b. Counterparty		\$	\$	\$	\$	\$	\$	\$	\$

1	2 Jurisdiction	Third Quarter				Fourth Quarter			
		11 Minimum	12 Maximum	13 Average Daily Balance	14 Ending Balance	15 Minimum	16 Maximum	17 Average Daily Balance	18 Ending Balance
a. Default (Fair Value of Securities Sold/ Outstanding for which the Repo Agreement Defaulted)	XXX	\$	\$	\$	\$	\$	\$	\$	\$
b. Counterparty		\$	\$	\$	\$	\$	\$	\$	\$

(5) Securities Acquired Under Repo – Sale

	First Quarter				Second Quarter			
	1 Minimum	2 Maximum	3 Average Daily Balance	4 Ending Balance	5 Minimum	6 Maximum	7 Average Daily Balance	8 Ending Balance
a. BACV	XXX	XXX	XXX	\$	XXX	XXX	XXX	\$
b. Nonadmitted – Subset of BACV	XXX	XXX	XXX	\$	XXX	XXX	XXX	\$
c. Fair Value	\$	\$	\$	\$	\$	\$	\$	\$

	Third Quarter				Fourth Quarter			
	9 Minimum	10 Maximum	11 Average Daily Balance	12 Ending Balance	13 Minimum	14 Maximum	15 Average Daily Balance	16 Ending Balance
a. BACV	XXX	XXX	XXX	\$	XXX	XXX	XXX	\$
b. Nonadmitted – Subset of BACV	XXX	XXX	XXX	\$	XXX	XXX	XXX	\$
c. Fair Value	\$	\$	\$	\$	\$	\$	\$	\$

(6) Securities Acquired Under Repo – Sale by NAIC Designation

	1 None	2 NAIC 1	3 NAIC 2	4 NAIC 3	5 NAIC 4	6 NAIC 5	7 NAIC 6	8 Nonadmitted
Ending Balance								

**NOTES TO FINANCIAL STATEMENTS**

a. Bonds-BACV	\$	\$	\$	\$	\$	\$	\$	\$
b. Bonds-FV								
c. LB & SS-BACV								
d. LB & SS-FV								
e. Preferred Stock-BACV								
f. Preferred Stock-FV								
g. Common Stock								
h. Mortgage Loans-BACV								
i. Mortgage Loans-FV								
j. Real Estate-BACV								
k. Real Estate-FV								
l. Derivatives-BACV								
m. Derivatives-FV								
n. Other Invested Assets-BACV								
o. Other Invested Assets-FV								
p. Total Assets-BACV	\$	\$	\$	\$	\$	\$	\$	\$
q. Total Assets-FV	\$	\$	\$	\$	\$	\$	\$	\$

$p = a + c + e + g + h + j + l + n$        $q = b + d + f + g + i + k + m + o$

(7) Proceeds Provided – Sale

	First Quarter				Second Quarter			
	1 Minimum	2 Maximum	3 Average Daily Balance	4 Ending Balance	5 Minimum	6 Maximum	7 Average Daily Balance	8 Ending Balance
a. Cash	\$	\$	\$	\$	\$	\$	\$	\$
b. Securities (FV)	\$	\$	\$	\$	\$	\$	\$	\$
c. Securities (BACV)	XXX	XXX	XXX	\$	XXX	XXX	XXX	\$
d. Nonadmitted Subset	XXX	XXX	XXX	\$	XXX	XXX	XXX	\$

	Third Quarter				Fourth Quarter			
	9 Minimum	10 Maximum	11 Average Daily Balance	12 Ending Balance	13 Minimum	14 Maximum	15 Average Daily Balance	16 Ending Balance
a. Cash	\$	\$	\$	\$	\$	\$	\$	\$
b. Securities (FV)	\$	\$	\$	\$	\$	\$	\$	\$
c. Securities (BACV)	XXX	XXX	XXX	\$	XXX	XXX	XXX	\$
d. Nonadmitted Subset	XXX	XXX	XXX	\$	XXX	XXX	XXX	\$

(8) Recognized Forward Resale Commitment

First Quarter				Second Quarter			
1 Minimum	2 Maximum	3 Average Daily Balance	4 Ending Balance	5 Minimum	6 Maximum	7 Average Daily Balance	8 Ending Balance
\$	\$	\$	\$	\$	\$	\$	\$

Third Quarter				Fourth Quarter			
9 Minimum	10 Maximum	11 Average Daily Balance	12 Ending Balance	13 Minimum	14 Maximum	15 Average Daily Balance	16 Ending Balance
\$	\$	\$	\$	\$	\$	\$	\$

J. Real Estate

- (1) Recognized Impairment Loss  
No Significant Change
- (2) Sold or Classified Real Estate Investments as Held for Sale  
No Significant Change
- (3) Changes to a Plan of Sale for an Investment in Real Estate  
Not Applicable
- (4) Retail Land Sales Operations  
Not Applicable
- (5) Real Estate Investments with Participating Mortgage Loan Features  
Not Applicable

K. Low-Income Housing Tax Credits (LIHTC)

- (1) Number of Remaining Years of Unexpired Tax Credits and Holding Period for LIHTC Investments  
Not Applicable
- (2) Amount of LIHTC and Other Tax Benefits Recognized  
Not Applicable

**NOTES TO FINANCIAL STATEMENTS**

- (3) Balance of Investment Recognized  
Not Applicable
- (4) Regulatory Reviews  
Not Applicable
- (5) LIHTC investments which Exceed 10% of Total Admitted Assets  
Not Applicable
- (6) Recognized Impairment  
Not Applicable
- (7) Amount and Nature of Write-Downs or Reclassifications  
Not Applicable

L. Restricted Assets

No Significant Change

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted					6	7	8	Current Year		
	Current Year								9	Percentage	
	1	2	3	4	5					10	11
Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)	
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
b. Collateral held under security lending arrangements										%	%
c. Subject to repurchase agreements										%	%
d. Subject to reverse repurchase agreements										%	%
e. Subject to dollar repurchase agreements										%	%
f. Subject to dollar reverse repurchase agreements										%	%
g. Placed under option contracts										%	%
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock										%	%
i. FHLB capital stock	689,500				689,500	689,500		689,500		0.2%	0.2%
j. On deposit with states	2,610,247				2,610,247	2,608,317	1,930	2,610,247		0.6%	0.6%
k. On deposit with other regulatory bodies										%	%
l. Pledged as collateral to FHLB (including assets backing funding agreements)										%	%
m. Pledged as collateral not captured in other categories										%	%
n. Other restricted assets										%	%
o. Total Restricted Assets	\$ 3,299,747	\$	\$	\$	\$ 3,299,747	\$ 3,297,817	\$ 1,930	\$	\$ 3,299,747	0.8%	0.8%

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

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

Description of Assets	Gross (Admitted & Nonadmitted) Restricted					6	7	8	Percentage	
	Current Year								9	10
	1	2	3	4	5					
Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year to Date Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets	
Total (c)	\$	\$	\$	\$	\$	\$	\$	\$	%	%

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

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

Description of Assets	Gross (Admitted & Nonadmitted) Restricted					6	7	8	Percentage	
	Current Year								9	10
	1	2	3	4	5					
Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year to Date Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets	
Total (c)	\$	\$	\$	\$	\$	\$	\$	\$	%	%

- (a) Subset of column 1

**NOTES TO FINANCIAL STATEMENTS**

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

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

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

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

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

	1 Amount	2 % of Liability to Total Liabilities
k. Recognized Obligation to Return Collateral Asset	\$	%

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

M. Working Capital Finance Investments

(1) Aggregate Working Capital Finance Investments (WCFI) Book/Adjusted Carrying Value by NAIC Designation:

Not Applicable

	Gross Asset Current	Non-admitted Asset Current	Net Admitted Asset Current
a. WCFI Designation 1	\$	\$	\$
b. WCFI Designation 2			
c. WCFI Designation 3			
d. WCFI Designation 4			
e. WCFI Designation 5			
f. WCFI Designation 6			
g. Total	\$	\$	\$

(2) Aggregate Maturity Distribution on the Underlying Working Capital Finance Programs

Not Applicable

	Book/Adjusted Carrying Value
a. Up to 180 Days	\$
b. 181 to 365 Days	
c. Total	\$

(3) Any Events of Default or Working Capital Finance Investments

Not Applicable

N. Offsetting and Netting of Assets and Liabilities

Not Applicable

	Gross Amount Recognized	Amount Offset*	Net Amount Presented on Financial Statements
(1) Assets	\$	\$	\$
(2) Liabilities	\$	\$	\$

\* For derivative assets and derivative liabilities, the amount of offset shall agree to Schedule DB, Part D, Section 1.

O. Structured Notes

**NOTES TO FINANCIAL STATEMENTS**

No Significant Change

CUSIP Identification	Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage-Referenced Security (YES/NO)
	\$	\$	\$	
	\$	\$	\$	XXX

P. 5\* Securities

Not Applicable

Investment	Number of 5* Securities		Aggregate BACV		Aggregate Fair Value	
	Current Year to Date	Prior Year	Current Year to Date	Prior Year	Current Year to Date	Prior Year
(1) Bonds – AC			\$	\$	\$	\$
(2) Bonds – FV						
(3) LB & SS – AC						
(4) LB & SS – FV						
(5) Preferred Stock – AC						
(6) Preferred Stock – FV						
(7) Total (1+2+3+4+5+6)			\$	\$	\$	\$

AC – Amortized Cost

FV – Fair Value

Q. Short Sales

Not Applicable

(1) Unsettled Short Sale Transactions (Outstanding as of Reporting Date)

	Proceeds Received	Current Fair Value of Securities Sold Short	Unrealized Gain or Loss	Expected Settlement (# of Days)	Fair Value of Short Sales Exceeding (or expected to exceed) 3 Settlement Days	Fair Value of Short Sales Expected to be Settled by Secured Borrowing
(a) Bonds	\$	\$	\$		\$	\$
(b) Preferred Stock						
(c) Common Stock						
(d) Totals (a+b+c)	\$	\$	\$	XXX	\$	\$

(2) Settled Short Sale Transactions

	Proceeds Received	Current Fair Value of Securities Sold Short	Realized Gain or Loss on Transaction	Fair Value of Short Sales Exceeding (or expected to exceed) 3 Settlement Days	Fair Value of Short Sales Expected to be Settled by Secured Borrowing
(a) Bonds	\$	\$	\$	\$	\$
(b) Preferred Stock					
(c) Common Stock					
(d) Totals (a+b+c)	\$	\$	\$	\$	\$

R. Prepayment Penalty and Acceleration Fees

Not Applicable

	General Account	Protected Cell
(1) Number of CUSIPs		
(2) Aggregate Amount of Investment Income	\$	\$

**Note 6 – Joint Ventures, Partnerships and Limited Liability Companies**A. Investments in Joint Ventures, Partnerships and Limited Liability Companies that Exceed 10% of Ownership  
No Significant ChangeB. Investments in Impaired Joint Ventures, Partnerships and Limited Liability Companies  
No Significant Change**Note 7 – Investment Income**A. The bases, by category of investment income, for excluding (nonadmitting) any investment income due and accrued:  
Not Applicable

**NOTES TO FINANCIAL STATEMENTS**

B. The total amount excluded:  
Not Applicable

**Note 8 – Derivative Instruments**

- A. Market Risk, Credit Risk and Cash Requirements  
No Significant Change
- B. Objectives for Derivative User  
No Significant Change
- C. Accounting Policies for Recognition and Measurement  
No Significant Change
- D. Identification of Whether Derivative Contacts with Financing Premiums  
Not Applicable
- E. Net Gain or Loss Recognized  
No Significant Change
- F. Net Gain or Loss Recognized from Derivatives that no Longer Qualify for Hedge Accounting  
Not Applicable
- G. Derivatives Accounted for as Cash Flow Hedges
  - (1) Not Applicable
  - (2) Not Applicable
- H. Total Premium Costs for Contracts  
Not Applicable

**Note 9 – Income Taxes**

- A. Deferred Tax Assets/(Liabilities)  
No Significant Change
  - 1. Components of Net Deferred Tax Asset/(Liability)  
No significant change
  - 2. Admission Calculation Components SSAP No. 101  
No significant change
  - 3. Other Admissibility Criteria  
No significant change
  - 4. Impact of Tax Planning Strategies  
No significant change
    - (a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.  
No significant change
    - (b) Does the company's tax planning strategies include the use of reinsurance? No significant change
- B. Deferred Tax Liabilities Not Recognized
  - 1. The types of temporary differences for which a DTL has not been recognized and the types of events that would cause those temporary differences to become taxable are:  
Not Applicable
  - 2. The cumulative amount of each type of temporary difference is:  
Not Applicable
  - 3. The amount of the unrecognized DTL for temporary differences related to investments in foreign subsidiaries and foreign corporate joint ventures that are essentially permanent in duration, if determination of that liability is practicable, or a statement that determination is not practicable are:  
Not Applicable
  - 4. The amount of the DTL for temporary differences other than those in item (3) above that is not recognized is:  
Not Applicable
- C. Current and Deferred Income Taxes  
No Significant Change
  - 1. Current Income Tax  
No significant change
  - 2. Deferred Tax Assets  
No significant change
  - 3. Deferred Tax Liabilities  
No significant change
  - 4. 

Net Deferred Tax Assets (2i – 3c)		
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No Significant Change

**NOTES TO FINANCIAL STATEMENTS**

- D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate Among the more significant book to tax adjustments were the following:  
No significant change
- E. Operating Loss Carryforwards and Income Taxes Available for Recoupment

1. The amounts, origination dates and expiration dates of operating loss and tax credit carry forwards available for tax purposes:

No Significant Change			
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2. The following is income tax expense for current year and proceeding years that is available for recoupment in the event of future net losses:

Year	Amounts
No Significant Change	

3. The Company's aggregate amount of deposits admitted under Section 6603 of the Internal Revenue Service Code is No Significant Change.

