



# QUARTERLY STATEMENT

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

## PROGRESSIVE SPECIALTY INSURANCE COMPANY

NAIC Group Code.....155, 155 (Current Period) (Prior Period)	NAIC Company Code..... 32786	Employer's ID Number..... 34-1172685
Organized under the Laws of OH	State of Domicile or Port of Entry OH	Country of Domicile US
Incorporated/Organized..... August 4, 1975	Commenced Business..... May 26, 1976	
Statutory Home Office	6300 WILSON MILLS ROAD, W33 .. CLEVELAND .. OH .. US .. 44143-2182 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	6300 WILSON MILLS ROAD, W33 .. CLEVELAND .. OH .. US .. 44143-2182 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	440-461-5000 <i>(Area Code) (Telephone Number)</i>
Mail Address	P.O. BOX 89490 .. CLEVELAND .. OH .. US .. 44101-6490 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	6300 WILSON MILLS ROAD, W33 .. CLEVELAND .. OH .. US .. 44143-2182 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	440-395-4460 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	PROGRESSIVE.COM	
Statutory Statement Contact	MARY BETH ANDREANO <i>(Name)</i>	440-395-4460 <i>(Area Code) (Telephone Number) (Extension)</i>
	FINANCIAL_REPORTING@PROGRESSIVE.COM <i>(E-Mail Address)</i>	440-603-5500 <i>(Fax Number)</i>

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

### OFFICERS

Name	Title	Name	Title
GEOFFREY THOMAS SOUSER	PRESIDENT	PETER JAMES ALBERT	SECRETARY
PATRICK SEAN BRENNAN	TREASURER		

### OTHER

PETER JAMES ALBERT	(VICE PRESIDENT)	MARY BETH ANDREANO	(VICE PRESIDENT)
CHRISTINA LYNN CREWS	(ASST. SECRETARY)	HEATHER ELIZABETH DAY	(VICE PRESIDENT)
JAMES LEE KUSMER	(ASST. TREASURER)		

### DIRECTORS OR TRUSTEES

CHARLES ERNEST CONOVER	HEATHER ELIZABETH DAY #	KATHRYN MARGARET LEMIEUX	MARK DONALD NIEHAUS
GEOFFREY THOMAS SOUSER			

State of..... OHIO  
County of..... CUYAHOGA

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

_____ (Signature) GEOFFREY THOMAS SOUSER 1. (Printed Name) PRESIDENT _____ (Title)	_____ (Signature) CHRISTINA LYNN CREWS 2. (Printed Name) ASSISTANT SECRETARY _____ (Title)	_____ (Signature) PATRICK SEAN BRENNAN 3. (Printed Name) TREASURER _____ (Title)
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Subscribed and sworn to before me  
This 9TH 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.....	766,328,204		766,328,204	567,003,701
2. Stocks:				
2.1 Preferred stocks.....	12,194,721		12,194,721	18,720,775
2.2 Common stocks.....	198,321,818		198,321,818	194,414,751
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).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....0), cash equivalents (\$.....10,373,855) and short-term investments (\$.....14,898,701).....	25,272,556		25,272,556	42,575,501
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....	8,129,521	8,129,521	0	
9. Receivables for securities.....	188,250		188,250	249,271
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).....	1,010,435,070	8,129,521	1,002,305,549	822,963,999
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	5,055,178		5,055,178	3,046,728
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	56,875,478	11,305,147	45,570,331	41,400,558
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	270,930,775		270,930,775	232,720,784
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	11,476,027		11,476,027	5,502,657
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.....			0	
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....			0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	103,852,083		103,852,083	60,285,385
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	2,179,224	1,693,728	485,496	399,040
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	1,460,803,835	21,128,396	1,439,675,439	1,166,319,151
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	1,460,803,835	21,128,396	1,439,675,439	1,166,319,151

**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. EQUITIES AND DEPOSITS IN POOLS AND ASSOCIATIONS.....	485,496		485,496	398,354
2502. MISCELLANEOUS OTHER ASSETS.....	1,364,040	1,364,040	0	686
2503. PREPAID EXPENSES.....	329,688	329,688	0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	2,179,224	1,693,728	485,496	399,040

**PROGRESSIVE SPECIALTY INSURANCE COMPANY  
LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....183,655,471).....	346,856,873	309,815,385
2. Reinsurance payable on paid losses and loss adjustment expenses.....	5,045,220	5,613,861
3. Loss adjustment expenses.....	74,318,563	65,732,622
4. Commissions payable, contingent commissions and other similar charges.....	2,811,920	2,198,036
5. Other expenses (excluding taxes, licenses and fees).....	66,114,119	42,122,723
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	7,330,515	7,491,809
7.1 Current federal and foreign income taxes (including \$.....386,780 on realized capital gains (losses)).....	7,969,773	10,388,492
7.2 Net deferred tax liability.....	8,661,063	5,704,387
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....477,331,297 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).....	356,749,236	295,712,933
10. Advance premium.....	10,642,742	7,378,575
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	5,857,727	140,941
13. Funds held by company under reinsurance treaties.....		
14. Amounts withheld or retained by company for account of others.....	131,574	462,709
15. Remittances and items not allocated.....		
16. Provision for reinsurance (including \$.....0 certified).....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....	52,009,268	45,886,459
19. Payable to parent, subsidiaries and affiliates.....		
20. Derivatives.....		
21. Payable for securities.....		
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	1,476,250	1,260,424
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	945,974,843	799,909,356
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	945,974,843	799,909,356
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	3,500,000	3,500,000
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.....	232,921,563	218,794,194
35. Unassigned funds (surplus).....	257,279,033	144,115,601
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).....	493,700,596	366,409,795
38. Totals (Page 2, Line 28, Col. 3).....	1,439,675,439	1,166,319,151

**DETAILS OF WRITE-INS**

2501. OTHER LIABILITIES.....	993,816	993,660
2502. ESCHEATABLE PROPERTY.....	482,434	266,764
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).....	1,476,250	1,260,424
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 \$.....1,201,975,759).....	1,137,213,170	998,325,819	1,350,690,824
1.2 Assumed..... (written \$.....841,984,446).....	780,948,143	653,159,921	890,415,740
1.3 Ceded..... (written \$.....1,201,975,759).....	1,137,213,170	998,325,819	1,350,690,824
1.4 Net..... (written \$.....841,984,446).....	780,948,143	653,159,921	890,415,740
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....456,676,936):			
2.1 Direct.....	659,278,171	590,994,364	803,429,446
2.2 Assumed.....	454,740,172	414,480,735	554,231,818
2.3 Ceded.....	659,278,171	590,994,364	803,429,446
2.4 Net.....	454,740,172	414,480,735	554,231,818
3. Loss adjustment expenses incurred.....	76,348,978	70,171,934	94,242,345
4. Other underwriting expenses incurred.....	163,250,683	138,609,262	186,868,375
5. Aggregate write-ins for underwriting deductions.....	0	3,841	3,841
6. Total underwriting deductions (Lines 2 through 5).....	694,339,833	623,265,772	835,346,379
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	86,608,310	29,894,149	55,069,361
<b>INVESTMENT INCOME</b>			
9. Net investment income earned.....	16,441,041	10,201,512	14,498,869
10. Net realized capital gains (losses) less capital gains tax of \$.....1,199,055.....	12,498,326	12,959,017	12,649,117
11. Net investment gain (loss) (Lines 9 + 10).....	28,939,367	23,160,529	27,147,986
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....1,480,054 amount charged off \$.....18,196,657).....	(16,716,603)	(15,401,221)	(20,128,106)
13. Finance and service charges not included in premiums.....	23,492,934	21,656,794	29,176,801
14. Aggregate write-ins for miscellaneous income.....	1,879,340	645,244	1,255,557
15. Total other income (Lines 12 through 14).....	8,655,671	6,900,817	10,304,252
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	124,203,348	59,955,495	92,521,599
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).....	124,203,348	59,955,495	92,521,599
19. Federal and foreign income taxes incurred.....	23,580,564	18,284,652	28,840,308
20. Net income (Line 18 minus Line 19) (to Line 22).....	100,622,784	41,670,843	63,681,291
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year.....	366,409,795	263,431,077	263,431,077
22. Net income (from Line 20).....	100,622,784	41,670,843	63,681,291
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....2,706,375.....	10,300,658	6,536,728	32,203,988
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	(250,301)	(371,730)	(14,904,962)
27. Change in nonadmitted assets.....	2,490,291	1,754,877	(1,043,478)
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.....	14,127,369	16,953,938	23,041,879
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....			
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	127,290,801	66,544,656	102,978,718
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	493,700,596	329,975,733	366,409,795