- F. Consolidated Federal Income Tax Return

1. The Company's federal income tax return is consolidated with the following entities:  
No Significant Change
2. The manner in which the Board of Directors sets forth for allocating the consolidated federal income tax:  
No Significant Change

- G. Federal or Foreign Federal Income Tax Loss Contingencies:  
Not Applicable

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

- A. Nature of the Relationship Involved  
No Significant Change
- B. Transactions  
No Significant Change
- C. Dollar Amounts of Transactions  
No Significant Change
- D. Amounts Due From or To Related Parties  
No Significant Change
- E. Guarantees or Undertakings  
Not Applicable
- F. Material Management or Service Contracts and Cost-Sharing Arrangements  
No Significant Change
- G. Nature of the Control Relationship  
No Significant Change
- H. Amount Deducted from the Value of Upstream Intermediate Entity or Ultimate Parent Owned  
Not Applicable
- I. Investments in SCA that Exceed 10% of Admitted Assets  
Not Applicable
- J. Investments in Impaired SCAs  
Not Applicable
- K. Investment in Foreign Insurance Subsidiary  
Not Applicable
- L. Investment in Downstream Noninsurance Holding Company  
Not Applicable
- M. All SCA Investments  
No Significant Change

- (1) Balance Sheet Value (Admitted and Nonadmitted) All SCAs (Except 8bi Entities)

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities				
	%	\$	\$	\$
Total SSAP No. 97 8a Entities	XXX	\$	\$	\$
b. SSAP No. 97 8b(ii) Entities				
	%	\$	\$	\$
Total SSAP No. 97 8b(ii) Entities	XXX	\$	\$	\$
c. SSAP No. 97 8b(iii) Entities				
	%	\$	\$	\$
Total SSAP No. 97 8b(iii) Entities	XXX	\$	\$	\$
d. SSAP No. 97 8b(iv) Entities				
	%	\$	\$	\$
Total SSAP No. 97 8b(iv) Entities	XXX	\$	\$	\$
e. Total SSAP No. 97 8b Entities (exception 8b(i))	XXX	\$	\$	\$

**NOTES TO FINANCIAL STATEMENTS**

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
entities) (b + c + d)				
f. Aggregate Total (a + e)	XXX	\$	\$	\$

## (2) NAIC Filing Response Information

SCA Entity (Should be the same entities as shown in M(1) above)	Type of NAIC Filing*	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received Y/N	NAIC Disallowed Entities Valuation Method Resubmission Required Y/N	Code**
a. SSAP No. 97 8a Entities						
			\$			
Total SSAP No. 97 8a Entities	XXX	XXX	\$	XXX	XXX	XXX
b. SSAP No. 97 8b(ii) Entities						
			\$			
Total SSAP No. 97 8b(ii) Entities	XXX	XXX	\$	XXX	XXX	XXX
c. SSAP No. 97 8b(iii) Entities						
			\$			
Total SSAP No. 97 8b(iii) Entities	XXX	XXX	\$	XXX	XXX	XXX
d. SSAP No. 97 8b(iv) Entities						
			\$			
Total SSAP No. 97 8b(iv) Entities	XXX	XXX	\$	XXX	XXX	XXX
e. Total SSAP No. 97 8b Entities (exception 8b(i) entities) (b + c + d)						
	XXX	XXX	\$	XXX	XXX	XXX
f. Aggregate Total (a + e)						
	XXX	XXX	\$	XXX	XXX	XXX

\* S1 – Sub-1, S2 – Sub-2 or RDF – Resubmission of Disallowed Filing

\*\* I – Immaterial or M – Material

N. Investment in Insurance SCAs  
Not Applicable(1) Accounting Practice that Differs from NAIC Statutory Accounting Practices and Procedures  
Not Applicable

## (2) Monetary Effect on Net Income and Surplus

SCA Entity (Investments in Insurance SCA Entities)	Monetary Effect On NAIC SAP		Amount of Investment	
	Net Income Increase (Decrease)	Surplus Increase (Decrease)	Per Audited Statutory Equity	If the Insurance SCA Had Completed Statutory Financial Statements*
	\$	\$	\$	\$

\* Per AP&amp;P Manual (without permitted or prescribed practices)

## (3) RBC Regulatory Event Because of Prescribed or Permitted Practice

Not Applicable

**Note 11 – Debt**

## A. Debt, Including Capital Notes

Not Applicable

## B. FHLB (Federal Home Loan Bank) Agreements

## (1) Nature of the FHLB Agreement

The Company is a member of the Federal Home Loan Bank (FHLBC) of Cincinnati. Through its membership, the Company may conduct business activity (borrowings) with the FHLB. It is part of the Company strategy to utilize these funds as backup liquidity. The Company borrowing capacity is \$10,000,000.

## (2) FHLB Capital Stock

## a. Aggregate Totals

## 1. Current Year to Date

	1 Total 2 + 3	2 General Account	3 Protected Cell Accounts
(a) Membership Stock – Class A	\$	\$	\$
(b) Membership Stock – Class B	550,947	550,947	
(c) Activity Stock			
(d) Excess Stock	138,553	138,553	
(e) Aggregate Total (a+b+c+d)	\$ 689,500	\$ 689,500	\$

**NOTES TO FINANCIAL STATEMENTS**

	1 Total 2 + 3	2 General Account	3 Protected Cell Accounts
(f) Actual or estimated borrowing capacity as determined by the insurer	\$	XXX	XXX

## 2. Prior Year

	1 Total 2 + 3	2 General Account	3 Protected Cell Accounts
(a) Membership Stock – Class A	\$	\$	\$
(b) Membership Stock – Class B	550,947	550,947	
(c) Activity Stock			
(d) Excess Stock	138,553	138,553	
(e) Aggregate Total (a+b+c+d)	\$ 689,500	\$ 689,500	\$
(f) Actual or estimated borrowing capacity as determined by the insurer	\$	XXX	XXX

## b. Membership Stock (Class A and B) Eligible and Not Eligible for Redemption

Membership Stock	1 Current Year to Date Total (2+3+4+5+6)	2 Not Eligible for Redemption	Eligible for Redemption			
			3 Less than 6 Months	4 6 Months to Less Than 1 Year	5 1 to Less Than 3 Years	6 3 to 5 Years
1. Class A	\$	\$	\$	\$	\$	\$
2. Class B	\$ 550,947	\$ 550,947	\$	\$	\$	\$

## (3) Collateral Pledged to FHLB

## a. Amount Pledged as of Reporting Date

	1 Fair Value	2 Carrying Value	3 Aggregate Total Borrowing
1. Current Year to Date Total General and Protected Cell Total Collateral Pledged (Lines 2+3)	\$	\$	\$
2. Current Year to Date General Account Total Collateral Pledged			
3. Current Year to Date Protected Cell Total Collateral Pledged			
4. Prior Year Total General and Protected Cell Total Collateral Pledged	\$	\$	\$

## b. Maximum Amount Pledged During Reporting Period

	1 Fair Value	2 Carrying Value	3 Amount Borrowed at Time of Maximum Collateral
1. Current Year to Date Total General and Protected Cell Total Collateral Pledged (Lines 2+3)	\$	\$	\$
2. Current Year to Date General Account Total Collateral Pledged			
3. Current Year to Date Protected Cell Total Collateral Pledged			
4. Prior Year Total General and Protected Cell Total Collateral Pledged	\$	\$	\$

## (4) Borrowing from FHLB

## a. Amount as of the Reporting Date

## 1. Current Year to Date

	1 Total 2 + 3	2 General Account	3 Protected Cell Account	4 Funding Agreements Reserves Established
(a) Debt				XXX
(b) Funding Agreements				
(c) Other				XXX
(d) Aggregate Total (a+b+c)				

## 2. Prior Year

	1 Total 2 + 3	2 General Account	3 Protected Cell Account	4 Funding Agreements Reserves Established
(a) Debt				XXX
(b) Funding Agreements				
(c) Other				XXX
(d) Aggregate Total (a+b+c)				

## b. Maximum Amount During Reporting Period (Current Year to Date)

	1 Total	2 General	3 Protected Cell

**NOTES TO FINANCIAL STATEMENTS**

	2 + 3	Account	Accounts
1. Debt	\$	\$	\$
2. Funding Agreements			
3. Other			
4. Aggregate Total (Lines 1+2+3)	\$	\$	\$

## c. FHLB – Prepayment Obligations

	Does the Company have Prepayment Obligations under the Following Arrangements (YES/NO)
1. Debt	
2. Funding Agreements	
3. Other	

No collateral pledged to FHLB in 2018 or 2017. The Company did not borrow from FHLB in 2018 or 2017.

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

## A. Defined Benefit Plan

- (1) Change in Benefit Obligation  
Not Applicable

	Overfunded		Underfunded	
	Current Year to Date	2017	Current Year to Date	2017
<b>a. Pension Benefits</b>				
1. Benefit obligation at beginning of period	\$	\$	\$	\$
2. Service cost				
3. Interest cost				
4. Contribution by plan participants				
5. Actuarial gain (loss)				
6. Foreign currency exchange rate changes				
7. Benefits paid				
8. Plan amendments				
9. Business combinations, divestitures, curtailments, settlements and special termination benefits				
10. Benefit obligation at end of period	\$	\$	\$	\$
<b>b. Postretirement Benefits</b>				
1. Benefit obligation at beginning of period	\$	\$	\$	\$
2. Service cost				
3. Interest cost				
4. Contribution by plan participants				
5. Actuarial gain (loss)				
6. Foreign currency exchange rate changes				
7. Benefits paid				
8. Plan amendments				
9. Business combinations, divestitures, curtailments, settlements and special termination benefits				
10. Benefit obligation at end of period	\$	\$	\$	\$
<b>c. Special or Contractual Benefits per SSAP No. 11</b>				
1. Benefit obligation at beginning of period	\$	\$	\$	\$
2. Service cost				
3. Interest cost				
4. Contribution by plan participants				
5. Actuarial gain (loss)				
6. Foreign currency exchange rate changes				
7. Benefits paid				
8. Plan amendments				
9. Business combinations, divestitures, curtailments, settlements and special termination benefits				
10. Benefit obligation at end of period	\$	\$	\$	\$

- (2) Change in Plan Assets  
Not Applicable

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
	Current Year to Date	2017	Current Year to Date	2017	Current Year to Date	2017
a. Fair value of plan assets at beginning of period	\$	\$	\$	\$	\$	\$

**NOTES TO FINANCIAL STATEMENTS**

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
	Current Year to Date	2017	Current Year to Date	2017	Current Year to Date	2017
b. Actual return on plan assets						
c. Foreign currency exchange rate changes						
d. Reporting entity contribution						
e. Plan participants' contributions						
f. Benefits paid						
g. Business combinations, divestitures and settlements						
h. Fair value of plan assets at end of period	\$	\$	\$	\$	\$	\$

(3) Funded Status  
Not Applicable

	Pension Benefits		Postretirement Benefits	
	Current Year to Date	2017	Current Year to Date	2017
a. Components				
1. Prepaid benefit costs	\$	\$	\$	\$
2. Overfunded plans assets				
3. Accrued benefit costs	\$	\$	\$	\$
4. Liability for pension benefits	\$	\$	\$	\$
b. Assets and liabilities recognized				
1. Assets (nonadmitted)	\$	\$	\$	\$
2. Liabilities recognized				
c. Unrecognized liabilities	\$	\$	\$	\$

(4) Components of Net Periodic Benefit Cost  
Not Applicable

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
	Current Year to Date	2017	Current Year to Date	2017	Current Year to Date	2017
a. Service cost	\$	\$	\$	\$	\$	\$
b. Interest cost						
c. Expected return on plan assets						
d. Transition asset or obligation						
e. Gains and losses						
f. Prior service cost or credit						
g. Gain or loss recognized due to a settlement curtailment						
h. Total net periodic benefit cost	\$	\$	\$	\$	\$	\$

(5) Amounts in Unassigned Funds (Surplus) Recognized as Components of Net Periodic Benefit Cost  
Not Applicable

	Pension Benefits		Postretirement Benefits	
	Current Year to Date	2017	Current Year to Date	2017
a. Items not yet recognized as a component of net periodic cost – prior year	\$	\$	\$	\$
b. Net transition asset or obligation recognized				
c. Net prior service cost or credit arising during the period				
d. Net prior service cost or credit recognized				
e. Net gain and loss arising during the period				
f. Net gain and loss recognized				
g. Items not yet recognized as a component of net periodic cost – end of period	\$	\$	\$	\$

(6) Amounts in Unassigned Funds (Surplus) Expected to be Recognized in the Next Fiscal Year as Components of Net Periodic Benefit Cost  
Not Applicable

	Pension Benefits	Postretirement Benefits
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**NOTES TO FINANCIAL STATEMENTS**

	Current Year to Date	2017	Current Year to Date	2017
a. Net transition asset or obligations				
b. Net prior service cost or credit				
c. Net recognized gains and losses				

- (7) Amounts in Unassigned Funds (Surplus) that have not yet been Recognized as Components of Net Periodic Benefit Cost  
Not Applicable

	Pension Benefits		Postretirement Benefits	
	Current Year to Date	2017	Current Year to Date	2017
a. Net transition asset or obligations				
b. Net prior service cost or credit				
c. Net recognized gains and losses				

- (8) Weighted-Average Assumptions Used to Determine Net Periodic Benefit Cost as of Current Year to Date  
Not Applicable

	Current Year to Date	2017
a. Weighted-average discount rate	%	%
b. Expected long-term rate of return on plan assets	%	%
c. Rate of compensation increase	%	%
Weighted-average assumptions used to determine projected benefit obligations as of end of current year to date		
d. Weighted-average discount rate	%	%
e. Rate of compensation increase	%	%

- (9) Accumulated Benefit Obligation for Defined Benefit Pension Plans  
Not Applicable

- (10) For Postretirement Benefits Other Than Pensions, the Assumed Health Care Cost Trend Rate(s)  
Not Applicable

- (11) Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage point change in assumed health care cost trend rates would have the following effects:  
Not Applicable

	1 Percentage Point Increase	1 Percentage Point Decrease
a. Effect on total of service and interest cost components	\$	\$
b. Effect on postretirement benefit obligation	\$	\$

- (12) The following estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the year indicated:  
Not Applicable

Year(s)	Amount
a. 2019	\$
b. 2020	\$
c. 2021	\$
d. 2022	\$
e. 2023	\$
f. 2024 through 20__	\$

- (13) Estimate of Contributions Expected to be Paid to the Plan  
Not Applicable

- (14) Amounts and Types of Securities Included in Plan Assets  
Not Applicable

- (15) Alternative Method Used to Amortize Prior Service Amounts or Net Gains and Losses  
Not Applicable

- (16) Substantive Comment Used to Account for Benefit Obligation  
Not Applicable

- (17) Cost of Providing Special or Contractual Termination Benefits Recognized  
Not Applicable

- (18) Significant Change in the Benefit Obligation or Plan Assets  
Not Applicable

**NOTES TO FINANCIAL STATEMENTS**

(19) Amount and Time Plan Assets Expected to be Returned  
Not Applicable

(20) Accumulated Postretirement and Pension Benefit Obligation and Fair Value of Plan Assets for Defined Postretirement and Pension Benefit Plans  
Not Applicable

(21) Full Transition Surplus Impact of SSAP 102  
Not Applicable

B. Investment Policies and Strategies

Not Applicable

C. Fair Value of Plan Assets

Not Applicable

(1) Fair Value Measurements of Plans Assets at Reporting Date

Description for each class of plan assets	(Level 1)	(Level 2)	(Level 3)	Total
	\$	\$	\$	\$
Total Plan Assets	\$	\$	\$	\$

Not Applicable

(2) Fair Value Measurements in Level 3 of the Fair Value Hierarchy  
Not Applicable

Description for each class of plan assets	Beginning Balance	Transfers into Level 3	Transfers out of Level 3	Return on Assets Still Held	Return on Assets Sold	Purchases	Issuances	Sales	Settlements	Ending Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total Plan Assets	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

(3) Valuation Technique(s) and Inputs Used to Measure Fair Value  
Not Applicable

D. Basis Used to Determine Expected Long-Term Rate-of-Return

Not Applicable

E. Defined Contribution Plans

No Significant Change

F. Multiemployer Plans

Not Applicable

G. Consolidated/Holding Company Plans

Not Applicable

H. Postemployment Benefits and Compensated Absences

Not Applicable

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

(1) Recognition of the Existence of the Act  
Not Applicable

(2) Effects of the Subsidy in Measuring the Net Postretirement Benefit Cost  
Not Applicable

(3) Disclosure of Gross Benefit Payments  
Not Applicable

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

(1) Number of Share and Par or State Value of Each Class

No Significant Change

(2) Dividend Rate, Liquidation Value and Redemption Schedule of Preferred Stock Issues

Not Applicable

(3) Dividend Restrictions

No Significant Change

**NOTES TO FINANCIAL STATEMENTS**

(4) Dates and Amounts of Dividends Paid

On July 23, 2018 the board approved an ordinary dividend of \$20,000,000 to be paid on or after September 29, 2018. The Company paid the dividend on October 1, 2018.

(5) Profits that may be Paid as Ordinary Dividends to Stockholders

No Significant Change

(6) Restrictions Plans on Unassigned Funds (Surplus)

No Significant Change

(7) Amount of Advances to Surplus not Repaid

Not Applicable

(8) Amount of Stock Held for Special Purposes

Not Applicable

(9) Reasons for Changes in Balance of Special Surplus Funds from Prior Period

Not Applicable

(10) The Portion of Unassigned Funds (Surplus) Represented or Reduced by Unrealized Gains and Losses is: \$0.

(11) The Reporting Entity Issued the Following Surplus Debentures or Similar Obligations

Not Applicable

Date Issued	Interest Rate	Par Value (Face Amount of Notes)	Carrying Value of Note*	Principal and/or Interest Paid Current Period	Total Principal and/or Interest Paid	Unapproved Principal and/or Interest	Date of Maturity
	%	\$	\$	\$	\$	\$	
Total	XXX	\$	\$	\$	\$	\$	XXX

(12) The impact of any restatement due to prior quasi-reorganizations is as follows

Not Applicable

Description (Year)	Change in Surplus	Change in Gross Paid in and Contributed Surplus
	\$	\$

(13) Effective Date of Quasi-Reorganization for a Period of Ten Years Following Reorganization

Not Applicable

**Note 14 – Liabilities, Contingencies and Assessments**

A. Contingent Commitments

(1) Total SSAP No. 97, Investments in Subsidiary, Controlled, and Affiliated Entities, A Replacement of SSAP No. 88, and SSAP No. 48, Joint Ventures, Partnerships and Limited Liability Company contingent liabilities: \$0 .

(2) Detail of Other Contingent Commitments

No Significant Change

Nature and Circumstances of Guarantee and Key Attributes, Including Date and Duration of Agreement	Liability Recognition of Guarantee, (Including Amount Recognized at Inception. If no Initial Recognition, Document Exception Allowed Under SSAP No. 5R)	Ultimate Financial Statement Impact if Action under the Guarantee is Required	Maximum Potential Amount of Future Payments (Undiscounted) the Guarantor could be Required to make under the Guarantee. If unable to Develop an Estimate, this Should be Specifically Noted	Current Status of Payment or Performance Risk of Guarantee. Also Provide Additional Discussion as Warranted
	\$		\$	
Total	\$	XXX	\$	XXX

(3) Aggregate Compilation of Guarantee Obligations

a.	Aggregate maximum potential of future payments of all guarantees (undiscounted) the guarantor could be required to make under guarantees. (Should equal the total of column 4 for (2) above.)	\$
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**NOTES TO FINANCIAL STATEMENTS**

b.	Current liability recognized in F/S	
1.	Noncontingent liabilities	\$
2.	Contingent liabilities	\$
c.	Ultimate financial statement impact if action under the guarantee is required	
1.	Investments in SCA	\$
2.	Joint venture	
3.	Dividends to stockholders (capital contribution)	
4.	Expense	
5.	Other	
6.	Total (should equal (3)a)	\$

**B. Assessments**

- (1) Nature of Any Assets That Could Have a Material Financial Effect  
No Significant Change
- (2) Assets Recognized From Paid and Accrued Premium Tax Offsets and Policy Surcharges  
No Significant Change

a.	Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year –end	\$
b.	Decreases Current Year to Date:	\$
c.	Increases Current Year to Date:	\$
d.	Assets recognized from paid and accrued premium tax offsets and policy surcharges current year to date	\$

- (3) Undiscounted and Discounted Guaranty Fund Assessments  
No Significant Change

a. Discount rate applied \$

b. The undiscounted and discounted amount of the guaranty fund assessments and related assets by insolvency:

Name of the Insolvency	Guaranty Fund Assessment		Related Assets	
	Undiscounted	Discounted	Undiscounted	Discounted
	\$	\$	\$	\$

c. Number of jurisdictions, ranges of years used to discount and weighted average number of years of the discounting time period for payables and recoverables by insolvency:

Name of the Insolvency	Payables			Recoverables		
	Number of Jurisdictions	Range of Years	Weighted Average Number of Years	Number of Jurisdictions	Range of Years	Weighted Average Number of Years

**C. Gain Contingencies**  
No Significant Change

**D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits**  
The Company is named, from time to time and in the ordinary course of business, as a defendant in legal actions arising principally from claims made under its insurance contracts, including those seeking extra-contractual damages beyond policy limits. These are commonly referred to as extra-contractual or bad faith claims. The Company is presently defending two such matters. In accordance with applicable accounting principles, the Company establishes reserves for those matters as to which it has determined that it is probable a loss has been incurred and a reasonable estimate of the Company potential exposure can be established. Such legal actions are considered by the Company in estimating the loss and LAE reserves.

At this time, the Company does not believe that any other legal action necessitates recognition of losses or disclosure, or that the resolution of such action would have a material adverse effect on the Company financial position or results of operations.

Through the third quarter of 2018 and 2017, the Company paid \$4,035,000 and \$11,000, respectively. These payments encompass reimbursements relating to less than 25 extra-contractual or bad faith claims.

The claim count information is disclosed on a per claim basis.

The Company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits:

	Direct
Claims related ECO and bad faith losses paid during the reporting period	\$ 4,035,000

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

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

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

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

**NOTES TO FINANCIAL STATEMENTS**

## E. Product Warranties

- (1) Accounting Policy and Methodology Used in Determining Product Warranties  
Not Applicable
- (2) Reconciliation of Aggregate Product Warranty Liability  
Not Applicable

a. Product warranty liability beginning balance	\$
b. Reductions for payments made under the warranty	
c. Liability accrual for product warranties issued during the current period	
d. Change in liability accrual for product warranties issued in previous period	
e. Product warranty liability ending balance	\$

## F. Joint and Several Liabilities

Not Applicable

## G. All Other Contingencies

The Company is also, from time to time and in the ordinary course of business, faced with class action lawsuits, regulatory proceedings, and individual lawsuits that are not directly related to its insurance contracts. Such matters presently include a pending California Market Conduct Exam, a pending rate enforcement inquiry in Texas, and two similar putative class action lawsuits both alleging the Company improperly charged premium to certain insureds. In accordance with applicable accounting principles, the Company establishes reserves for those matters as to which it has determined that it is probable a loss has been incurred and a reasonable estimate of the Company 19s potential exposure can be established. Likewise, the Company does not establish reserves for those matters where the loss is not probable and/or it currently is unable to estimate the Company 19s potential exposure. If either or both of the existing class action suits result in a judgment against, or settlement by, the Company in an amount significantly in excess of the reserve established for that matter, if any, the resulting liability could have a material effect on the Company 19s financial condition, cash flows, and results of operations. The Company continues to vigorously defend its position in the aforementioned matters and assess its legal positions. At September 30, 2018, there is a \$200,000 reserve established with respect to such exposures.

**Note 15 – Leases**

## A. Lessee Operating Lease

- (1) Lessee's Leasing Arrangements
- a. Rental Expense  
No Significant Change
  - b. Basis on Which Contingent Rental Payments are Determined  
No Significant Change
  - c. Existence and Terms of Renewal or Purchase Options and Escalation Clauses  
No Significant Change
  - d. Restrictions Imposed by Lease Agreements  
No Significant Change
  - e. Identification of Lease Agreements that have been Terminated Early  
No Significant Change
- (2) Leases with Initial or Remaining Noncancelable Lease Terms in Excess of One Year  
No Significant Change
- a. At January 1, 2019 the minimum aggregate rental commitments are as follows:  
No Significant Change
  - b. Total of Minimum Rentals to be Received in the Future under Noncancelable Subleases  
No Significant Change
- (3) For Sale-Leaseback Transactions
- a. Terms of the Sale-Leaseback Transactions  
Not Applicable
  - b. Obligation of Future Minimum Lease Payments and Total of Minimum Sublease Rentals  
Not Applicable

## B. Lessor Leases

- (1) Operating Leases:

**NOTES TO FINANCIAL STATEMENTS**

- a. Lessor's Leasing Arrangements  
Not Applicable
- b. Cost and Carrying Amount of Property on Lease or Held for Leasing  
Not Applicable
- c. Future minimum lease payment receivables under noncancelable leasing arrangements as of December 31 are as follows:  
Not Applicable

Year Ending	Operating Leases
1. 2019	\$
2. 2020	\$
3. 2021	\$
4. 2022	\$
5. 2023	\$
6. Total	\$

- (d) Total Contingent Rentals  
Not Applicable

## (2) Leveraged Leases:

- (a) Terms Including Pretax Income from Leveraged Leases  
Not Applicable
- (b) Pretax Income, Tax Effect and Investment Tax Credit  
Not Applicable

	Current Year to Date	2017
1. Income from leveraged leases before income tax including investment tax credit	\$	\$
2. Less current income tax	\$	\$
3. Net income from leveraged leases	\$	\$

- (c) The components of the investment in leveraged leases at current quarter, 2018 and 2017 were as shown below:

	Current Year to Date	2017
1. Lease contracts receivable (net of principal and interest on non-recourse financing)		
2. Estimated residual value of leased assets		
3. Unearned and deferred income		
4. Investment in leveraged leases		
5. Deferred income taxes related to leveraged leases		
6. Net investment in leveraged leases		

Not Applicable

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

- (1) The table below summarizes the face amount of the Company's financial instruments with off-balance sheet risk:  
Not Applicable

	Assets		Liabilities	
	Current Year to Date	2017	Current Year to Date	2017
a. Swaps	\$	\$	\$	\$
b. Futures				
c. Options				
d. Total	\$	\$	\$	\$

2. Nature and Terms of Off-Balance Sheet Risk  
Not Applicable
3. Amount of Loss if any Party to the Financial Instrument Failed  
Not Applicable
4. Collateral or Other Security Required to Support Financial Instrument  
Not Applicable

**Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

## A. Transfers of Receivables Reported as Sales

- (1) Proceeds to the Transferor  
Not Applicable
- (2) Gain or Loss Record on Sale

**NOTES TO FINANCIAL STATEMENTS**

Not Applicable

**B. Transfer and Servicing of Financial Assets**

- (1) Description of any Loaned Securities  
Not Applicable
- (2) Servicing Assets and Servicing Liabilities  
Not Applicable
- (3) When Servicing Assets and Liabilities are Measured at Fair Value  
Not Applicable
- (4) Securitizations, Asset-Based Financing Arrangements and Similar Transfers Accounted for as Sales
  - (a)  
Not Applicable
  - (b)  
Not Applicable
- (5) Disclosure Requirements for Transfers of Assets Accounted for as Secured Borrowing  
Not Applicable
- (6) Transfer of Receivables with Recourse  
Not Applicable
- (7) Securities Underlying Repurchase and Reverse Repurchase Agreements, Dollar Repurchase and Dollar Reverse Repurchase Agreements  
Not Applicable

**C. Wash Sales**  
Not Applicable

- (1) Description of the Objectives Regarding These Transactions  
Not Applicable
- (2) The details by NAIC designation 3 or below, or unrated of securities sold during the current period and reacquired within 30 days of the sale date are:  
Not Applicable

Description	NAIC Designation	Number of Transactions	Book Value of Securities Sold	Cost of Securities Repurchased	Gain/(Loss)
			\$	\$	\$

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

**A. ASO Plans**

Not Applicable

The gain from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans was as follows during 2018:

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	\$	\$	\$
b. Total net other income or expenses (including interest paid to or receive from plans)			
c. Net gain or (loss) from operations			
d. Total claim payment volume	\$	\$	\$

**B. ASC Plans**

Not Applicable

The gain from operations from Administrative Services Contract (ASC) uninsured plans and the uninsured portion of partially insured plans was as follows during 2018:

	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASC
a. Gross reimbursement for medical cost incurred	\$	\$	\$
b. Gross administrative fees accrued			
c. Other income or expenses (including interest paid to or received from plans)			
d. Gross expenses incurred (claims and administrative)			
e. Total net gain or loss from operations	\$	\$	\$

**NOTES TO FINANCIAL STATEMENTS**

## C. Medicare or Similarly Structured Cost Based Reimbursement Contract

- (1) Major Components of Revenue by Payor  
Not Applicable
- (2) Receivables from Payors with Account Balances the Greater of 10% of Amounts Receivable Relating to Uninsured Accident and Health Plans or \$10,000  
Not Applicable
- (3) Recorded Allowances and Reserves for Adjustment of Recorded Revenues  
Not Applicable
- (4) Adjustments to Revenue Resulting from Audit of Receivables Related to Revenues Recorded in the Prior Period  
Not Applicable

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

No Significant Change

**Note 20 – Fair Value Measurements**

## A. Fair Value Measurements

- (1) Fair Value Measurements at Reporting Date  
Assets recorded on the financial statements at fair value measurements by accounting hierarchy levels 1, 2 and 3.

The Company has categorized its assets that are measured at fair value into the three-level fair value hierarchy as reflected in the following table. The Company had no liabilities recorded at fair value

The Company financial assets carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by ASC 820 Fair Value Measurements and Disclosures. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset or a liability classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3). The levels of the fair value hierarchy are defined as follows:

Level 1 Values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date.