**DETAILS OF WRITE-INS**

0501. LOSS ON COMMUTATION.....		3,841	3,841
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	3,841	3,841
1401. INTEREST INCOME ON INTERCOMPANY BALANCES.....	1,304,690	514,119	776,033
1402. MISCELLANEOUS INCOME.....	565,941	123,896	469,233
1403. SERVICE BUSINESS REVENUE.....	8,709	7,229	10,291
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	1,879,340	645,244	1,255,557
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

## 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.....	807,971,964	669,245,394	903,699,596
2. Net investment income.....	15,098,474	11,954,509	16,105,764
3. Miscellaneous income.....	9,207,471	7,211,406	10,672,327
4. Total (Lines 1 through 3).....	832,277,909	688,411,309	930,477,687
5. Benefit and loss related payments.....	424,240,695	366,470,741	513,043,302
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	206,569,734	182,969,632	262,208,629
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....645,111 tax on capital gains (losses).....	27,198,338	23,511,385	25,077,953
10. Total (Lines 5 through 9).....	658,008,767	572,951,758	800,329,884
11. Net cash from operations (Line 4 minus Line 10).....	174,269,142	115,459,551	130,147,803
<b>CASH FROM INVESTMENTS</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	276,938,704	199,371,386	281,680,015
12.2 Stocks.....	34,656,041	21,042,652	22,789,439
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....	99,000	130,000	220,000
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	7,416	(7,895)	(115,488)
12.7 Miscellaneous proceeds.....	61,021		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	311,762,182	220,536,143	304,573,966
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	478,465,723	339,962,974	503,180,595
13.2 Stocks.....	3,922,960	17,734,648	20,298,475
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....		94,500	249,271
13.7 Total investments acquired (Lines 13.1 to 13.6).....	482,388,683	357,792,122	523,728,341
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).....	(170,626,501)	(137,255,979)	(219,154,375)
<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.....	14,127,369	16,953,938	23,041,879
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....			
16.6 Other cash provided (applied).....	(35,072,955)	(32,316,913)	(26,556,804)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(20,945,586)	(15,362,975)	(3,514,925)
<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).....	(17,302,945)	(37,159,403)	(92,521,497)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	42,575,501	135,096,998	135,096,998
19.2 End of period (Line 18 plus Line 19.1).....	25,272,556	97,937,595	42,575,501

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**

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

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

	SSAP #	F/S Page	F/S Line #	2018	2017
<b>NET INCOME</b>					
(1) PROGRESSIVE SPECIALTY INSURANCE COMPANY state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 100,622,784	\$ 63,681,291
(2) State Prescribed Practices that increase/decrease NAIC SAP					
(3) State Permitted Practices that increase/decrease NAIC SAP					
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 100,622,784	\$ 63,681,291
<b>SURPLUS</b>					
(5) PROGRESSIVE SPECIALTY INSURANCE COMPANY state basis (Page 3, line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 493,700,596	\$ 366,409,795
(6) State Prescribed Practices that increase/decrease NAIC SAP					
(7) State Permitted Practices that increase/decrease NAIC SAP					
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 493,700,596	\$ 366,409,795

**C. Accounting Policy****6. Loan-backed securities**

Loan-backed and structured securities are accounted for as prescribed by Statement of Statutory Accounting Principles No. 43R, Loan-backed and Structured Securities. These securities are generally stated at amortized cost as determined by the estimated value of future cash flows. Prepayment assumptions for loan-backed and structured debt securities are obtained from available market data, broker/dealers, and/or internal estimates, and are consistent with current interest rate and economic trends. See Note 5.D.

**D. Going Concern**

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

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

No significant changes

**Note 3 – Business Combinations and Goodwill**

No significant changes

**Note 4 – Discontinued Operations**

No significant changes

**Note 5 – Investments****D. Loan-Backed Securities**

- The sources used to determine prepayment assumptions are derived from updated cash flows from widely utilized reputable industry sources. The Company's portfolio managers review the available cash flow data and prepayment assumptions and make adjustments based on current performance indicators on the underlying assets (e.g., delinquency rates, foreclosure rates, and default rates), credit support (via current levels of subordination), and historical credit ratings.
- Intent to Sell or Inability to Hold Securities with a Recognized Other-Than-Temporary Impairment  
Not applicable
- The Company has not recorded an other-than-temporary impairment for loan-backed and structured debt securities during the current year.
- At the end of the reporting period, the composition of fair value and gross unrealized losses on loan-backed and structured debt securities by the length of time that individual securities have been in a continuous unrealized loss position is as follows:

a. The aggregate amount of unrealized losses:	1. Less than 12 Months	\$ 202,502
	2. 12 Months or Longer	\$ 345,655
b. The aggregate related fair value of securities with unrealized losses:	1. Less than 12 Months	\$ 79,440,441
	2. 12 Months or Longer	\$ 17,982,839

**5. Additional information**

Under SSAP No. 43R, the Company analyzes its structured debt securities to determine if the Company intends to sell, or if it is more likely than not that the Company will be required to sell, the security prior to recovery and, if so, the Company writes down the security to its current fair market value with the entire amount of the write-down recorded as a realized loss. To the extent that it is more likely than not that the Company will hold the debt security until recovery (which could be maturity), the Company determines if any of the decline in value is due to a credit loss (i.e., where the present value of cash flows expected to be collected is lower than the amortized cost basis of the security) and, if so, the Company recognizes that portion of the impairment as a realized loss.

**NOTES TO FINANCIAL STATEMENTS**

- E. Dollar Repurchase Agreements and/or Securities Lending Transactions  
Not applicable
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing  
Not applicable
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing  
Not applicable
- H. Repurchase Agreements Transactions Accounted for as a Sale  
Not applicable
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale  
Not applicable
- M. Working Capital Finance Investments  
Not applicable
- N. Offsetting and Netting of Assets and Liabilities  
Not applicable

**Note 6 – Joint Ventures, Partnerships and Limited Liability Companies**

No significant changes

**Note 7 – Investment Income**

No significant changes

**Note 8 – Derivative Instruments**

No significant changes

**Note 9 – Income Taxes**

No significant changes

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

No significant changes

**Note 11 – Debt**

- B. FHLB (Federal Home Loan Bank) Agreements  
Not applicable

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

- A. Defined Benefit Plan  
Not applicable

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

No significant changes

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

- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits

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

	Direct
Claims related ECO and bad faith losses paid during the reporting period	\$ 68,000

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

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

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

(f) Per Claim [ ]

(g) Per Claimant [ X ]

**NOTES TO FINANCIAL STATEMENTS****G. All Other Contingencies**

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

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

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

There was a putative statewide class action lawsuit and two cases consolidated into multi-district proceedings alleging that the Company improperly steers automobile repair work to certain auto body repair shops and challenging the labor rates the Company pays to auto body repair shops.

There was a certified class action lawsuit challenging the manner in which the Company grants a discount for anti-theft devices.

There was a putative class action lawsuit alleging that the Company's uninsured motorist coverage is illusory.

**Note 15 – Leases**

No significant changes

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

No significant changes

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

Not applicable

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

Not applicable

**C. Wash Sales**

Not applicable

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

No significant changes

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

No significant changes

**Note 20 – Fair Value Measurements****A. Inputs Used for Assets and Liabilities Measured at Fair Value****1. Fair Value Measurements by Levels 1, 2 and 3**

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

Level 1 - Inputs are unadjusted, quoted prices in active markets for identical instruments at the measurement date (e.g., U.S. government obligations, which are continually priced on a daily basis, active exchange-traded equity securities, and certain short-term securities).

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

Level 3 - Inputs that are unobservable. Unobservable inputs reflect our subjective evaluation about the assumptions market participants would use in pricing the financial instrument (e.g., certain structured securities and privately held investments).