Level 2 Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3 Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Company best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

	Level 1	Level 2	Level 3	Total	Net Asset Value (NAV) Included in Level 2
<b>Assets at Fair Value</b>					
Industrial and Misc- Bond	\$	\$ 498,365	\$	\$ 498,365	\$
Industrial and Misc- Common Stock	\$	\$ 689,500	\$	\$ 689,500	\$
Other Money Market Mutual Funds	\$ 4,245,910	\$	\$	\$ 4,245,910	\$
<b>Total</b>	\$ 4,245,910	\$ 1,187,865	\$	\$ 5,433,775	\$
<b>Liabilities at Fair Value</b>					
None	\$	\$	\$	\$	\$
<b>Total</b>	\$	\$	\$	\$	\$

Reclassifications impacting Level 3 financial instruments are reported as transfers in (out) of the Level 3 category as of the beginning of the quarter in which the transfer occurs; gains and losses in income only reflect activity for the period the instrument was classified in Level 3. The same policy is followed when a transfer between Level 1 and Level 2 occurs.

There were no transfers between Level 1 and Level 2 assets during the current period.

- (2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy  
Roll forward of Level 3 items

	Ending Balance as of Prior Period	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance as of End of Current Period
<b>a. Assets</b>										
Foreign Governments	\$ 700,000	\$	\$ (700,000)	\$	\$	\$	\$	\$	\$	\$
Other Loan-Backed and Structures Securities	\$ 516,404	\$	\$	\$	\$ (8,644)	\$	\$	\$	\$	\$ 507,760
<b>Total</b>	\$ 1,216,404	\$	\$ (700,000)	\$	\$ (8,644)	\$	\$	\$	\$	\$ 507,760
<b>b. Liabilities</b>										
None	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

**NOTES TO FINANCIAL STATEMENTS**

	Ending Balance as of Prior Period	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settle- ments	Ending Balance as of End of Current Period
Total	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

- (3) Policies when Transfers Between Levels are Recognized  
No significant change
- (4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement  
No significant change
- (5) Fair Value Disclosures  
Not Applicable

## B. Fair Value Reporting under SSAP 100 and Other Accounting Pronouncements

Not Applicable

## C. Fair Value Level

The table below reflects the fair values and admitted values of all admitted assets and liabilities that are financial instruments, excluding those accounted for under the equity method (subsidiaries, limited liability companies, etc.). The fair values are also categorized into the three-level hierarchy as described above in Note 20A.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)	Net Asset Value (NAV) Included in Level 2
Bonds	\$ 244,356,509	\$ 246,548,370	\$ 6,674,560	\$ 237,174,189	\$ 507,760	\$	\$
Common Stocks	\$ 689,500	\$ 689,500	\$	\$ 689,500	\$	\$	\$
Cash, cash equivalents and short-term investments	\$ 31,379,738	\$ 31,380,158	\$ 31,379,738	\$	\$	\$	\$

There were no financial liabilities as of Sep 30, 2018.

## D. Not Practicable to Estimate Fair Value

Not Applicable

Type of Class or Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
	\$	%		

**Note 21 – Other Items**

- A. Unusual or Infrequent Items  
No Significant Change
- B. Troubled Debt Restructuring Debtors  
Not Applicable
- C. Other Disclosures  
Not Applicable
- D. Business Interruption Insurance Recoveries  
Not Applicable
- E. State Transferable and Non-Transferable Tax Credits
- (1) Carrying Value of Transferable and Non-Transferable State Tax Credits Gross of any Related Tax Liabilities and Total Unused Transferable and Non-Transferable State Tax Credits by State and in Total  
No Significant Change

Description of State Transferable and Non-Transferable Tax Credits	State	Carrying Value	Unused Amount
		\$	\$
Total		\$	\$

- (2) Method of Estimating Utilization of Remaining Transferable and Non-Transferable State Tax Credits  
Not Applicable
- (3) Impairment Loss  
Not Applicable
- (4) State Tax Credits Admitted and Nonadmitted  
Not Applicable

**NOTES TO FINANCIAL STATEMENTS**

	Total Admitted	Total Nonadmitted
a. Transferable	\$	\$
b. Non-Transferable	\$	\$

## F. Subprime Mortgage Related Risk Exposure

- (1) Description of the Subprime-Mortgage-Related Exposure and Related Risk Management Policies  
No Significant Change
- (2) Direct Exposure Through Investments in Subprime Mortgage Loans  
Not Applicable

	Book/Adjusted Carrying Value (Excluding Interest)	Fair Value	Value of Land and Buildings	Other-Than-Temporary Impairment Losses Recognized	Default Rate
a. Mortgages in the process of foreclosure	\$	\$	\$	\$	%
b. Mortgages in good standing					%
c. Mortgages with restored terms					%
d. Total	\$	\$	\$	\$	XXX

- (3) Direct Exposure Through Other Investments  
No Significant Change

	Actual Cost	Book/Adjusted Carrying Value (Excluding Interest)	Fair Value	Other-Than-Temporary Impairment Losses Recognized
a. Residential mortgage backed securities	\$	\$	\$	\$
b. Commercial mortgage backed securities				
c. Collateralized debt obligations				
d. Structured securities				
e. Equity investments in SCAs*				
f. Other assets				
g. Total	\$	\$	\$	\$

\* These investments comprise % of the company's invested assets.

- (4) Underwriting Exposure to Subprime Mortgage Risk Through Mortgage Guaranty or Financial Guaranty Insurance Coverage  
Not Applicable

	Losses Paid in the Current Year to Date	Losses Incurred in the Current Year to Date	Case Reserves at end of Current Period	IBNR Reserves at End of Current Period
a. Mortgage guaranty coverage	\$	\$	\$	\$
b. Financial guaranty coverage				
c. Other lines (specify):				
d. Total	\$	\$	\$	\$

## G. Insurance-Linked Securities (ILS) Contracts

Not Applicable

Management of Risk Related to	Number of Outstanding ILS Contracts	Aggregate Maximum Proceeds
(1) Directly-Written Insurance Risks		
a. ILS Contracts as Issuer		\$
b. ILS Contracts as Ceding Insurer		
c. ILS Contracts as Counterparty		
(2) Assumed Insurance Risks		
a. ILS Contracts as Issuer		\$
b. ILS Contracts as Ceding Insurer		
c. ILS Contracts as Counterparty		

**NOTES TO FINANCIAL STATEMENTS**

**Note 22 – Events Subsequent**

On July 23, 2018, the board approved an ordinary dividend of \$20,000,000 to be paid to the Parent, on or after September 29, 2018. The dividend was paid on October 1, 2018. Subsequent events have been considered through November 14, 2018 for these statutory financial statements which are to be issued on November 15, 2018.

A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)? Yes [ ] No [X]

**Note 23 – Reinsurance**

A. Unsecured Reinsurance Recoverables

	NAIC Group Code	FEIN	Unsecured Recoverables
Chubb (E&O Insurance)	38		\$ 239,434
CNA (E&O Insurance)	218		\$ 40,000

B. Reinsurance Recoverable in Dispute

Not Applicable

Name of Reinsurer	Total Amount in Dispute (Including IBNR)	Notification	Arbitration	Litigation
	\$	\$	\$	\$

C. Reinsurance Assumed and Ceded

(1) Maximum Amount of Return Commission  
No Significant Change

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$	\$	\$	\$	\$	\$
b. All Other						
c. Total	\$	\$	\$	\$	\$	\$
d. Direct Unearned Premium Reserves						\$

(2) Additional or Return Commission  
No Significant Change

	Direct	Assumed	Ceded	Net
a. Contingent commission	\$	\$	\$	\$
b. Sliding scale adjustments				
c. Other profit commission arrangements				
d. Total	\$	\$	\$	\$

(3) Types of Risks Attributed to Protected Cell  
Not Applicable

Protected Cell Name	Covered Exposure	Ultimate Exposure Amount	Fair Value of Assets as of December 31	Initial Contact Date of Securitization Instrument	Maturity Date of Securitized Instrument
		\$	\$		
Total	XXX	\$	\$	XXX	XXX

D. Uncollectible Reinsurance

Not Applicable

(1) The Company has written off in the current year to date reinsurance balance dues (from the companies listed below) in the amount of \$ which is reflected as:

a. Losses incurred	\$
b. Loss adjustment expenses incurred	\$
c. Premiums earned	\$
d. Other	\$

**NOTES TO FINANCIAL STATEMENTS**

e. Company	Amount
	\$

E. Commutation of Ceded Reinsurance

Not Applicable

The Company has reported in its operations in the current year to date as a result of commutation of reinsurance with the companies listed below, amounts that are reflected as:

(1) Losses incurred	\$
(2) Loss adjustment expenses incurred	\$
(3) Premiums earned	\$
(4) Other	\$
(5) Company	Amount
	\$

F. Retroactive Reinsurance

Not Applicable

(1) Retroactive Reinsurance Agreements

	Reported Company	
	Assumed	Ceded
a. Reserves Transferred		
1. Initial Reserves		
2. Adjustments – Prior Year(s)		
3. Adjustments – Current Year to Date		
4. Current Total		
b. Consideration Paid or Received:		
1. Initial Consideration		
2. Adjustments – Prior Year(s)		
3. Adjustments – Current Year to Date		
4. Current Total		
c. Paid Losses Reimbursed or Recovered:		
1. Prior Year(s)		
2. Current Year to Date		
3. Current Total		
d. Special Surplus from Retroactive Reinsurance:		
1. Initial Gain or Loss		
2. Adjustments – Prior Year(s)		
3. Adjustments – Current Year to Date		
4. Current Year to Date Restricted Surplus		
5. Cumulative Total Transferred to Unassigned Funds		

e. All cedents and reinsurers involved in all transactions included in summary total above		
Company	Assumed Amount	Ceded Amount
	\$	\$
Total	\$	\$

f. Total Paid Loss/LAE Amounts Recoverable

1. Authorized Reinsurers		
Company	Total Paid/Loss/LAE Recoverable	Amounts Over 90 Days Overdue
	\$	\$
Total	\$	\$

2. Unauthorized Reinsurers			
Company	Total Paid/Loss/LAE Recoverable	Amounts Over 90 Days Overdue	Collateral Held
	\$	\$	\$
Total	\$	\$	\$

3. Certified Reinsurers			
Company	Total Paid/Loss/LAE Recoverable	Amounts Over 90 Days Overdue	Collateral Held
	\$	\$	\$
Total	\$	\$	\$

G. Reinsurance Accounted for as a Deposit

Not Applicable

**NOTES TO FINANCIAL STATEMENTS**

Description	Interest Income	Cash Recoveries	Deposit Balance
	\$	\$	\$

H. Disclosures for the Transfer of Property and Casualty Run-off Agreements

Not Applicable

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

(1) Reporting Entity Ceding to Certified Reinsurer Whose Rating was Downgraded or Status Subject to Revocation

Not Applicable

Name of Certified Reinsurer	Relationship to Reporting Entity	Date of Action	Jurisdiction of Action	Before	After	Net Obligation Subject to Collateral	Collateral Required (But Not Received)
				%	%	\$	\$

(2) Reporting Entity's Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not Applicable

a.

Date of Action	Jurisdiction of Action	Before	After	Net Obligation Subject to Collateral	Collateral Required (But Not Yet Funded)
		%	%	\$	\$

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

(1) Significant Terms of the Retroactive Reinsurance Agreement

Not Applicable

(2) The amount of unexhausted limit as of December 31, 2018

Not Applicable

Name of Reinsurer	Amount of Unexhausted Limit
	\$

**Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination**

A. Method Used by Reporting Entity to Estimate Accrued Retrospective Premium Adjustments

Not Applicable

B. Accrued Retrospective Premiums Recorded Through Written Premium or an Adjustment to Earned Premium

Not Applicable

C. Amount of Net Premiums Written Subject to Retrospective Rating Features and Percentage to Total Net Premiums Written

Not Applicable

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act.

Not Applicable

	1 Individual	2 Small Group Employer	3 Large Group Employer	4 Other Categories with Rebates	5 Total
<b>Prior Reporting Year</b>					
(1) Medical loss ratio rebates incurred	\$	\$	\$	\$	\$
(2) Medical loss ratio rebates paid					
(3) Medical loss ratio rebates unpaid					
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	\$
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	\$
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$
<b>Current Reporting Year-to-Date</b>					
(7) Medical loss ratio rebates incurred	\$	\$	\$	\$	\$
(8) Medical loss ratio rebates paid					
(9) Medical loss ratio rebates unpaid					
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	\$
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	\$

**NOTES TO FINANCIAL STATEMENTS**

	1	2	3	4	5
	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	\$

## E. Nonadmitted Retrospective Premium

- (1) For Ten Percent (10%) Method of determining Nonadmitted Retrospective Premium  
Not Applicable

a. Total accrued retro premium	\$
b. Unsecured amount	
c. Less: Nonadmitted amount (10%)	
d. Less: Nonadmitted amount for any person for whom agents' balances or uncollected premiums are nonadmitted	
e. Admitted amount (a) – (c) – (d)	\$

- (2) For Quality Rating Method of Determining Nonadmitted Retrospective Premium  
Not Applicable

Insured's Current Quality Rating	(1) Total Amount	(2) Unsecured Balances	%	(3) Nonadmitted Amount (2) x %	(4) Admitted Amount (1) – (3)
a. 1	\$	\$	0.010	\$	\$
b. 2			0.020		
c. 3			0.050		
d. 4			0.100		
e. 5			0.200		
f. 6			1.000		
g. Nonadmitted for any person for whom agents' balances or uncollected premiums are nonadmitted					\$
h. Total (a) through (f) – (g)	\$	\$		\$	\$

## F. Risk Sharing Provisions of the Affordable Care Act

Not Applicable

- (1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions? Yes [ ] No [X]
- (2) Impact of Risk Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year to date:  
No significant change
- (3) Roll forward of prior year ACA Risk Sharing Provisions for the following asset (gross of any nonadmission) and liability balances along with the reasons for adjustments to prior year balance:  
None
- (4) Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year  
None
- (5) ACA Risk Corridors Receivable as of Reporting Date  
None

**Note 25 – Change in Incurred Losses and Loss Adjustment Expenses**

## A. Change in Incurred Losses and Loss Adjustment Expenses

Current year changes in estimates of the costs of prior year losses and loss adjustment expenses (LAE) affect the current year Statement of Income. Increases in those estimates increase current year expense and are referred to as unfavorable development. Decreases in those estimates decrease current year expense and are referred to as favorable development. Current year losses and LAE of \$187,651,052 were lower by \$4,040,110 because of favorable development of prior year estimates. This favorable development was approximately 3.3% of the prior years 19 reserves for unpaid losses and LAE.

The decrease in prior years estimates is a result of ongoing analysis of recent loss and expense trends. The decrease in prior years estimated LAE of \$5,019,390 is primarily a result lower than expected claim adjustment costs for accident years 2017 and 2016. This was offset by an increase in estimated losses for prior years of \$979,280, which is primarily a result of greater than expected severity Bodily Injury for accident years 2017 and 2016.

The Company experienced no prior year claim development on retrospectively rated policies because the Company does not issue retrospectively rated policies.