Determining the fair value of the investment portfolio is the responsibility of management. As part of the responsibility, management evaluates whether a market is distressed or inactive in determining the fair value for our portfolio. Management reviews certain market level inputs to evaluate whether sufficient activity, volume, and new issuances exist to create an active market. Based on this evaluation, management concluded that there was sufficient activity related to the sectors and securities for which we obtained valuations.

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

Fair Value Measurements at the reporting date:

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Bonds industrial & miscellaneous	\$	\$ 20,595,600	\$	\$ 20,595,600
Common stock industrial & miscellaneous	\$ 198,321,818	\$	\$	\$ 198,321,818
Preferred stock industrial & miscellaneous	\$	\$	\$	\$

This table excludes the Company's investment in Trussville/Cahaba as this investment is reported on the equity basis as described in the *Purposes and Procedures Manual of the Securities Valuation Office* of the NAIC.

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

**NOTES TO FINANCIAL STATEMENTS**

## 2. Rollforward of Level 3 Items

Not applicable

## 3. Policy on Transfers Into and Out of Level 3

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

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

See Note 20.A.1 above.

## 5. Derivative Fair Values

Not applicable

## B. Other Fair Value Disclosures

Not applicable

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

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

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	\$ 755,443,453	\$ 766,328,204	\$ 331,398,941	\$ 424,044,512	\$	\$
Cash equivalents	\$ 10,373,855	\$ 10,373,855	\$ 10,373,855	\$	\$	\$
Common stock	\$ 198,321,818	\$ 198,321,818	\$ 198,321,818	\$	\$	\$
Preferred stock	\$ 13,836,283	\$ 12,194,721	\$	\$ 13,836,283	\$	\$
Short-term investments	\$ 14,898,756	\$ 14,898,701	\$ 9,974,559	\$ 4,924,197	\$	\$

## D. Not Practicable to Estimate Fair Value

Not applicable

**Note 21 – Other Items**

## C. Other Disclosures

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

For the reporting period, the Company reported net admitted premiums and agents' balances in the course of collection of \$45,570,331. Of this amount there were no premiums due from a controlled or controlling person as defined in Florida statute 625.012 (5).

**Note 22 – Events Subsequent**

## 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 ]

The Company was not impacted by any subsequent events. Subsequent events have been considered through November 2, 2018 for the statutory statement that was available for issuance by November 15, 2018.

**Note 23 – Reinsurance**

No significant changes

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

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

## 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 ]

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

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

Incurred losses and LAE attributable to insured events of prior accident years decreased by \$1,128,897 in 2018, which is less than 1% of the total prior year net unpaid losses and LAE of \$375,548,007. The favorable development is primarily due to private passenger auto liability originally anticipated severity for accident years 2015 and prior decreasing by less than 1%. LAE reserves developed unfavorably in total. Defense and cost containment reserves developed favorably primarily due to lower than anticipated attorney costs, while adjusting and other reserves developed unfavorably primarily due to higher than anticipated claims costs.

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

Not applicable

**Note 26 – Intercompany Pooling Arrangements**

No significant changes

**Note 27 – Structured Settlements**

No significant changes

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## NOTES TO FINANCIAL STATEMENTS

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**Note 28 – Health Care Receivables**

No significant changes

**Note 29 – Participating policies**

No significant changes

**Note 30 – Premium Deficiency Reserves**

No significant changes

**Note 31 – High Deductibles**

No significant changes

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

No significant changes

**Note 33 – Asbestos/Environmental Reserves**

No significant changes

**Note 34 – Subscriber Savings Accounts**

No significant changes

**Note 35 – Multiple Peril Crop Insurance**

No significant changes

**Note 36 – Financial Guaranty Insurance**

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

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 [ ]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]
- 2.2 If yes, date of change: \_\_\_\_\_
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No [ ]  
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [X] No [ ]
- 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. 0000080661
- 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? Yes [X] No [ ] N/A [ ]  
If yes, attach an explanation.
1. THE CASH MANAGEMENT AND INTEREST AGREEMENTS WERE AMENDED TO ADD AFFILIATED COMPANIES: AMERICAN STRATEGIC INSURANCE CORP., ARK ROYAL UNDERWRITERS, LLC, ARX HOLDING CORP., ASI ASSURANCE CORP., ASI HOME INSURANCE CORP., ASI LLOYDS, ASI LLOYDS, INC., ASI PREFERRED INSURANCE CORP., ASI SELECT INSURANCE CORP., ASI SERVICES, INC., ASI UNDERWRITERS CORP., ASI UNDERWRITERS OF TEXAS, INC., E-INS, LLC, PROGRESSIVE PROPERTY INSURANCE COMPANY, PROPERTYPLUS INSURANCE AGENCY, INC., SUNSHINE SECURITY INSURANCE AGENCY, INC., EFFECTIVE RETROACTIVELY JANUARY 18, 2018. THE AMENDMENT WAS APPROVED BY THE APPROPRIATE STATES OF DOMICILE. 2. NEW MANAGEMENT COST ALLOCATION AGREEMENT BETWEEN PROGRESSIVE FREEDOM AND PROGRESSIVE CASUALTY EFFECTIVE 7/1/2018. 3. TERMINATED MANAGEMENT COST ALLOCATION AGREEMENT BETWEEN PROGRESSIVE FREEDOM AND PROGRESSIVE DIRECT EFFECTIVE 7/1/2018.

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2017
- 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. 12/31/2012
- 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). 08/06/2013
- 6.4 By what department or departments?  
OHIO
- 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 [X] No [ ]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

ON AUGUST 3, 2018, THE BOARD OF DIRECTORS APPROVED CHANGES TO THE COMPANY'S CODE OF BUSINESS CONDUCT AND ETHICS AND THE CEO/SENIOR FINANCIAL OFFICE CODE OF CONDUCT TO PROVIDE THAT PROHIBITIONS IN THE "GIFTS AND ENTERTAINMENT" POLICY DO NOT APPLY TO THE CHIEF EXECUTIVE OFFICER, THE EXECUTIVES THAT REPORT TO HIM/HER, AND CERTAIN OTHER SENIOR LEADERS, IN CONNECTION WITH THE HOSTING OF, OR ATTENDANCE AT, EVENTS THAT ARE INTENDED TO FACILITATE BUSINESS GOALS AND ARE REASONABLE GIVEN THE CONTEXT. IN ADDITION, THE AMENDMENTS PROVIDE A MECHANISM FOR OTHER EMPLOYEES TO OBTAIN EXCEPTIONS TO THOSE PROHIBITIONS IN APPROPRIATE CIRCUMSTANCES.

- 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).

**FINANCIAL**

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No [ ]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 103,852,083

**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 [X]
- 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: \$ 0
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 [X] 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	8,108,987	8,129,521
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$ 8,108,987	\$ 8,129,521
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 [X]
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [X]
- 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 [X] No [ ]

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

1 Name of Custodian(s)	2 Custodian Address
CITIBANK, N.A.	338 GREENWICH STREET NEW YORK, NY 10013
STATE STREET	801 PENNSYLVANIA AVE KANSAS CITY, MO 64105

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)
NONE		

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

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

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
PROGRESSIVE CAPITAL MANAGEMENT CORP.	A
STATE STREET GLOBAL MARKETS, LLC	U

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's assets? Yes [X] No [ ]
- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [ ] No [X]

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

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
N/A	PROGRESSIVE CAPITAL MANAGEMENT CORP		N/A	DS
30107	STATE STREET GLOBAL MARKETS, LLC		SEC	DS

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:

- Documentation necessary to permit a full credit analysis of the security does not exist.
  - Issuer or obligor is current on all contracted interest and principal payments.
  - The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
- Has the reporting entity self-designated 5\*GI securities?

Yes [ ] No [ X ]

## GENERAL INTERROGATORIES (continued)

## PART 2 – PROPERTY &amp; 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 [X] N/A [ ]  
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
Total	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 [ ]

**PROGRESSIVE SPECIALTY INSURANCE COMPANY  
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**

**PROGRESSIVE SPECIALTY INSURANCE COMPANY**

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status (a)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama.....AL.....L.....		181,435,861	153,228,808	83,666,222	72,035,688	83,108,795	73,555,503
2. Alaska.....AK.....L.....		15,951,096	16,841,627	10,814,780	11,371,283	9,682,349	10,129,556
3. Arizona.....AZ.....L.....							
4. Arkansas.....AR.....L.....		212,099	198,889	96,344	104,457	92,873	91,215
5. California.....CA.....L.....							
6. Colorado.....CO.....L.....		896,709	956,008	580,101	621,022	332,639	377,906
7. Connecticut.....CT.....L.....							
8. Delaware.....DE.....L.....							
9. District of Columbia.....DC.....L.....							
10. Florida.....FL.....L.....				(2,100)	(2,312)		
11. Georgia.....GA.....L.....							
12. Hawaii.....HI.....L.....		16,859	778,763	330,910	987,571	534,479	773,413
13. Idaho.....ID.....L.....							
14. Illinois.....IL.....L.....				(1,115)	(1,600)		
15. Indiana.....IN.....L.....		(26)		(1,489)	(681)		
16. Iowa.....IA.....L.....					(20)		
17. Kansas.....KS.....L.....							
18. Kentucky.....KY.....L.....							
19. Louisiana.....LA.....N.....							
20. Maine.....ME.....L.....							
21. Maryland.....MD.....L.....		77,891,462	63,876,294	39,372,957	37,116,266	29,195,057	24,467,977
22. Massachusetts.....MA.....N.....							
23. Michigan.....MI.....L.....							
24. Minnesota.....MN.....L.....		4,908,796	5,744,387	1,753,015	3,615,429	1,200,204	1,992,387
25. Mississippi.....MS.....L.....							
26. Missouri.....MO.....L.....				(2)			
27. Montana.....MT.....L.....		133,998	157,914	63,647	57,497	44,688	50,641
28. Nebraska.....NE.....L.....							
29. Nevada.....NV.....L.....		272,929	921,690	560,993	735,348	764,139	752,844
30. New Hampshire.....NH.....N.....							
31. New Jersey.....NJ.....L.....							
32. New Mexico.....NM.....L.....					(311)		
33. New York.....NY.....L.....		189,674,217	174,357,008	100,433,503	93,732,773	84,248,182	78,477,767
34. North Carolina.....NC.....N.....							
35. North Dakota.....ND.....L.....							
36. Ohio.....OH.....L.....		391,072,527	345,236,746	201,903,862	189,164,966	123,288,317	111,526,226
37. Oklahoma.....OK.....L.....							
38. Oregon.....OR.....L.....						(16)	(359)
39. Pennsylvania.....PA.....L.....		337,839,831	293,562,861	178,338,953	153,764,350	140,415,243	122,818,677
40. Rhode Island.....RI.....L.....							
41. South Carolina.....SC.....L.....				(71)	(567)		
42. South Dakota.....SD.....L.....							
43. Tennessee.....TN.....L.....				(800)	(1,327)		
44. Texas.....TX.....L.....							
45. Utah.....UT.....L.....							
46. Vermont.....VT.....L.....		1,344	10,385	31,922	235,657	51,056	64,190
47. Virginia.....VA.....L.....		1,668,057	1,867,405	1,135,783	1,272,667	657,580	709,060
48. Washington.....WA.....L.....				(705)	(8,349)		
49. West Virginia.....WV.....L.....							
50. Wisconsin.....WI.....L.....							
51. Wyoming.....WY.....N.....							
52. American Samoa.....AS.....N.....							
53. Guam.....GU.....N.....							
54. Puerto Rico.....PR.....N.....							
55. US Virgin Islands.....VI.....N.....							
56. Northern Mariana Islands.....MP.....N.....							
57. Canada.....CAN.....N.....							
58. Aggregate Other Alien.....OT.....XXX.....		0	0	0	0	0	0
59. Totals.....XXX.....		1,201,975,759	1,057,738,786	619,076,711	564,799,807	473,615,585	425,787,003

**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

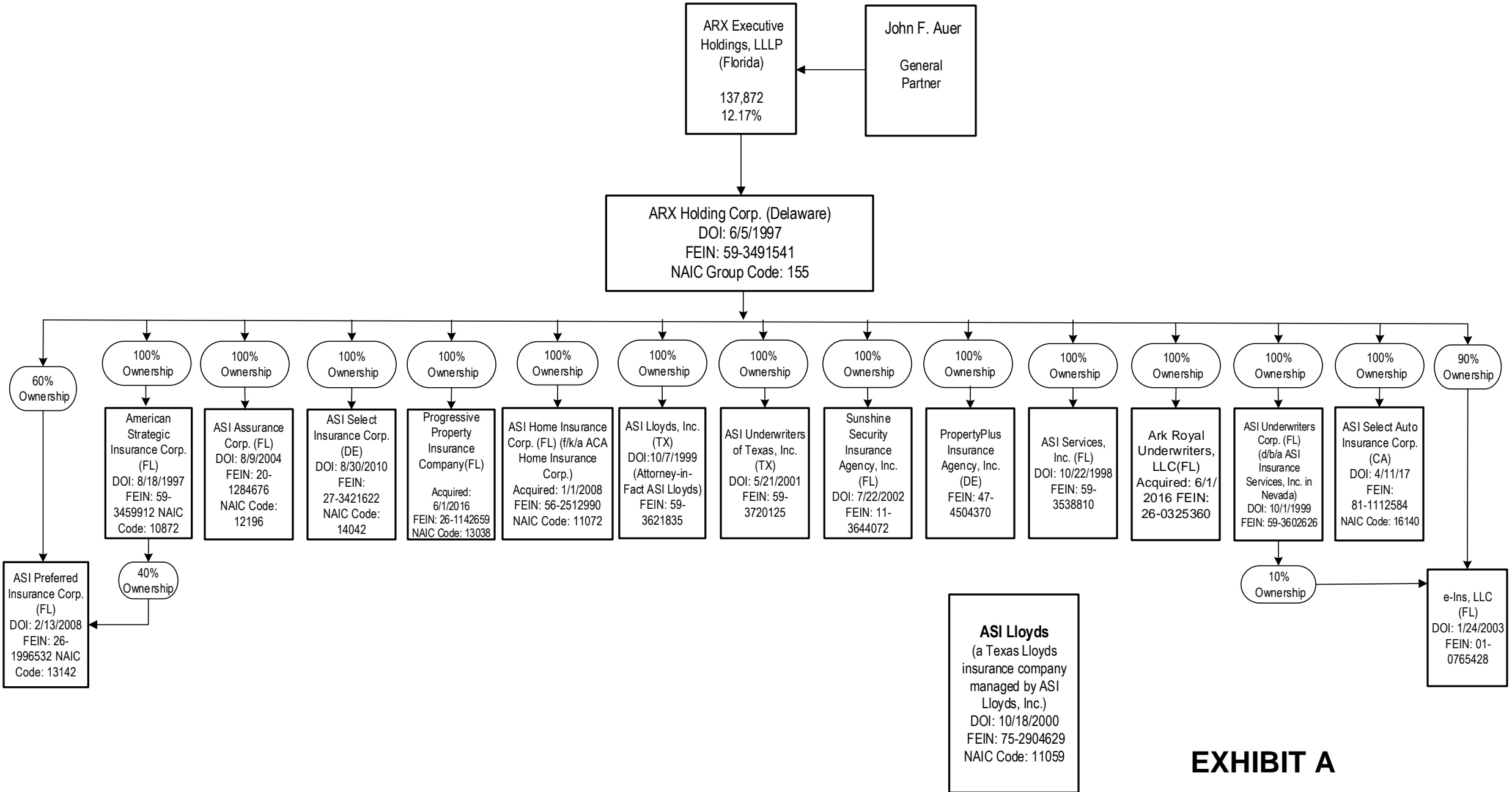
L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....	46	R - Registered - Non-domiciled RRGs.....	0
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - See DSLI).....	0	Q - Qualified - Qualified or accredited 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.....	11