## B. Information about Significant Changes in Methodologies and Assumptions

No Significant Change

**NOTES TO FINANCIAL STATEMENTS**

**Note 26 – Intercompany Pooling Arrangements**

A.	Identification of the Lead Entity and all Affiliated Entities Participating in the Intercompany Pool		
	Lead Entity and all Affiliated Entities	NAIC	
	Not Applicable	Company	Pooling
		Code	Percentage
			%
B.	Description of Lines and Types of Business Subject to the Pooling Agreement		
	Not Applicable		
C.	Description of Cessions to Non-Affiliated Reinsurance Subject to Pooling Agreement		
	Not Applicable		
D.	Identification of all Pool Members that are Parties to Reinsurance Agreements with Non-Affiliated Reinsurers		
	Not Applicable		
E.	Explanation of Discrepancies Between Entries of Pooled Business		
	Not Applicable		
F.	Description of Intercompany Sharing		
	Not Applicable		
G.	Amounts Due To/From Lead Entity and all Affiliated Entities Participating in the Intercompany Pool		
	Not Applicable		

**Note 27 – Structured Settlements**

Not Applicable

A. Reserves No Longer Carried

Loss Reserves Eliminated by Annuities	Unrecorded Loss Contingencies
\$	\$

B. Annuities Which Equal or Exceed 1% of Policyholders' Surplus

Life Insurance Company and Location	Licensed in Company's State of Domicile YES/NO	Statement Value (i.e. Present Value) of Annuities
		\$

**Note 28 – Health Care Receivables**

A. Pharmaceutical Rebate Receivables

Not Applicable

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More than 180 Days After Billing
	\$	\$	\$	\$	\$

B. Risk Sharing Receivables

Not Applicable

Calendar Year	Evaluation Period Year Ending	Risk Sharing Receivable as Estimated in the Prior Year	Risk Sharing Receivable as Estimated in the Current Year	Risk Sharing Receivable Billed	Risk Sharing Receivable Not Yet Billed	Actual Risk Sharing Amounts Received in Year Billed	Actual Risk Sharing Amounts Received First Year Subsequent	Actual Risk Sharing Amounts Received Second Year Subsequent	Actual Risk Sharing Amounts Received - All Other
0	0	\$	\$	\$	\$	\$	\$	\$	\$

**Note 29 – Participating Policies**

Not Applicable

**Note 30 – Premium Deficiency Reserves**

No Significant Changes

**NOTES TO FINANCIAL STATEMENTS**

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

**Note 31 – High Deductibles**

A. Reserve Credit Recorded on Unpaid Claims and Amount Billed and Recoverable on Paid Claims for High Deductibles

Not Applicable

(1) Counterparty Exposure Recorded on Unpaid Claims and Billed Recoverables on Paid Claims

Annual Statement Line of Business	Gross (of High Deductible) Loss Reserves	Reserve Credit for High Deductibles	Billed Recoverables on Paid Claims	Total High Deductibles and Billed Recoverables
	\$	\$	\$	\$

(2) Unsecured Amounts of High Deductibles

a. Total high deductibles and billed recoverables on paid claims	\$	
b. Collateral on balance sheet	\$	
c. Collateral off balance sheet	\$	
d. Total unsecured deductibles and billed recoverables on paid claims	\$	
e. Percentage unsecured	\$	%

(3) High Deductible Recoverable Amounts on Paid Claims

a. Amount of overdue nonadmitted (either due to aging or collateral)	\$
b. Total over 90 days overdue admitted	\$
c. Total overdue (a + b)	\$

(4) The Deductible Amounts for the Highest Ten Unsecured High Deductible Policies

Counterparty Ranking	Top Ten Unsecured High Deductible Amounts
Counterparty 1	\$
Counterparty 2	\$
Counterparty 3	\$
Counterparty 4	\$
Counterparty 5	\$
Counterparty 6	\$
Counterparty 7	\$
Counterparty 8	\$
Counterparty 9	\$
Counterparty 10	\$

B. Unsecured High Deductible Recoverables for Individual Obligors Part of a Group under the Same Management or Control which are Greater than 1% of Capital and Surplus. For this purpose, a group of entities under common control shall be regarded as a single customer.

(1) Total Group Unsecured Aggregate Recoverable

Group Name	Total Unsecured Aggregate Recoverable
Not Applicable	\$

(2) Obligors and Related Members in the Group

Group Name	Obligors and Related Group Members
Not Applicable	

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

A. Tabular Discount

Not Applicable

		Tabular Discount Included Case	In Schedule P, Part 1 IBNR
1.	Homeowners/Farmowners	\$	\$
2.	Private Passenger Auto Liability/Medical		
3.	Commercial Auto/Truck Liability/Medical		
4.	Workers' Compensation		
5.	Commercial Multiple Peril		
6.	Medical Professional Liability-Occurrence		
7.	Medical Professional Liability-Claims-Made		
8.	Special Liability		
9.	Other Liability-Occurrence		
10.	Other Liability-Claims Made		
11.	Special Property		

**NOTES TO FINANCIAL STATEMENTS**

		Tabular Discount Included Case	In Schedule P, Part 1 IBNR
12.	Auto Physical Damage		
13.	Fidelity, Surety		
14.	Other (including credit, A&H)		
15.	International		
16.	Reinsurance Nonproportional Assumed Property		
17.	Reinsurance Nonproportional Assumed Liability		
18.	Reinsurance Nonproportional Assumed Financial Lines		
19.	Products Liability-Occurrence		
20.	Products Liability-Claims-Made		
21.	Financial Guaranty/Mortgage Guaranty		
22.	Warranty		
23.	Total	\$	\$

B. Nontabular Discount

Not Applicable

		Case	IBNR	Defense and Cost Containment Expense	Adjusting and Other Expense
1.	Homeowners/Farmowners	\$	\$	\$	\$
2.	Private Passenger Auto Liability/Medical				
3.	Commercial Auto/Truck Liability/Medical				
4.	Workers' Compensation				
5.	Commercial Multiple Peril				
6.	Medical Professional Liability-Occurrence				
7.	Medical Professional Liability-Claims-Made				
8.	Special Liability				
9.	Other Liability-Occurrence				
10.	Other Liability-Claims Made				
11.	Special Property				
12.	Auto Physical Damage				
13.	Fidelity, Surety				
14.	Other (including credit, A&H)				
15.	International				
16.	Reinsurance Nonproportional Assumed Property				
17.	Reinsurance Nonproportional Assumed Liability				
18.	Reinsurance Nonproportional Assumed Financial Lines				
19.	Products Liability-Occurrence				
20.	Products Liability-Claims-Made				
21.	Financial Guaranty/Mortgage Guaranty				
22.	Warranty				
23.	Total	\$	\$	\$	\$

C. Changes in Rate(s) Used to Discount Prior Years' Liabilities

Not Applicable

**Note 33 – Asbestos/Environmental Reserves**

A. Does the company have on the books, or has it ever written an insured for which you have identified a potential for the existence of a liability due to asbestos losses?

Not Applicable

- (1) Direct  
none
- (2) Assumed Reinsurance  
none
- (3) Net of Ceded Reinsurance  
none

B. State the amount of the ending reserves for Bulk and IBNR included in A (Loss and LAE)

Not Applicable

C. State the amount of the ending reserves for loss adjustment expenses included in A (Case, Bulk and IBNR)

Not Applicable

D. Does the company have on the books, or has it ever written an insured for which you have identified a potential for the existence of a liability due to environmental losses?

Not Applicable

- (1) Direct

**NOTES TO FINANCIAL STATEMENTS**

- none
- (2) Assumed Reinsurance  
none
- (3) Net of Ceded Reinsurance  
none

E. State the amount of the ending reserves for Bulk and IBNR included in D (Loss and LAE)

Not Applicable

(1) Direct basis	\$
(2) Assumed reinsurance basis	
(3) Net of ceded reinsurance basis	\$

F. State the amount of the ending reserves for loss adjustment expenses included in D (Case, Bulk and IBNR)

Not Applicable

(1) Direct basis	\$
(2) Assumed reinsurance basis	
(3) Net of ceded reinsurance basis	\$

**Note 34 – Subscriber Savings Accounts**

Not Applicable

**Note 35 – Multiple Peril Crop Insurance**

Not Applicable

**Note 36 – Financial Guaranty Insurance**

A. Financial Guaranty Insurance Contracts

(1) Financial guarantee insurance contracts where premiums are received as installment payments over the period of the contract, rather than at inception:  
Not Applicable

(a) Unearned premium which would have been reflected if premium had been received at inception

Not Applicable

(b) Schedule of premiums (undiscounted) expected to be collected under all installment contracts:

Not Applicable

(c) Roll forward of the expected future premiums (undiscounted), including:

Not Applicable

(2) Non-installment contracts for which premium revenue recognition has been accelerated:  
Not Applicable

(a) Accelerated non-installment contracts

Not Applicable

(b) Schedule of the future expected earned premium revenue on non-installment contracts as of the latest date of the statement of financial position:

Not Applicable

(3) Claim Liability  
Not Applicable

(a) Rate Used to Discount Claim Liability

Not Applicable

(b) Significant components of the change in the claim liability for the period:

1. Accretion of the discount	\$
2. Changes in timing	
3. New reserves for defaults of insured contracts	
4. Change in deficiency reserves	
5. Change in incurred but not reported claims	
6. Total	\$

(4) Risk Management Activities Used to Track and Monitor Deteriorating Insured Financial Obligations  
Not Applicable

B. Schedule of Insured Financial Obligations at the End of the Period:

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## NOTES TO FINANCIAL STATEMENTS

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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? If yes, complete Schedule Y, Parts 1 and 1A. Yes [X] No [ ]
- 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 name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 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? If yes, attach an explanation. Yes [ ] No [X] N/A [ ]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2013
- 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. 12/31/2013
- 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). 09/18/2014
- 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 [X] No [ ] N/A [ ]
- 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 with the Federal Reserve Board? Yes [ ] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [X]
- 8.4 If the response to 8.3 is yes, please provide below the names and 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

- 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 [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.
- 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 [X]
- 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 [X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### 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: \$ 92,268

### 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: \$ 14,739,085
13. Amount of real estate and mortgages held in short-term investments: \$ 0
- 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 Prior Year End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$ 0	\$ 0
14.22 Preferred Stock	0	0
14.23 Common Stock	0	0
14.24 Short-Term Investments	0	0
14.25 Mortgage Loans on Real Estate	0	0
14.26 All Other	5,474,187	5,474,187
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$ 5,474,187	\$ 5,474,187
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$ 0	\$ 0

- 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.

16. For the reporting entity's security lending program, state the amount of the following as of 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  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	425 Walnut Street, 6th Floor, Cincinnati, OH 45202
FHLB of Cincinnati	221 E. 4th Street, Ste 1000, Cincinnati, OH 45202
PNC Wealth Management	1900 E. 9th Street, Cleveland, OH 44114
First National Bankers Bank (FNBB)	1200 W. Third Street, Little Rock, AR 72201-1904
Wells Fargo Banking Co	1021 E. Cary Street, MAC R3529-062, Richmond, VA 23219
Computershare	PO Box 43038, Providence, RI 02940-3038

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

17.4 If yes, give full and complete 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
New England Asset Management	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  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  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
105900	New England Asset Management	KUR85E5PS4GQFZTFC130	SEC	NO

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES

- 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 (continued)

### 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 Disc. 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
	0.000	0.000	0	0	0	0	0	0	0	0
<b>Total</b>	XXX	XXX	0	0	0	0	0	0	0	0

5.1 Operating Percentages:

5.1 A&H loss percent	0.000%
5.2 A&H cost containment percent	0.000%
5.3 A&H expense percent excluding cost containment expenses	0.000%

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. \$ 0

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

6.4 If yes, please provide the amount of funds administered as of the reporting date. \$ 0

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 [ ]

**SCHEDULE F - CEDED REINSURANCE**

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating
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**NONE**

## 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	N						
3. Arizona.....AZ	L	10,279,149	9,780,301	6,436,871	5,213,341	3,958,625	4,224,231
4. Arkansas.....AR	L						
5. California.....CA	L	5,752,554	8,579,939	4,118,670	7,024,099	2,330,364	4,520,325
6. Colorado.....CO	L						
7. Connecticut.....CT	N						
8. Delaware.....DE	N						
9. District of Columbia.....DC	N						
10. Florida.....FL	N						
11. Georgia.....GA	L	23,556,901	24,158,103	14,661,148	10,940,410	9,069,415	10,224,514
12. Hawaii.....HI	N						
13. Idaho.....ID	N						
14. Illinois.....IL	L	12,748,834	11,595,001	7,864,114	6,344,275	5,089,734	3,993,677
15. Indiana.....IN	L	28,616,847	23,606,107	14,839,098	12,313,812	9,637,420	8,923,928
16. Iowa.....IA	N						
17. Kansas.....KS	L	2,967,795	2,280,051	1,478,373	836,541	875,939	398,453
18. Kentucky.....KY	L	39,947,178	37,279,476	20,168,202	19,493,299	16,440,142	14,414,129
19. Louisiana.....LA	L	7,250,468	6,253,926	4,784,332	3,436,401	2,847,940	2,652,662
20. Maine.....ME	N						
21. Maryland.....MD	N						
22. Massachusetts.....MA	N						
23. Michigan.....MI	N						
24. Minnesota.....MN	N						
25. Mississippi.....MS	L	2,905,790	2,898,219	1,672,293	1,465,856	1,112,726	865,815
26. Missouri.....MO	L	7,990,791	7,189,477	4,520,277	5,393,348	3,059,443	3,245,675
27. Montana.....MT	N						
28. Nebraska.....NE	N						
29. Nevada.....NV	L		(111,329)	2,181,487	3,389,125	307,570	1,610,511
30. New Hampshire.....NH	N						
31. New Jersey.....NJ	N						
32. New Mexico.....NM	N						
33. New York.....NY	N						
34. North Carolina.....NC	N						
35. North Dakota.....ND	N						
36. Ohio.....OH	L	60,867,219	56,445,975	31,513,295	30,200,199	18,602,183	17,080,650
37. Oklahoma.....OK	L	7,725,282	5,920,402	3,674,246	2,649,363	2,575,039	1,484,644
38. Oregon.....OR	N						
39. Pennsylvania.....PA	L	46,457,262	37,769,822	18,274,448	16,737,838	15,395,346	12,213,230
40. Rhode Island.....RI	N						
41. South Carolina.....SC	L	10,291,476	8,833,016	4,593,353	5,893,882	3,503,385	3,964,086
42. South Dakota.....SD	N						
43. Tennessee.....TN	L	9,719,490	10,072,399	5,484,723	5,787,592	2,954,660	3,572,705
44. Texas.....TX	L	20,432,899	17,779,321	9,355,736	8,518,509	6,609,550	6,444,276
45. Utah.....UT	N						
46. Vermont.....VT	N						
47. Virginia.....VA	L	5,582,393	4,255,073	2,932,912	1,686,917	1,762,498	1,130,615
48. Washington.....WA	N						
49. West Virginia.....WV	N						
50. Wisconsin.....WI	N						
51. Wyoming.....WY	N						
52. American Samoa.....AS	N						
53. Guam.....GU	N						
54. Puerto Rico.....PR	N						
55. US Virgin Islands.....VI	N						
56. Northern Mariana Islands.....MP	N						
57. Canada.....CAN	N						
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
59. Totals.....	XXX	303,092,329	274,585,279	158,553,578	147,324,807	106,131,979	100,964,127