**PROGRESSIVE SPECIALTY INSURANCE COMPANY**

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

Q11.1



**EXHIBIT A**

**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>															
		00000..	34-0963169..		80661	NYSE.....	The Progressive Corporation.....	OH.....	UIP.....	Board, Management.....	Board.....		The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	83-0371533..				Drive Insurance Holdings, Inc.....	DE.....	UIP.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	11410..	68-0004572..				Drive New Jersey Insurance Company.....	NJ.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	12879..	20-4093467..				Progressive Commercial Casualty Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	24252..	34-1094197..				Progressive American Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	17350..	31-1193845..				Progressive Bayside Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	24260..	34-6513736..				Progressive Casualty Insurance Company.....	OH.....	UDP.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	34-1576555..				PC Investment Company.....	DE.....	NIA.....	Progressive Casualty Insurance Company.....	Ownership.....	100.000	The Progressive Corporation.....	.....Y.....	1, 3.....
0155	Progressive Insurance Group.	29203..	74-1082840..				Progressive County Mutual Insurance Company.....	TX.....	IA.....	Progressive Casualty Insurance Company.....	Management.....		The Progressive Corporation.....	.....N.....	2, 3.....
0155	Progressive Insurance Group.	42412..	34-1374634..				Progressive Gulf Insurance Company.....	OH.....	IA.....	Progressive Casualty Insurance Company.....	Ownership.....	100.000	The Progressive Corporation.....	.....Y.....	1, 3.....
0155	Progressive Insurance Group.	32786..	34-1172685..				Progressive Specialty Insurance Company.....	OH.....	RE.....	Progressive Casualty Insurance Company.....	Ownership.....	100.000	The Progressive Corporation.....	.....Y.....	1, 3.....
		00000..					Trussville/Cahaba, AL , LLC.....	OH.....	DS.....	Progressive Specialty Insurance Company.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	42994..	39-1453002..				Progressive Classic Insurance Company.....	WI.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	10067..	99-0311930..				Progressive Hawaii Insurance Corp.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	10187..	34-1787734..				Progressive Michigan Insurance Company.....	MI.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	35190..	93-0935623..				Progressive Mountain Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	38628..	34-1318335..				Progressive Northern Insurance Company.....	WI.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	42919..	91-1187829..				Progressive Northwestern Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	37834..	34-1287020..				Progressive Preferred Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	10050..	72-1269745..				Progressive Security Insurance Company.....	LA.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	38784..	59-1951700..				Progressive Southeastern Insurance Company.....	IN.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	27804..	95-2676519..				Progressive West Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	12302..	20-3187886..				Progressive Freedom Insurance Company.....	OH.....	IA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	27-2393886..				Progressive Commercial Advantage Agency, Inc.....	OH.....	NIA.....	Drive Insurance Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	20-1583033..				Progressive Commercial Holdings, Inc.....	DE.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	10194..	59-3213819..				Artisan and Truckers Casualty Company.....	WI.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	10243..	06-0281045..				National Continental Insurance Company.....	NY.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	10193..	59-3213719..				Progressive Express Insurance Company.....	OH.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	11770..	36-3298008..				United Financial Casualty Company.....	OH.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	15643..	47-1849658..				Blue Hill Specialty Insurance Company, Inc.....	IL.....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	83-0371538..				Progressive Direct Holdings, Inc.....	DE.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	44180..	23-2599971..				Mountain Laurel Assurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	11851..	62-0484104..				Progressive Advanced Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	58-1772717..				Progressive Auto Pro Insurance Agency, Inc.....	FL.....	NIA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	44288..	62-1444848..				Progressive Choice Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	16322..	34-1524319..				Progressive Direct Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....

Q12

**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)	*
		00000..					Gadsden, AL, LLC.....	OH.....	NIA.....	Progressive Direct Insurance Company.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	14800..	22-2404709..				Progressive Garden State Insurance Company.....	NJ.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	37605..	33-0350911..				Progressive Marathon Insurance Company.....	MI.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	24279..	34-0472535..				Progressive Max Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	44695..	86-0686869..				Progressive Paloverde Insurance Company.....	IN.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	21735..	36-3789786..				Progressive Premier Insurance Company of Illinois.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	10192..	59-3213815..				Progressive Select Insurance Company.....	OH.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	34-1804869..				Progressive Specialty Insurance Agency, Inc.....	OH.....	NIA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
0155	Progressive Insurance Group.	21727..	36-3789787..				Progressive Universal Insurance Company.....	WI.....	IA.....	Progressive Direct Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	99-0311966..				Garden Sun Insurance Services, LLC.....	HI.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	95-2706008..				Pacific Motor Club.....	CA.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	11-3203413..				PROGNY Agency, Inc.....	NY.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	34-1574447..				Progressive Adjusting Company, Inc.....	OH.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	13-3673368..				Progressive Capital Management Corp.....	NY.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	34-1378861..				Progressive Investment Company, Inc.....	DE.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	34-6530101..				Progressive Premium Budget, Inc.....	OH.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	34-1574448..				Progressive RSC, Inc.....	OH.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	20-2702408..				Progressive Vehicle Service Company.....	OH.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	51-0295493..				Village Transport Corp.....	DE.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	34-1324270..				Wilson Mills Land Co.....	OH.....	NIA.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3.....
		00000..	80-0832526..				Makaira Indica, LP.....	CA.....	NIA.....	Progressive Casualty Insurance Company.....	Other.....		The Progressive Corporation.....	.....N.....	1, 3, 4.....
		00000..	59-3491541..				ARX Holding Corp.....	DE.....	NIA.....	The Progressive Corporation.....	Ownership.....	86.790	The Progressive Corporation.....	.....N.....	1, 3, 5.....
0155	Progressive Insurance Group.	11072..	56-2512990..				ASI Home Insurance Corp.....	FL.....	IA.....	ARX Holding Corp.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3, 5.....
0155	Progressive Insurance Group.	13142..	26-1996532..				ASI Preferred Insurance Corp.....	FL.....	IA.....	American Strategic Insurance Corp.....	Ownership.....	40.000	The Progressive Corporation.....	.....N.....	1, 3, 5.....
0155	Progressive Insurance Group.	13142..	26-1996532..				ASI Preferred Insurance Corp.....	FL.....	IA.....	ARX Holding Corp.....	Ownership.....	60.000	The Progressive Corporation.....	.....N.....	1, 3, 5.....
0155	Progressive Insurance Group.	10872..	59-3459912..				American Strategic Insurance Corp.....	FL.....	IA.....	ARX Holding Corp.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3, 5.....
0155	Progressive Insurance Group.	11059..	75-2904629..				ASI Lloyds.....	TX.....	IA.....	ASI Lloyds, Inc.....	Management.....		The Progressive Corporation.....	.....N.....	1, 3, 5, 6.....
0155	Progressive Insurance Group.	12196..	20-1284676..				ASI Assurance Corp.....	FL.....	IA.....	ARX Holding Corp.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3, 5.....
0155	Progressive Insurance Group.	14042..	27-3421622..				ASI Select Insurance Corp.....	DE.....	IA.....	ARX Holding Corp.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3, 5.....
		00000..	59-3538810..				ASI Services Inc.....	FL.....	NIA.....	ARX Holding Corp.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3, 5.....
		00000..	59-3621835..				ASI Lloyds, Inc.....	TX.....	NIA.....	ARX Holding Corp.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3, 5.....
		00000..	59-3720125..				ASI Underwriters of Texas, Inc.....	TX.....	NIA.....	ARX Holding Corp.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3, 5.....
		00000..	11-3644072..				Sunshine Security Insurance Agency, Inc.....	FL.....	NIA.....	ARX Holding Corp.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3, 5.....
		00000..	59-3602626..				ASI Underwriters Corp.....	FL.....	NIA.....	ARX Holding Corp.....	Ownership.....	100.000	The Progressive Corporation.....	.....N.....	1, 3, 5.....
		00000..	01-0765428..				e-Ins, LLC.....	FL.....	NIA.....	ARX Holding Corp.....	Ownership.....	90.000	The Progressive Corporation.....	.....N.....	1, 3, 5.....
		00000..	01-0765428..				e-Ins, LLC.....	FL.....	NIA.....	ASI Underwriters Corp.....	Ownership.....	10.000	The Progressive Corporation.....	.....N.....	1, 3, 5.....

Q12.1

## 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)	*
0155	Progressive Insurance Group.	13038...	26-1142659..	.....	.....	.....	Progressive Property Insurance Company.....	FL.....	IA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	....N.....	1, 3, 5.....
0155	Progressive Insurance Group.	16140...	81-1112584..	.....	.....	.....	ASI Select Auto Insurance Corp.....	CA.....	IA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	....N.....	1,3,5.....
		00000...	26-0325360..	.....	.....	.....	Ark Royal Underwriters, LLC.....	FL.....	NIA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	....N.....	1, 3, 5.....
		00000...	47-4504370..	.....	.....	.....	PropertyPlus Insurance Agency, Inc.....	DE.....	NIA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	....N.....	1, 3, 5.....

Aster	Explanation
1	Schedule Y Part 1A is a common schedule for all companies of The Progressive Corporation, however column 10 requires specific relationship information relative to the reporting entity.
2	Progressive County Mutual Insurance Company is a Texas county mutual insurance company that is managed, but not owned by Progressive Casualty Insurance Company.
3	None of the companies that are part of The Progressive Corporation are Federally chartered or insured institutions and therefore, do not have Federal RSSD numbers.
4	Makaira Indica, LP is a limited partnership in which Progressive Casualty Insurance Company is the sole limited partner.
5	Effective April 1, 2015, The Progressive Corporation purchased a majority ownership share in the ARX Holding Corp.
6	ASI Lloyds is a Texas Lloyds insurance company that is managed, but not owned by ASI Lloyds, Inc.

Q12.2

**PROGRESSIVE SPECIALTY INSURANCE COMPANY**  
**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.....	9,867,509	2,788,162	28.256	28.572
5. Commercial multiple peril.....			0.000	
6. Mortgage guaranty.....			0.000	
8. Ocean marine.....			0.000	
9. Inland marine.....	11,370,809	5,396,331	47.458	46.066
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.....	4,349,990	1,525,793	35.076	48.240
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.....	687,563,792	396,806,002	57.712	61.072
19.3, 19.4 Commercial auto liability.....	34,170,378	19,325,575	56.557	66.925
21. Auto physical damage.....	389,890,692	233,436,308	59.872	56.686
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.....	1,137,213,170	659,278,171	57.973	59.199
<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.....	3,563,445	10,129,606	9,740,548
5. Commercial multiple peril.....			
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....	4,720,681	13,862,273	12,723,292
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.....	1,825,031	5,230,134	4,674,350
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.....	240,732,407	720,629,442	633,350,067
19.3 19.4 Commercial auto liability.....	15,298,540	39,513,335	32,768,090
21. Auto physical damage.....	141,136,140	412,610,970	364,482,439
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.....	407,276,244	1,201,975,759	1,057,738,786
<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.....	52,792	10,389	63,181	24,004	1,104	25,107	28,882	1,454	6,170	36,505	94	(1,662)	(1,568)
2. 2016.....	71,736	14,141	85,877	33,263	2,801	36,064	39,193	5,015	6,915	51,124	720	591	1,311
3. Subtotals 2016 + Prior.....	124,527	24,530	149,057	57,267	3,905	61,171	68,075	6,469	13,085	87,629	814	(1,071)	(257)
4. 2017.....	172,944	53,547	226,491	91,888	16,742	108,630	78,974	17,312	20,702	116,989	(2,082)	1,209	(872)
5. Subtotals 2017 + Prior.....	297,471	78,077	375,548	149,155	20,646	169,801	147,049	23,782	33,787	204,618	(1,267)	139	(1,129)
6. 2018.....	XXX	XXX	XXX	XXX	315,661	315,661	XXX	162,402	54,155	216,557	XXX	XXX	XXX
7. Totals.....	297,471	78,077	375,548	149,155	336,307	485,462	147,049	186,184	87,943	421,175	(1,267)	139	(1,129)
8. Prior Year-End's Surplus As Regards Policyholders	366,410												
											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. ....(0.4)%	2. ....0.2%	3. ....(0.3)%
													Col. 13, Line 7 Line 8
													4. ....(0.3)%

Q14

# 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:**



**NONE**

**PROGRESSIVE SPECIALTY 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.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Current year change in encumbrances.....		
4. Total gain (loss) on disposals.....		
5. Deduct amounts received on disposals.....		
6. Total foreign exchange change in book/adjusted carrying value.....		
7. Deduct current year's other-than-temporary impairment recognized.....		
8. Deduct current year's depreciation.....		
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

NONE

**SCHEDULE B - VERIFICATION**

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	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.....	8,108,987	8,288,276
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).....	119,534	40,711
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....	99,000	220,000
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).....	8,129,521	8,108,987
12. Deduct total nonadmitted amounts.....	8,129,521	8,108,987
13. Statement value at end of current period (Line 11 minus Line 12).....	0	0

**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.....	780,139,227	528,040,658
2. Cost of bonds and stocks acquired.....	482,388,679	523,479,070
3. Accrual of discount.....	733,614	331,872
4. Unrealized valuation increase (decrease).....	12,887,499	21,484,610
5. Total gain (loss) on disposals.....	13,689,966	13,732,655
6. Deduct consideration for bonds and stocks disposed of.....	311,594,745	304,469,454
7. Deduct amortization of premium.....	1,399,497	2,460,184
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees.....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10).....	976,844,743	780,139,227
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	976,844,743	780,139,227

**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).....	404,736,130	164,814,868	67,710,624	3,758,397	416,389,797	404,736,130	505,598,771	411,198,868
2. NAIC 2 (a).....	267,171,884	19,661,123	18,099,829	(3,763,635)	224,395,116	267,171,884	264,969,543	185,943,886
3. NAIC 3 (a).....	10,094,679		4,038,106	64,927	14,777,000	10,094,679	6,121,500	10,121,834
4. NAIC 4 (a).....	14,521,764		495	14,218	5,782,715	14,521,764	14,535,487	2,078,846
5. NAIC 5 (a).....								0
6. NAIC 6 (a).....								0
7. Total Bonds.....	696,524,457	184,475,991	89,849,054	73,907	661,344,628	696,524,457	791,225,301	609,343,434
<b>PREFERRED STOCK</b>								
8. NAIC 1.....								0
9. NAIC 2.....	12,641,711		446,990		18,720,775	12,641,711	12,194,721	18,720,775
10. NAIC 3.....								0
11. NAIC 4.....								0
12. NAIC 5.....								0
13. NAIC 6.....								0
14. Total Preferred Stock.....	12,641,711	0	446,990	0	18,720,775	12,641,711	12,194,721	18,720,775
15. Total Bonds and Preferred Stock.....	709,166,168	184,475,991	90,296,044	73,907	680,065,403	709,166,168	803,420,022	628,064,209

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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 \$.....19,972,955; NAIC 2 \$.....4,924,142; 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.....	14,898,701	XXX.....	14,880,860	75,009	59,642

**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.....	38,240,029	119,803,362
2. Cost of short-term investments acquired.....	37,004,815	121,756,764
3. Accrual of discount.....	88,515	445,305
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....	7,416	(118,062)
6. Deduct consideration received on disposals.....	60,423,000	203,327,353
7. Deduct amortization of premium.....	19,074	319,987
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).....	14,898,701	38,240,029
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	14,898,701	38,240,029

**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**

**PROGRESSIVE SPECIALTY INSURANCE COMPANY**  
**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.....	4,335,472	15,293,636
2. Cost of cash equivalents acquired.....	114,626,861	87,801,286
3. Accrual of discount.....	246,366	177,650
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		2,574
6. Deduct consideration received on disposals.....	108,834,844	98,939,674
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).....	10,373,855	4,335,472
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	10,373,855	4,335,472