**DETAILS OF WRITE-INS**

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

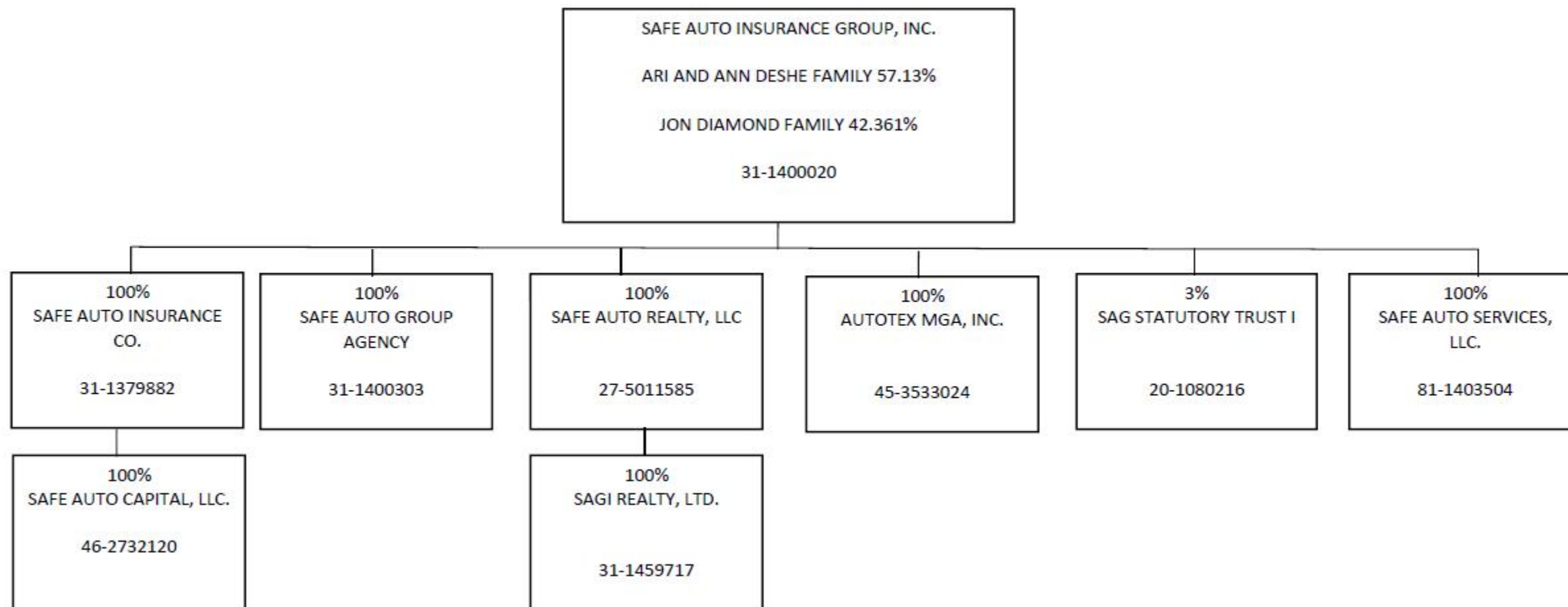
(a) Active Status Count

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....	20	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 (DSLI) - 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.....	37

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

## PART 1 – ORGANIZATIONAL CHART

Q11



## SCHEDULE Y

### PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
<b>Members</b>															
	Safe Auto Insurance Group, Inc		31-1400020				Safe Auto Insurance Group, Inc.....	OH.....	UDP.....	Deshe and Diamond Families.....	Ownership.....		Deshe Family.....	N.....	
	Safe Auto Insurance Group, Inc	25405...	31-1379882				Safe Auto Insurance Company.....	OH.....	IA.....	Safe Auto Insurance Group, Inc.....	Ownership.....	...100.000	Safe Auto Insurance Group, Inc.....	Y.....	
	Safe Auto Insurance Group, Inc		31-1400303				Safe Auto Group Agency.....	OH.....	NIA.....	Safe Auto Insurance Group, Inc.....	Ownership.....	...100.000	Safe Auto Insurance Group, Inc.....	N.....	
	Safe Auto Insurance Group, Inc		27-5011585				SafeAuto Realty, LLC.....	OH.....	NIA.....	Safe Auto Insurance Group, Inc.....	Ownership.....	...100.000	Safe Auto Insurance Group, Inc.....	N.....	
	Safe Auto Insurance Group, Inc		31-1459717				SAGI Realty.....	OH.....	NIA.....	SafeAuto Realty, LLC.....	Ownership.....	...100.000	Safe Auto Insurance Group, Inc.....	N.....	
	Safe Auto Insurance Group, Inc		20-1080216				SAG Statutory Trust I.....	OH.....	NIA.....	Safe Auto Insurance Group, Inc.....	Ownership.....	...100.000	Safe Auto Insurance Group, Inc.....	N.....	
	Safe Auto Insurance Group, Inc		46-2732120				SafeAuto Capital, LLC.....	OH.....	DS.....	Safe Auto Insurance Group, Inc.....	Ownership.....	...100.000	Safe Auto Insurance Group, Inc.....	N.....	
	Safe Auto Insurance Group, Inc		45-3533024				AutoTex MGA, Inc.....	OH.....	IA.....	Safe Auto Insurance Group, Inc.....	Ownership.....	...100.000	Safe Auto Insurance Group, Inc.....	N.....	
	Safe Auto Insurance Group, Inc		81-1403504				Safe Auto Services, LLC.....	OH.....	NIA.....	Safe Auto Insurance Group, Inc.....	Ownership.....	...100.000	Safe Auto Insurance Group, Inc.....	N.....	

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**PART 1 - LOSS EXPERIENCE**

Lines 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.....			0.000	
2. Allied lines.....			0.000	
3. Farmowners multiple peril.....			0.000	
4. Homeowners multiple peril.....			0.000	
5. Commercial multiple peril.....			0.000	
6. Mortgage guaranty.....			0.000	
8. Ocean marine.....			0.000	
9. Inland marine.....			0.000	
10. Financial guaranty.....			0.000	
11.1. Medical professional liability - occurrence.....			0.000	
11.2. Medical professional liability - claims-made.....			0.000	
12. Earthquake.....			0.000	
13. Group accident and health.....			0.000	
14. Credit accident and health.....			0.000	
15. Other accident and health.....			0.000	
16. Workers' compensation.....			0.000	
17.1 Other liability-occurrence.....			0.000	
17.2 Other liability-claims made.....			0.000	
17.3 Excess workers' compensation.....			0.000	
18.1 Products liability-occurrence.....			0.000	
18.2 Products liability-claims made.....			0.000	
19.1, 19.2 Private passenger auto liability.....	211,910,453	118,101,626	55.732	57.823
19.3, 19.4 Commercial auto liability.....			0.000	
21. Auto physical damage.....	80,539,421	45,044,410	55.928	55.492
22. Aircraft (all perils).....			0.000	
23. Fidelity.....			0.000	
24. Surety.....			0.000	
26. Burglary and theft.....			0.000	
27. Boiler and machinery.....			0.000	
28. Credit.....			0.000	
29. International.....			0.000	
30. Warranty.....			0.000	
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	0.000	
35. Totals.....	292,449,874	163,146,035	55.786	57.155
<b>DETAILS OF WRITE-INS</b>				
3401.....			0.000	
3402.....			0.000	
3403.....			0.000	
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	.0	.0	0.000	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	.0	.0	0.000	

**PART 2 - DIRECT PREMIUMS WRITTEN**

Lines of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire.....			
2. Allied lines.....			
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....			
5. Commercial multiple peril.....			
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....			
10. Financial guaranty.....			
11.1. Medical professional liability - occurrence.....			
11.2. Medical professional liability - claims made.....			
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....			
17.1 Other liability-occurrence.....			
17.2 Other liability-claims made.....			
17.3 Excess workers' compensation.....			
18.1 Products liability-occurrence.....			
18.2 Products liability-claims made.....			
19.1 19.2 Private passenger auto liability.....	68,255,221	220,523,402	196,486,739
19.3 19.4 Commercial auto liability.....			
21. Auto physical damage.....	25,750,435	82,568,927	78,098,541
22. Aircraft (all perils).....			
23. Fidelity.....			
24. Surety.....			
26. Burglary and theft.....			
27. Boiler and machinery.....			
28. Credit.....			
29. International.....			
30. Warranty.....			
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.....	94,005,656	303,092,329	274,585,279
<b>DETAILS OF WRITE-INS</b>			
3401.....			
3402.....			
3403.....			
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	.0	.0	.0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	.0	.0	.0

**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.....	11,271	1,314	12,585	7,519	71	7,590	4,525		378	4,903	773	(865)	(92)
2. 2016.....	18,684	4,556	23,240	13,403	225	13,628	8,823		1,681	10,504	3,542	(2,650)	892
3. Subtotals 2016 + Prior.....	29,955	5,870	35,825	20,922	296	21,218	13,348	0	2,059	15,407	4,315	(3,515)	800
4. 2017.....	70,767	15,459	86,226	50,050	3,028	53,078	24,555		3,752	28,307	3,838	(8,679)	(4,841)
5. Subtotals 2017 + Prior.....	100,722	21,329	122,051	70,972	3,324	74,296	37,903	0	5,811	43,714	8,153	(12,194)	(4,041)
6. 2018.....	XXX	XXX	XXX	XXX	108,739	108,739	XXX	66,259	16,695	82,954	XXX	XXX	XXX
7. Totals.....	100,722	21,329	122,051	70,972	112,063	183,035	37,903	66,259	22,506	126,668	8,153	(12,194)	(4,041)
8. Prior Year-End's Surplus As Regards Policyholders	136,705												
											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. ....8.1%	2. ....(57.2)%	3. ....(3.3)%
													Col. 13, Line 7 Line 8
													4. ....(3.0)%

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# 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.

	<b>Response</b>
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 _____

**Explanation:**

1. The data for this supplement is not required to be filed.
2. The data for this supplement is not required to be filed.
3. The data for this supplement is not required to be filed.
4. The data for this supplement is not required to be filed.

**Bar Code:**



Statement for September 30, 2018 of the **Safe Auto Insurance Company**  
**Overflow Page for Write-Ins**

**Additional Write-ins for Assets:**

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
2504. Postage receivable.....	138,349	138,349	0	
2505. Miscellaneous receivables.....	120,992		120,992	255,226
2506. Lead fee receivables.....			0	752,740
2597. Summary of remaining write-ins for Line 25.....	259,341	138,349	120,992	1,007,966

**Additional Write-ins for Statement of Income:**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1404. COLI Death Benefit.....			4,000,000
1497. Summary of remaining write-ins for Line 14.....	0	0	4,000,000

Statement for September 30, 2018 of the **Safe Auto 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.....	27,240,219	28,929,897
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.....		(889,995)
5. Deduct amounts received on disposals.....		10,005
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.....	592,259	789,679
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	26,647,959	27,240,219
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	26,647,959	27,240,219

**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.....	0	
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 interest points and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding 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).....	0	0
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

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.....	13,899,724	12,463,761
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		1,363,040
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....	839,361	72,924
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).....	14,739,085	13,899,724
12. Deduct total nonadmitted amounts.....		2,584
13. Statement value at end of current period (Line 11 minus Line 12).....	14,739,085	13,897,140

**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.....	228,926,357	254,699,110
2. Cost of bonds and stocks acquired.....	69,211,924	69,066,857
3. Accrual of discount.....	37,855	56,880
4. Unrealized valuation increase (decrease).....	(1,556)	(10,191,410)
5. Total gain (loss) on disposals.....	195,544	13,364,030
6. Deduct consideration for bonds and stocks disposed of.....	49,898,897	96,218,115
7. Deduct amortization of premium.....	1,286,163	1,834,716
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		16,279
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees.....	51,252	
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10).....	247,236,316	228,926,357
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	247,236,316	228,926,357

### 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).....	223,599,651	19,238,610	14,148,707	(376,557)	219,930,765	223,599,653	228,312,997	217,210,747
2. NAIC 2 (a).....	16,699,757	1,998,670	454,514	(508,461)	17,321,896	16,699,757	17,735,452	16,722,290
3. NAIC 3 (a).....				498,365			498,365	499,105
4. NAIC 4 (a).....							0	
5. NAIC 5 (a).....							0	
6. NAIC 6 (a).....							0	
7. Total Bonds.....	240,299,408	21,237,280	14,603,221	(386,653)	237,252,661	240,299,410	246,546,814	234,432,142
<b>PREFERRED STOCK</b>								
8. NAIC 1.....							0	
9. NAIC 2.....							0	
10. NAIC 3.....							0	
11. NAIC 4.....							0	
12. NAIC 5.....							0	
13. NAIC 6.....							0	
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	240,299,408	21,237,280	14,603,221	(386,653)	237,252,661	240,299,410	246,546,814	234,432,142

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(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 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

### SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999.....		X			

**NONE**

### SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	.0	7,232,679
2. Cost of short-term investments acquired.....		52,996,964
3. Accrual of discount.....		24,435
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		(343)
6. Deduct consideration received on disposals.....		60,253,655
7. Deduct amortization of premium.....		80
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).....	.0	.0
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	.0	.0

**Sch. DB - Pt. A - Verification  
NONE**

**Sch. DB - Pt. B - Verification  
NONE**

**Sch. DB - Pt. C - Sn. 1  
NONE**

**Sch. DB - Pt. C - Sn. 2  
NONE**

**Sch. DB - Verification  
NONE**

**SCHEDULE E - PART 2 - VERIFICATION**

## Cash Equivalents

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	8,096,839	1,998,533
2. Cost of cash equivalents acquired.....	64,565,528	34,634,296
3. Accrual of discount.....	4,716	9,499
4. Unrealized valuation increase (decrease).....	(371)	(49)
5. Total gain (loss) on disposals.....	192	(141)
6. Deduct consideration received on disposals.....	65,930,370	28,545,299
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).....	6,736,534	8,096,839
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	6,736,534	8,096,839