**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>										
912828	2S	8		07/10/2018	Credit Suisse		9,563,672	10,000,000	58,288	1
912828	4U	1		07/23/2018	Various		37,271,191	37,500,000	36,557	1
912828	4V	9		09/12/2018	Goldman Sachs		4,962,305	5,000,000	10,938	1
912828	4W	7		09/05/2018	Credit Suisse		10,007,813	10,000,000	15,693	1
912828	4X	5		09/05/2018	Goldman Sachs		9,989,844	10,000,000	3,798	1
912828	5A	4		09/24/2018	Goldman Sachs		995,625	1,000,000	684	1
912828	XZ	8		07/09/2018	Goldman Sachs		14,930,859	15,000,000	10,088	1
912828	Y2	0		07/31/2018	Goldman Sachs		9,960,938	10,000,000	11,413	1
912828	Y6	1		07/30/2018	Barclays Capital		4,975,391	5,000,000		1
0599999	Total - Bonds - U.S. Government						102,657,638	103,500,000	147,459	.XXX
<b>Bonds - Industrial and Miscellaneous</b>										
23331A	BK	4		08/14/2018	Bank of America Corp		5,711,223	5,660,000	629	2FE
26209B	AB	5		09/11/2018	Barclays Capital		4,499,896	4,500,000		1FE
269246	BP	8		08/30/2018	Key Bank NA, Cleveland		4,863,850	5,000,000	4,097	2FE
361841	AJ	8		09/18/2018	Wells Fargo Bank		4,090,000	4,000,000	69,417	2FE
40573L	AC	0		09/06/2018	Morgan Stanley		4,996,050	5,000,000		2FE
43815H	AC	1		08/21/2018	Bank of America Corp		12,998,216	13,000,000		1FE
63862T	AB	7		07/25/2018	Barclays Capital		9,999,978	10,000,000		1FE
78469P	AB	0		07/19/2018	Various		11,553,900	11,700,152	23,341	1FE
90268T	AL	8		08/31/2018	UBS Financial Services		3,204,961	3,000,000	2,084	1FM
3899999	Total - Bonds - Industrial and Miscellaneous						61,918,074	61,860,152	99,568	.XXX
8399997	Total - Bonds - Part 3						164,575,712	165,360,152	247,027	.XXX
8399999	Total - Bonds						164,575,712	165,360,152	247,027	.XXX
9999999	Total - Bonds, Preferred and Common Stocks						164,575,712	XXX	247,027	.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>																																			
912828	Y6 1		US TREASURY NOTE 2.750% 07/31/23.....	08/30/2018	Goldman Sachs.....	4,995,898	5,000,000	4,975,391			318		318		4,975,709		20,190	20,190	11,583	07/31/2023	1.....														
0599999	Total - Bonds - U.S. Government.....																			4,995,898	5,000,000	4,975,391	0	0	318	0	318	0	4,975,709	0	20,190	20,190	11,583	XXX	XXX
<b>Bonds - U.S. Special Revenue and Special Assessment</b>																																			
20775C	TX 2		CONNECTICUT ST 4.000% 11/15/47.....	08/30/2018	Redemption 100.0000.....	395,000	395,000	427,781	423,862		(28,862)		(28,862)		395,000			0	12,508	11/15/2026	1FE.....														
313921	6F 0		FNGT 2001-W3 A 6.111% 09/01/41.....	09/01/2018	Paydown.....	16,015	16,015	16,755	16,190		(176)		(176)		16,015			0	709	09/01/2041	1FE.....														
31392C	MS 0		FNW 2002-W1 2A 5.820% 02/25/42.....	09/01/2018	Paydown.....	3,188	3,188	3,351	3,163		25		25		3,188			0	120	02/25/2042	1FE.....														
63968M	FP 9		NEBRASKA ST 2.500% 03/01/35.....	09/01/2018	Redemption 100.0000.....	640,000	640,000	649,197	642,062		(2,062)		(2,062)		640,000			0	14,667	03/01/2019	1FE.....														
649883	2W 4		NEW YORK ST MTGE AGY HOMEOWNER 4.000% ..	08/30/2018	Redemption 100.0000.....	155,000	155,000	167,471	167,134		(12,134)		(12,134)		155,000			0	4,891	10/01/2026	1FE.....														
658909	CL 8		NORTH DAKOTA ST HSG FIN AGY 4.500% 01/.....	07/01/2018	Redemption 100.0000.....	255,000	255,000	263,443	257,788		(2,788)		(2,788)		255,000			0	11,475	07/01/2020	1FE.....														
658909	EV 4		NORTH DAKOTA ST HSG FIN AGY 3.500% 07/.....	07/01/2018	Redemption 100.0000.....	1,110,000	1,110,000	1,156,010	1,129,034		(19,034)		(19,034)		1,110,000			0	38,850	07/01/2022	1FE.....														
83712D	SL 1		SOUTH CAROLINA HSG 4.000% 07/01/34.....	07/01/2018	Redemption 100.0000.....	40,000	40,000	42,426	40,604		(604)		(604)		40,000			0	1,600	07/01/2019	1FE.....														
3199999	Total - Bonds - U.S. Special Revenue and Special Assessments.....																			2,614,203	2,614,203	2,726,434	2,679,837	0	(65,635)	0	(65,635)	0	2,614,203	0	0	0	84,820	XXX	XXX
<b>Bonds - Industrial and Miscellaneous</b>																																			
00507V	AE 9		ACTIVISION BLIZZARD INC 6.125% 09/15/2.....	08/16/2018	Call 100.0000.....	3,000,000	3,000,000	3,146,250			(46,421)		(46,421)		3,099,829		(99,829)	(99,829)	268,344	09/15/2023	2FE.....														
02007P	AB 9		ALLYA 2017-1 A2 1.380% 10/15/19.....	09/15/2018	Paydown.....	2,694,997	2,694,997	2,694,745	2,694,926		72		72		2,694,997			0	23,984	10/15/2019	1FE.....														
03065T	AB 8		AMCAR 2016-4 A2A 1.340% 04/08/20.....	08/08/2018	Paydown.....	2,005,939	2,005,939	2,005,821	2,005,908		31		31		2,005,939			0	16,720	04/08/2020	1FE.....														
20267V	AC 1		CBSLT 2017-AGS B 3.470% 05/25/41.....	09/25/2018	Paydown.....	81,017	81,017	81,013	81,014		3		3		81,017			0	2,108	05/25/2041	1FE.....														
22540V	G6 3		CSFB 2002-9 1A1 7.000% 03/25/40.....	09/01/2018	Paydown.....	495	495	502	514		(19)		(19)		495			0	23	03/25/2040	4FM.....														
29372E	BV 9		EFF 2017-1 A2 2.130% 07/20/22.....	09/20/2018	Paydown.....	1,349,362	1,349,362	1,349,325	1,349,341		21		21		1,349,362			0	19,228	07/20/2022	1FE.....														
36161R	AE 9		GFCM 2003-1 A5 5.743% 05/12/35.....	09/01/2018	Paydown.....	794,693	794,693	909,623	827,727		(33,034)		(33,034)		794,693			0	41,515	05/12/2035	1FM.....														
466247	QC 0		JPMMT 2005-A3 4A1 4.331% 02/25/40.....	09/01/2018	Paydown.....	125,196	125,196	121,572	129,665		(4,470)		(4,470)		125,196			0	3,230	02/25/2040	1FM.....														
50076Q	AX 4		KRAFT FOODS INC 6.125% 08/23/18.....	08/23/2018	Maturity.....	15,000,000	15,000,000	15,663,450	15,414,853		(414,853)		(414,853)		15,000,000			0	918,750	08/23/2018	2FE.....														
50117N	AB 0		KCOT 2017-1A A2 1.660% 05/15/20.....	09/15/2018	Paydown.....	1,024,043	1,024,043	1,017,563			6,480		6,480		1,024,043			0	7,089	05/15/2020	1FE.....														
55316A	AB 6		MMAF 2017-B A2 1.930% 10/15/20.....	09/15/2018	Paydown.....	3,295,512	3,295,512	3,295,287	3,295,303		208		208		3,295,512			0	42,918	10/15/2020	1FE.....														
654747	AB 0		NAROT 2017-A A2A 1.470% 01/15/20.....	09/15/2018	Paydown.....	855,678	855,678	855,674	855,676		2		2		855,678			0	8,398	01/15/2020	1FE.....														
65477X	AD 6		NALT 2016-B A3 1.500% 07/15/19.....	09/15/2018	Paydown.....	4,070,249	4,070,249	4,054,826			15,422		15,422		4,070,249			0	25,416	07/15/2019	1FE.....														
743873	AX 9		PFMLT 2005-1 2A1 3.797% 05/25/35.....	09/01/2018	Paydown.....	62,350	62,350	60,547	64,280		(1,931)		(1,931)		62,350			0	1,571	05/25/2035	1FM.....														
78446V	AB 5		SLMA 2012-A A2 3.830% 01/17/45.....	09/15/2018	Paydown.....	504,715	504,715	522,381	515,743		(11,027)		(11,027)		504,715			0	13,017	01/17/2045	1FE.....														
78469P	AB 0		SOFI 2016-A A2 2.760% 12/26/36.....	09/25/2018	Paydown.....	865,475	865,475	854,657			10,818		10,818		865,475			0	3,847	12/26/2036	1FE.....														
79548C	AR 7		SBM7 2000-C3 X IO 0.709% 12/18/33.....	09/01/2018	Paydown.....	10	10	10	10		(2)		(2)		10			0	25	12/18/2033	5FE.....														
92047W	AC 5		VALVOLINE INC 5.500% 07/15/24.....	08/16/2018	Goldman Sachs.....	4,105,000	4,000,000	4,040,000			(1,894)		(1,894)		4,038,106		66,894	66,894	131,389	07/15/2024	3FE.....														
929227	AD 5		WAMU 2003-AR6 A1 4.226% 06/25/33.....	09/01/2018	Paydown.....	2,460	2,460	2,497	2,659		(199)		(199)		2,460			0	55	06/25/2033	1FM.....														
98161Y	AB 0		WOLS 2018-A A2 2.590% 08/17/20.....	09/15/2018	Paydown.....	389,026	389,026	389,001			25		25		389,026			0	5,026	08/17/2020	1FE.....														
3899999	Total - Bonds - Industrial and Miscellaneous.....																			40,226,207	40,121,207	41,064,744	27,237,609	2	(480,768)	0	(480,766)	0	40,259,142	0	(32,935)	(32,935)	1,532,653	XXX	XXX
8399997	Total - Bonds - Part 4.....																			47,836,308	47,735,410	48,766,569	29,917,446	2	(546,085)	0	(546,083)	0	47,849,054	0	(12,745)	(12,745)	1,629,056	XXX	XXX
8399999	Total - Bonds.....																			47,836,308	47,735,410	48,766,569	29,917,446	2	(546,085)	0	(546,083)	0	47,849,054	0	(12,745)	(12,745)	1,629,056	XXX	XXX
<b>Preferred Stocks - Industrial and Miscellaneous</b>																																			
89352H	AC 3		TRANS-CANADA PIPELINES 4.524% 05/15/67.....	A 07/19/2018	Bank of America Corp.....	1,000,000.000		940,000	446,990	446,990			0		446,990		493,010	493,010	28,001	XXX	RP2VFE.....														
8499999	Total - Preferred Stocks - Industrial and Miscellaneous.....																			940,000	XXX	446,990	446,990	0	0	0	0	0	446,990	0	493,010	493,010	28,001	XXX	XXX

QE05

**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	For ei 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- Tempor- ary Impairmen t Recognize d	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)
8999997.	Total - Preferred Stocks - Part 4.....					940,000	XXX	446,990	446,990	0	0	0	0	0	446,990	0	493,010	493,010	28,001	XXX	XXX
8999999.	Total - Preferred Stocks.....					940,000	XXX	446,990	446,990	0	0	0	0	0	446,990	0	493,010	493,010	28,001	XXX	XXX
<b>Common Stocks - Industrial and Miscellaneous</b>																					
016255	10 1 ALIGN TECHNOLOGY INC.....		09/10/2018	State Street Bank.....	3,200,000	1,196,492	XXX	1,105,610					0		1,105,610		90,882	90,882		XXX	L.....
222070	20 3 COTY INC A.....		09/10/2018	State Street Bank.....	761,000	9,252	XXX	15,315	15,136	178			178		15,315		(6,063)	(6,063)	285	XXX	L.....
30231G	10 2 EXXON MOBILE CORP.....		09/10/2018	State Street Bank.....	92,000	7,526	XXX	5,784	7,695	(1,911)			(1,911)		5,784		1,742	1,742	222	XXX	L.....
369604	10 3 GENERAL ELECTRIC CO.....		09/10/2018	State Street Bank.....	52,000,000	649,383	XXX	741,338					0		741,338		(91,955)	(91,955)	6,240	XXX	L.....
400110	10 2 GRUBHUB INC.....		09/10/2018	State Street Bank.....	4,100,000	578,762	XXX	417,655					0		417,655		161,108	161,108		XXX	L.....
406216	10 1 HALLIBURTON CO.....		09/10/2018	State Street Bank.....	7,100,000	260,961	XXX	236,053	346,977	(110,924)			(110,924)		236,053		24,908	24,908	3,834	XXX	L.....
478160	10 4 JOHNSON & JOHNSON.....		09/10/2018	State Street Bank.....	4,400,000	604,305	XXX	402,735	614,768	(212,033)			(212,033)		402,735		201,571	201,571	11,616	XXX	L.....
48203R	10 4 JUNIPER NETWORKS INC.....		09/10/2018	State Street Bank.....	16,400,000	452,175	XXX	317,379	467,400	(150,021)			(150,021)		317,379		134,796	134,796	8,856	XXX	L.....
594918	10 4 MICROSOFT CORP.....		09/10/2018	State Street Bank.....	15,500,000	1,694,630	XXX	435,085	1,325,870	(890,785)			(890,785)		435,085		1,259,545	1,259,545	19,530	XXX	L.....
78667J	10 8 SAGE THERAPEUTICS INC.....		09/10/2018	State Street Bank.....	2,800,000	434,536	XXX	414,525					0		414,525		20,011	20,011		XXX	L.....
830566	10 5 SKECHERS USA INC A.....		09/10/2018	State Street Bank.....	15,800,000	453,301	XXX	388,364	597,872	(209,508)			(209,508)		388,364		64,937	64,937		XXX	L.....
962166	10 4 WEYERHAEUSER CO.....		09/10/2018	State Street Bank.....	2,720,000	92,870	XXX	49,599	95,907	(46,308)			(46,308)		49,599		43,271	43,271	1,741	XXX	L.....
9099999.	Total - Common Stocks - Industrial and Miscellaneous.....					6,434,193	XXX	4,529,442	3,471,625	(1,621,312)			(1,621,312)		4,529,442		1,904,753	1,904,753	52,324	XXX	XXX
9799997.	Total - Common Stocks - Part 4.....					6,434,193	XXX	4,529,442	3,471,625	(1,621,312)			(1,621,312)		4,529,442		1,904,753	1,904,753	52,324	XXX	XXX
9799999.	Total - Common Stocks.....					6,434,193	XXX	4,529,442	3,471,625	(1,621,312)			(1,621,312)		4,529,442		1,904,753	1,904,753	52,324	XXX	XXX
9899999.	Total - Preferred and Common Stocks.....					7,374,193	XXX	4,976,432	3,918,615	(1,621,312)			(1,621,312)		4,976,432		2,397,763	2,397,763	80,325	XXX	XXX
9999999.	Total - Bonds, Preferred and Common Stocks.....					55,210,501	XXX	53,743,001	33,836,061	(1,621,310)			(2,167,395)		52,825,486		2,385,018	2,385,018	1,709,381	XXX	XXX

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(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>								
CITIBANK..... NEW YORK, NY.....								XXX
STATE STREET BANK..... KANSAS CITY, MO.....								XXX
0199999. Total Open Depositories.....	XXX	XXX	.....0	.....0	.....0	.....0	.....0	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	.....0	.....0	.....0	.....0	.....0	XXX
0599999. Total Cash.....	XXX	XXX	.....0	.....0	.....0	.....0	.....0	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>U.S. Government Bonds - Issuer Obligations</b>								
	TREASURY BILL.....		07/05/2018.....	1.915	10/04/2018.....	9,998,396		46,804
01999999	U.S. Government Bonds - Issuer Obligations.....					9,998,396	0	46,804
05999999	Total - U.S. Government Bonds.....					9,998,396	0	46,804
<b>Total Bonds</b>								
77999999	Subtotals - Issuer Obligations.....					9,998,396	0	46,804
83999999	Subtotals - Bonds.....					9,998,396	0	46,804
<b>Exempt Money Market Mutual Funds as Identified by the SVO</b>								
85799J 9Y 2	STATE STREET TREASURY MMF.....		09/28/2018.....	1.876		375,459		8,493
85999999	Total - Exempt Money Market Mutual Funds as Identified by the SVO.....					375,459	0	8,493
88999999	Total - Cash Equivalents.....					10,373,855	0	55,297

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