**Sch. A - Pt. 2**  
**NONE**

**Sch. A - Pt. 3**  
**NONE**

**Sch. B - Pt. 2**  
**NONE**

**Sch. B - Pt. 3**  
**NONE**

**Sch. BA - Pt. 2**  
**NONE**

**Sch. BA - Pt. 3**  
**NONE**

### SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Quarter

1	2		3	4	5	6	7	8	9	10
CUSIP Identification	Description		Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Government</b>										
36179T	Z5	7		06/25/2018	SUNTRUST CAPITAL MARKETS		(1,116)	(1,092)	(2)	1FE
912828	Y6	1		08/24/2018	VARIOUS		3,994,854	4,000,000	5,380	1
0599999	Total - Bonds - U.S. Government						3,993,738	3,998,908	5,378	XXX
<b>Bonds - Industrial and Miscellaneous</b>										
06051G	HM	4		07/18/2018	BANK OF AMERICA		1,000,000	1,000,000		1FE
24422E	UE	7		09/05/2018	GOLDMAN SACHS		997,460	1,000,000	16,963	1FE
30711X	X2	5		07/26/2018	BANK OF AMERICA		1,000,000	1,000,000		2FE
36320T	AL	7		07/02/2018	MIZUHO SECURITIES		1,000,000	1,000,000		1FE
377372	AH	0		08/15/2018	WELLS FARGO FINANCIAL		977,490	1,000,000	11,589	1FE
40573L	AS	5		09/06/2018	MORGAN STANLEY & CO		998,670	1,000,000		2FE
43815H	AC	1		08/21/2018	BANK OF AMERICA		1,499,794	1,500,000		1FE
61744Y	AP	3		08/09/2018	CREDIT SUISSE FIRST BOSTON		962,730	1,000,000	1,991	1FE
641062	AD	6		09/17/2018	BANK OF AMERICA		999,820	1,000,000		1FE
64952W	CX	9		09/25/2018	WELLS FARGO FINANCIAL		937,410	1,000,000	6,417	1FE
678858	BT	7		08/14/2018	MIZUHO SECURITIES		998,110	1,000,000		1FE
693304	AT	4		08/08/2018	MIZUHO SECURITIES		971,900	1,000,000	10,063	1FE
74456Q	BW	5		09/05/2018	MITSUBISHI UFJ SECURITIES USA INC		998,230	1,000,000		1FE
89176V	AA	0		09/21/2018	BANK OF AMERICA		979,179	1,000,000	2,438	1FE
89236T	FN	0		09/17/2018	RBC CAPITAL MARKETS		998,040	1,000,000		1FE
904764	BG	1		09/04/2018	GOLDMAN SACHS		992,780	1,000,000		1FE
82620K	AK	9	D	09/11/2018	SUNTRUST CAPITAL MARKETS		931,930	1,000,000	9,889	1FE
3899999	Total - Bonds - Industrial and Miscellaneous						17,243,543	17,500,000	59,350	XXX
8399997	Total - Bonds - Part 3						21,237,281	21,498,908	64,728	XXX
8399999	Total - Bonds						21,237,281	21,498,908	64,728	XXX
9999999	Total - Bonds, Preferred and Common Stocks						21,237,281	XXX	64,728	XXX

QE04

(a) For all common stock bearing NAIC market indicator "U" provide the number of such issues:.....0.

### SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During 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	F o r e i g n	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	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	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)	
<b>Bonds - U.S. Government</b>																						
36178U	UW 1		09/01/2018	PAYDOWN		3,143	3,143	3,381	3,154		(11)		(11)		3,143			0	73	11/20/2042	1FE	
36179R	7J 2		09/01/2018	PAYDOWN		49,287	49,287	52,060	49,568		(281)		(281)		49,287			0	1,153	04/20/2046	1FE	
36179R	XD 6		09/01/2018	PAYDOWN		57,712	57,712	60,597	58,020		(308)		(308)		57,712			0	1,345	01/20/2046	1FE	
36179S	B8 9		09/01/2018	PAYDOWN		16,725	16,725	17,663	16,813		(87)		(87)		16,725			0	388	05/20/2046	1FE	
36179S	JS 7		09/01/2018	PAYDOWN		64,945	64,945	67,933	65,201		(256)		(256)		64,945			0	1,299	08/20/2046	1FE	
36179T	Z5 7		09/01/2018	PAYDOWN		3,393	3,393	3,469					0		3,393			0	17	06/20/2048	1FE	
36296U	SY 7		09/01/2018	PAYDOWN		17,436	17,436	17,796	17,463		(27)		(27)		17,436			0	527	03/15/2039	1FE	
36297J	TV 6		09/01/2018	PAYDOWN		5,629	5,629	5,801	5,651		(22)		(22)		5,629			0	168	06/15/2039	1FE	
38373A	D9 4		09/01/2018	PAYDOWN		15,995	15,995	16,187	16,018		(23)		(23)		15,995			0	429	08/20/2039	1FE	
912828	VK 3		08/01/2018	PRIOR PERIOD INCOME									0					0	13,750	06/30/2018	1	
912828	Y6 1		08/14/2018	NOMURA SECURITIES INTL		1,998,821	2,000,000	1,991,960			25		25		1,991,985		6,837	6,837	2,242	07/31/2023	1	
0599999	Total - Bonds - U.S. Government					2,233,086	2,234,265	2,236,847	231,888	0	(990)	0	(990)	0	2,226,250	0	6,837	6,837	21,391	XXX	XXX	
<b>Bonds - All Other Government</b>																						
46513A	F8 8		07/01/2018	MATURITY		700,000	700,000	700,000	700,000				0		700,000			0	13,413	07/01/2018	1FE	
1099999	Total - Bonds - All Other Government					700,000	700,000	700,000	700,000	0	0	0	0	0	700,000	0	0	0	0	13,413	XXX	XXX
<b>Bonds - U.S. States, Territories and Possessions</b>																						
13063C	YL 8		07/27/2018	HILLTOP SECURITIES		582,155	500,000	591,550	573,902		(5,077)		(5,077)		568,826		13,329	13,329	22,917	09/01/2030	1FE	
1799999	Total - Bonds - U.S. States, Territories & Possessions					582,155	500,000	591,550	573,902	0	(5,077)	0	(5,077)	0	568,826	0	13,329	13,329	22,917	XXX	XXX	
<b>Bonds - U.S. Political Subdivisions of States</b>																						
073900	E5 7		07/27/2018	M&T SECURITIES INC.		1,129,740	1,000,000	1,214,540	1,143,838		(15,487)		(15,487)		1,128,351		1,389	1,389	45,833	03/01/2023	1FE	
2499999	Total - Bonds - U.S. Political Subdivisions of States					1,129,740	1,000,000	1,214,540	1,143,838	0	(15,487)	0	(15,487)	0	1,128,351	0	1,389	1,389	45,833	XXX	XXX	
<b>Bonds - U.S. Special Revenue and Special Assessment</b>																						
3128H7	X8 0		09/01/2018	PAYDOWN		2,142	2,142	2,175	2,142				0		2,142			0	70	10/01/2018	1FE	
3128MJ	S4 3		09/01/2018	PAYDOWN		117,644	117,644	118,608	117,719		(75)		(75)		117,644			0	2,744	07/01/2043	1FE	
3128P8	EW 7		09/01/2018	PAYDOWN		141,193	141,193	144,436	141,395		(202)		(202)		141,193			0	2,833	09/01/2037	1FE	
3128PP	5E 9		09/01/2018	PAYDOWN		3,367	3,367	3,461	3,399		(32)		(32)		3,367			0	102	10/01/2024	1FE	
3128PU	ND 0		09/01/2018	PAYDOWN		36,354	36,354	36,831	36,450		(96)		(96)		36,354			0	810	04/01/2026	1FE	
312962	5L 3		09/01/2018	PAYDOWN		1,627	1,627	1,663	1,629		(2)		(2)		1,627			0	54	11/01/2018	1FE	
312964	E9 6		09/01/2018	PAYDOWN		1,013	1,013	1,021	1,013				0		1,013			0	30	01/01/2019	1FE	
31306X	2B 8		09/01/2018	PAYDOWN		51,785	51,785	54,435	52,077		(292)		(292)		51,785			0	871	10/01/2027	1FE	
31307B	6T 2		09/01/2018	PAYDOWN		18,195	18,195	18,696	18,236		(41)		(41)		18,195			0	364	05/01/2028	1FE	

QE05

### SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Quarter

QE05.1

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	F o r e i g n	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	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	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)
3132GT PH 4	#Q08224		09/01/2018	PAYDOWN		41,707	41,707	41,974	41,736		(30)		(30)		41,707			.0	952	05/01/2042	1FE
3132L5 AF 0	FEDERAL HOME LN MTG CORP #V8006		09/01/2018	PAYDOWN		64,595	64,595	67,492	64,778		(183)		(183)		64,595			.0	1,279	04/01/2043	1FE
3136A5 DW 3	FANNIE MAE 12 36 BV		09/01/2018	PAYDOWN		4,967	4,967	5,244	5,004		(37)		(37)		4,967			.0	132	07/25/2039	1FE
3136AF EC 4	FANNIE MAE 13 72 NA		09/01/2018	PAYDOWN		51,368	51,368	51,589	51,397		(29)		(29)		51,368			.0	856	08/25/2042	1FE
3136AG VN 9	FANNIE MAE 13 100 PK		09/01/2018	PAYDOWN		10,569	10,569	11,031	10,616		(47)		(47)		10,569			.0	247	03/25/2043	1FE
3137A3 RL 5	FREDDIE MAC 3782 PG		09/01/2018	PAYDOWN		36,607	36,607	37,442	36,790		(183)		(183)		36,607			.0	547	11/15/2028	1FE
3137A5 X2 5	FREDDIE MAC 3786 WE		09/01/2018	PAYDOWN		67,412	67,412	68,518	67,643		(231)		(231)		67,412			.0	899	12/15/2028	1FE
3137B8 F5 1	FREDDIE MAC 4302 PA		09/01/2018	PAYDOWN		17,837	17,837	18,863	17,936		(98)		(98)		17,837			.0	475	12/15/2043	1FE
3137B8 JF 5	FREDDIE MAC 4315 KP		09/01/2018	PAYDOWN		23,045	23,045	23,729	23,113		(68)		(68)		23,045			.0	462	08/15/2041	1FE
3137BD GP 5	FREDDIE MAC 4392 AC		09/01/2018	PAYDOWN		33,213	33,213	34,500	33,461		(248)		(248)		33,213			.0	667	07/15/2037	1FE
3137FE BP 4	FHLMC MULTIFAMILY STRUCTURED P-K072 A1		09/01/2018	PAYDOWN		17,325	17,325	17,671			(26)		(26)		17,325			.0	327	11/25/2027	1FE
3138A3 DM 6	FEDERAL NATIONAL MTG ASSOC #AH1907		09/01/2018	PAYDOWN		8,376	8,376	8,722	8,410		(34)		(34)		8,376			.0	224	03/01/2026	1FE
3138A6 ZQ 6	FEDERAL NATIONAL MTG ASSOC #AH5250		09/01/2018	PAYDOWN		13,975	13,975	14,554	14,016		(41)		(41)		13,975			.0	372	03/01/2026	1FE
3138ER 6Q 8	FEDERAL NATIONAL MTG ASSOC #AL9878		09/01/2018	PAYDOWN		18,489	18,489	18,911	18,526		(37)		(37)		18,489			.0	369	02/01/2037	1FE
3138MF P7 6	FEDERAL NATIONAL MTG ASSOC #AQ0445		09/01/2018	PAYDOWN		13,919	13,919	14,636	13,964		(46)		(46)		13,919			.0	272	10/01/2042	1FE
3138MG LE 3	FEDERAL NATIONAL MTG ASSOC #AQ1224		09/01/2018	PAYDOWN		35,382	35,382	37,029	35,514		(132)		(132)		35,382			.0	675	11/01/2042	1FE
3138MK 5J 1	FEDERAL NATIONAL MTG ASSOC #AQ4448		09/01/2018	PAYDOWN		181,928	181,928	190,826	182,558		(630)		(630)		181,928			.0	3,480	11/01/2042	1FE
3138YE 5V 5	FEDERAL NATIONAL MTG ASSOC #AY1759		09/01/2018	PAYDOWN		17,628	17,628	17,984			(25)		(25)		17,628			.0	339	02/01/2045	1FE
3138YW KA 4	FEDERAL NATIONAL MTG ASSOC #AZ4788		09/01/2018	PAYDOWN		74,704	74,704	79,840	75,377		(673)		(673)		74,704			.0	1,952	10/01/2045	1FE
31397N 5G 6	FANNIE MAE 09 38 AB		09/01/2018	PAYDOWN		39,218	39,218	41,669	39,727		(509)		(509)		39,218			.0	1,044	06/25/2024	1FE
31397U XA 2	FANNIE MAE 11 61 MG		09/01/2018	PAYDOWN		48,859	48,859	52,073	49,315		(456)		(456)		48,859			.0	1,294	07/25/2026	1FE
31398C D4 7	FREDDIE MAC 3527 DA		09/01/2018	PAYDOWN		8,706	8,706	9,028	8,777		(71)		(71)		8,706			.0	238	04/15/2029	1FE
3140GR QG 2	FEDERAL NATIONAL MTG ASSOC #BH3154		09/01/2018	PAYDOWN		18,848	18,848	19,328			(3)		(3)		18,848			.0	311	07/01/2047	1FE
31410L UV 2	FEDERAL NATIONAL MTG ASSOC #890796		09/01/2018	PAYDOWN		92,901	92,901	95,020			(144)		(144)		92,901			.0	1,711	12/01/2045	1FE
31418A MW 5	FEDERAL NATIONAL MTG ASSOC #MA1272		09/01/2018	PAYDOWN		14,941	14,941	15,716	14,996		(55)		(55)		14,941			.0	296	12/01/2042	1FE
31418B 5D 4	FEDERAL NATIONAL MTG ASSOC #MA2643		09/01/2018	PAYDOWN		89,990	89,990	93,758	90,302		(312)		(312)		89,990			.0	1,798	06/01/2036	1FE
31418C PM 0	FEDERAL NATIONAL MTG ASSOC #MA3127		09/01/2018	PAYDOWN		41,679	41,679	42,783	41,752		(73)		(73)		41,679			.0	823	09/01/2037	1FE
31418C WW 0	FEDERAL NATIONAL MTG ASSOC #MA3360		09/01/2018	PAYDOWN		9,252	9,252	9,293			(1)		(1)		9,252			.0	83	05/01/2038	1FE

### SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During 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	F o r e i g n	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	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	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)
391577 PB 3	GTR AZ DEV AUTH INFRASTRUCTURE...		08/01/2018	SECURITY CALLED BY ISSUER at 100.000		220,000	220,000	216,878	218,622		128		128		218,750		1,250	1,250	9,900	08/01/2023	1FE
64465P B9 8	NEW HAMPSHIRE ST MUNI BOND BAN...		07/27/2018	JEFFERIES & COMPANY INC.....		1,480,401	1,300,000	1,572,402	1,488,485		(18,468)		(18,468)		1,470,016		10,385	10,385	62,472	08/15/2023	1FE
682001 DQ 2	OMAHA NE PUBLIC PWR DIST ELECR...		09/17/2018	SAMCO CAPITAL MARKET.....		566,520	500,000	595,835	569,577		(6,999)		(6,999)		562,578		3,942	3,942	28,333	02/01/2028	1FE
68607D SE 6	OREGON ST DEPT OF TRANSPRTN HI...		07/27/2018	RBC CAPITAL MARKETS.....		1,389,420	1,200,000	1,449,228	1,383,390		(14,357)		(14,357)		1,369,033		20,387	20,387	42,667	11/15/2027	1FE
709223 2C 4	PENNSYLVANIA ST TURNPIKE COMM...		09/17/2018	VINING SPARKS.....		834,308	750,000	903,855	828,509		(10,813)		(10,813)		817,696		16,612	16,612	30,000	12/01/2024	1FE
85230B ED 6	SAINT CHARLES MO COPS.....		07/27/2018	GMS GROUP INC.....		866,033	750,000	888,915	874,712		(9,230)		(9,230)		865,482		551	551	31,250	04/01/2025	1FE
3199999	Total - Bonds - U.S. Special Revenue and Special Assessments.					6,827,442	6,190,760	7,147,662	6,683,063	0	(64,901)	0	(64,901)	0	6,774,315	0	53,127	53,127	234,624	XXX	XXX

**Bonds - Industrial and Miscellaneous**

QE052

03063N AA 5	AMERICOLD LLC TRUST 10 ARTA A1....		09/11/2018	PAYDOWN.....		28,064	28,064	28,064	28,064				0		28,064			0	720	01/14/2029	1FM
12479R AE 7	CAPITAL AUTOMOTIVE REIT 17-1A A2...		09/15/2018	PAYDOWN.....		1,250	1,250	1,250	1,248		2		2		1,250			0	35	04/15/2047	1FE
13057B AD 2	CALIFORNIA REPUBLIC AUTO RECEI 16-1 A4		09/15/2018	PAYDOWN.....		7,422	7,422	7,454	7,435		(13)		(13)		7,422			0	125	10/15/2021	1FE
17324D AQ 7	CITIGROUP COMMERCIAL MORT 15 P1 A1		09/01/2018	PAYDOWN.....		30,671	30,671	30,671	30,671				0		30,671			0	339	09/15/2048	1FM
22541Q 4C 3	CREDIT SUISSE FIRST BOSTON 03 29 6A1		09/01/2018	PAYDOWN.....		3,010	3,010	2,998	3,002		8		8		3,010			0	96	11/25/2018	1FM
23305X AS 0	DBUBS MORTGAGE TRUST 11 LC2A A1FL		09/10/2018	PAYDOWN.....		31,013	31,013	31,013	31,013				0		31,013			0	654	07/12/2044	1FM
25755T AG 5	DOMINOS PIZZA MASTER ISSUER LL 17-1A A2I		07/25/2018	PAYDOWN.....		1,250	1,250	1,250	1,250				0		1,250			0	29	07/25/2047	2AM
25755T AJ 9	DOMINOS PIZZA MASTER ISSUER LL 18-1A A2I		07/25/2018	PAYDOWN.....		1,250	1,250	1,250					0		1,250			0	13	07/25/2048	2FE
28415P AA 2	ELARA HGV TIMESHARE ISSUER 16-A A		09/25/2018	PAYDOWN.....		25,281	25,281	25,280	25,244		37		37		25,281			0	453	04/25/2028	1FE
28415P AB 0	ELARA HGV TIMESHARE ISSUER 16-A B		09/25/2018	PAYDOWN.....		25,281	25,281	25,277	25,236		44		44		25,281			0	534	04/25/2028	2AM
28416D AA 8	ELARA HGV TIMESHARE ISSUER 17-A A		09/25/2018	PAYDOWN.....		46,307	46,307	46,303	46,235		72		72		46,307			0	827	03/25/2030	1FE
29273R AH 2	ENERGY TRANSFER PARTNERS.....		07/01/2018	MATURITY.....		100,000	100,000	115,744	101,402		(1,402)		(1,402)		100,000			0	6,700	07/01/2018	2FE
30711X C2 8	CONNECTICUT AVENUE SECURITIES 18-C02 2M1		09/25/2018	PAYDOWN.....		103,865	103,865	103,865					0		103,865			0	1,248	08/25/2030	2FE
30711X JS 4	CONNECTICUT AVENUE SECURITIES 17 C03 1M1		09/25/2018	PAYDOWN.....		36,021	36,021	36,021	36,021				0		36,021			0	675	10/25/2029	2AM
30711X NS 9	CONNECTICUT AVENUE SECURITIES 17-C05 1M1		09/25/2018	PAYDOWN.....		54,576	54,576	54,576	54,576				0		54,576			0	878	01/25/2030	2AM
30711X QS 6	CONNECTICUT AVENUE SECURITIES 17 C06 1M1		09/25/2018	PAYDOWN.....		70,697	70,697	70,697	70,697				0		70,697			0	1,164	02/25/2030	2AM
30711X X2 5	CONNECTICUT AVENUE SECURITIES 18 C05 1M1		09/25/2018	PAYDOWN.....		15,645	15,645	15,645					0		15,645			0	47	01/25/2031	2FE
36249K AA 8	GS MORTGAGE SECURITIES TRUST 10 C1 A1		09/01/2018	PAYDOWN.....		26,908	26,908	27,715	27,014		(106)		(106)		26,908			0	659	08/10/2043	1FM
36320T AA 1	GALAXY CLO LTD 16-22A A1.....		07/16/2018	SECURITY CALLED BY ISSUER at 100.000		500,000	500,000	500,000	500,000				0		500,000			0	12,847	07/16/2028	1FE

### SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During 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	F o r e i g n	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	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	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)
36320T AG 8	GALAXY CLO LTD 16-22A A2.....		07/16/2018.	SECURITY CALLED BY ISSUER at 100.000		500,000	500,000	500,000	500,000				0		500,000			0	10,500	07/16/2028.	1FE.....
437303 AA 8	HOME PARTNERS OF AMERICA TRUST 16-2 A		09/17/2018.	PAYDOWN.....		11,228	11,228	11,142	11,167		61		61		11,228			0	199	10/17/2033.	1FE.....
50543L AA 0	LABRADOR AVIATION FINANCE LTD 16-1A A1		09/15/2018.	PAYDOWN.....		15,625	15,625	15,322	15,568		57		57		15,625			0	448	01/15/2042.	1FE.....
59166B AA 9	METLIFE SECURITIZATION TRUST 17-1A A		09/01/2018.	PAYDOWN.....		45,928	45,928	46,405	45,995		(67)		(67)		45,928			0	923	04/25/2055.	2FM.....
64829V AA 4	NEW RESIDENTIAL MORTGAGE LOAN 18-RPL1 A1		09/01/2018.	PAYDOWN.....		28,543	28,543	28,365			3		3		28,543			0	253	12/25/2057.	1FE.....
68268F AA 8	ONEMAIN FINANCIAL ISSUANCE TR 16 2A A		09/18/2018.	PAYDOWN.....		113,876	113,876	113,857	113,772		105		105		113,876			0	3,097	03/20/2028.	1FE.....
79548K XP 8	SALOMON BROTHERS MORTGAGE 97 HUD2 AWAC		09/01/2018.	PAYDOWN.....		1,391	1,391	1,145	1,285		106		106		1,391			0		07/25/2024.	1FM.....
81746D AU 4	SEQUOIA MORTGAGE TRUST 17-5 A19.		09/01/2018.	PAYDOWN.....		7,215	7,215	7,245	7,217		(1)		(1)		7,215			0	168	08/25/2047.	1FM.....
81746H BT 7	SEQUOIA MORTGAGE TRUST 17-CH1 A20		09/01/2018.	PAYDOWN.....		34,515	34,515	34,712	34,542		(27)		(27)		34,515			0	834	08/25/2047.	1FM.....
81746Q AU 5	SEQUOIA MORTGAGE TRUST 18-2 A19.		09/01/2018.	PAYDOWN.....		13,137	13,137	13,131					0		13,137			0	276	02/25/2048.	1FE.....
81746X AU 0	SEQUOIA MORTGAGE TRUST 17-3 A19.		09/01/2018.	PAYDOWN.....		14,500	14,500	14,244	14,482		18		18		14,500			0	338	04/25/2047.	1FM.....
81747G AU 6	SEQUOIA MORTGAGE TRUST 18-5 A19.		09/01/2018.	PAYDOWN.....		20,151	20,151	19,515			9		9		20,151			0	245	05/25/2048.	1FE.....
82652X AA 4	SIERRA RECEIVABLES FUNDING CO 16 1A A		09/20/2018.	PAYDOWN.....		16,542	16,542	16,539	16,523		20		20		16,542			0	338	03/21/2033.	1FE.....
82652Y AA 2	SIERRA RECEIVABLES FUNDING CO 16-3A A		09/20/2018.	PAYDOWN.....		50,535	50,535	50,526	50,487		48		48		50,535			0	815	10/20/2033.	1FE.....
86358R XZ 5	STRUCTURED ASSET SECURITIES 02 AL1 A3		09/01/2018.	PAYDOWN.....		340	340	299	335		6		6		340			0	8	02/25/2032.	1AM.....
86359A ME 0	STRUCTURED ASSET SECURITIES 03 AL1 A		09/01/2018.	PAYDOWN.....		1,643	1,643	1,574	1,581				0		1,581		62	62	36	04/25/2031.	1AM.....
89173F AA 8	TOWD POINT MORTGAGE TRUST 17-1 A1		09/01/2018.	PAYDOWN.....		44,875	44,875	44,935	44,889		(14)		(14)		44,875			0	830	10/25/2056.	1FE.....
89175V AA 1	TOWD POINT MORTGAGE TRUST 18-2 A1		09/01/2018.	PAYDOWN.....		35,613	35,613	35,497			3		3		35,613			0	303	03/25/2058.	1FE.....
89176E AA 8	TOWD POINT MORTGAGE TRUST 18-1 A1		09/01/2018.	PAYDOWN.....		40,442	40,442	40,416			2		2		40,442			0	604	01/25/2058.	1FE.....
92211M AC 7	VANTAGE DATA CENTERS ISSUER L 18-1 A2		09/15/2018.	PAYDOWN.....		2,500	2,500	2,500					0		2,500			0	51	02/16/2043.	1FE.....
92347X AA 4	VERIZON OWNER TRUST 16-1A A.....		09/20/2018.	PAYDOWN.....		214,520	214,520	214,484	214,362		158		158		214,520			0	2,156	01/20/2021.	1FE.....
92903P AA 7	VORNADO DP LLC 10 VNO A1.....		09/10/2018.	PAYDOWN.....		41,792	41,792	41,792	41,768		23		23		41,792			0	828	09/13/2028.	1FM.....
98160Q AE 2	WORLD OMNI AUTO RECEIVABLES TR 14 B A4		09/15/2018.	PAYDOWN.....		75,451	75,451	75,775	75,538		(87)		(87)		75,451			0	904	12/15/2020.	1FE.....
75625Q AA 7	RECKITT BENCKISER TSY.....	D	09/21/2018.	MATURITY.....		750,000	750,000	752,588	750,417		(417)		(417)		750,000			0	15,938	09/21/2018.	1FE.....
784309 AA 4	S-JETS LIMITED 17-1 A.....	D	09/15/2018.	PAYDOWN.....		16,667	16,667	16,667	16,642		24		24		16,667			0	441	08/15/2042.	1FE.....
3899999.	Total - Bonds - Industrial and Miscellaneous.....					3,205,540	3,205,540	3,223,748	2,945,678	0	(1,328)	0	(1,328)	0	3,205,478	0	62	62	68,576	XXX	XXX

QE05.3

### SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During 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	F o r e i g n	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	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	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)
8399997.	Total - Bonds - Part 4.....					.....14,677,963	.....13,830,565	.....15,114,347	.....12,278,369	.....0	.....(87,783)	.....0	.....(87,783)	.....0	.....14,603,220	.....0	.....74,744	.....74,744	.....406,754	XXX	XXX
8399999.	Total - Bonds.....					.....14,677,963	.....13,830,565	.....15,114,347	.....12,278,369	.....0	.....(87,783)	.....0	.....(87,783)	.....0	.....14,603,220	.....0	.....74,744	.....74,744	.....406,754	XXX	XXX
9999999.	Total - Bonds, Preferred and Common Stocks.....					.....14,677,963	XXX	.....15,114,347	.....12,278,369	.....0	.....(87,783)	.....0	.....(87,783)	.....0	.....14,603,220	.....0	.....74,744	.....74,744	.....406,754	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues: .....0.

**Sch. DB - Pt. A - Sn. 1**  
**NONE**

**Sch. DB - Pt. B - Sn. 1**  
**NONE**

**Sch. DB - Pt. D - Sn. 1**  
**NONE**

**Sch. DB - Pt. D - Sn. 2**  
**NONE**

**Sch. DL - Pt. 1**  
**NONE**

**Sch. DL - Pt. 2**  
**NONE**

## SCHEDULE E - PART 1 - CASH

### Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
<b>Open Depositories</b>								
JP MORGAN CHASE..... Columbus, OH.....					.....25,000,052	.....27,194,835	.....24,411,457	XXX
FEDERAL HOME LOAN BANK..... Cincinnati, OH.....					.....63,491	.....63,581	.....73,987	XXX
US BANK..... Saint Paul, MN.....					.....82,262	.....81,762	.....81,766	XXX
PITNEY BOWES..... Neenah, WI.....					.....225,927	.....150,962	.....75,993	XXX
PNC..... Pittsburgh, PA.....					.....2,000,000			XXX
0199999. Total Open Depositories.....	XXX	XXX	.....0	.....0	.....27,371,732	.....27,491,140	.....24,643,203	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	.....0	.....0	.....27,371,732	.....27,491,140	.....24,643,203	XXX
0599999. Total Cash.....	XXX	XXX	.....0	.....0	.....27,371,732	.....27,491,140	.....24,643,203	XXX

## SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2		3	4	5	6	7	8	9
CUSIP	Description		Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
<b>All Other Money Market Mutual Funds</b>									
31846V 10 4	FIRST AM PRIME OBLIG-Y.....			09/26/2018.....			6,726,908		.892
69351J 15 7	PNC GOVERNMENT MONEY MARK-IS.....			09/04/2018.....			9,627		
8699999. Total - All Other Money Market Mutual Funds.....							6,736,535	.0	.892
8899999. Total - Cash Equivalents.....							6,736,535	.0	.892

QE13