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PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2018

OF THE CONDITION AND AFFAIRS OF THE

THE CINCINNATI INSURANCE COMPANY

NAIC Group Code 0244 (Current) 0244 (Prior) NAIC Company Code 10677 Employer's ID Number 31-0542366

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

Country of Domicile United States of America

Incorporated/Organized 08/02/1950 Commenced Business 01/23/1951

Statutory Home Office 6200 SOUTH GILMORE ROAD (Street and Number), FAIRFIELD, OH, US 45014-5141 (City or Town, State, Country and Zip Code)

Main Administrative Office 6200 SOUTH GILMORE ROAD (Street and Number)

FAIRFIELD, OH, US 45014-5141 (City or Town, State, Country and Zip Code), 513-870-2000 (Area Code) (Telephone Number)

Mail Address P.O. BOX 145496 (Street and Number or P.O. Box), CINCINNATI, OH, US 45250-5496 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 6200 SOUTH GILMORE ROAD (Street and Number)

FAIRFIELD, OH, US 45014-5141 (City or Town, State, Country and Zip Code), 513-870-2000 (Area Code) (Telephone Number)

Internet Website Address WWW.CINFIN.COM

Statutory Statement Contact ANDREW SCHNELL (Name), 513-870-2000 (Area Code) (Telephone Number)

andrew_schnell@cinfin.com (E-mail Address), 513-603-5500 (FAX Number)

OFFICERS

CHIEF EXECUTIVE OFFICER, PRESIDENT	STEVEN JUSTUS JOHNSTON	SENIOR VICE PRESIDENT, TREASURER	THERESA ANN HOFFER
CHIEF FINANCIAL OFFICER, SENIOR VICE PRESIDENT	MICHAEL JAMES SEWELL		

OTHER

TERESA CURRIN CRACAS, SENIOR VICE PRESIDENT	DONALD JOSEPH DOYLE JR, SENIOR VICE PRESIDENT	SEAN MICHAEL GIVLER, SENIOR VICE PRESIDENT
MARTIN FRANCIS HOLLENBECK, SENIOR VICE PRESIDENT	JOHN SCOTT KELLINGTON, SENIOR VICE PRESIDENT	LISA ANNE LOVE, SENIOR VICE PRESIDENT, CORPORATE SECRETARY
MARTIN JOSEPH MULLEN, SENIOR VICE PRESIDENT	JACOB FERDINAND SCHERER, EXECUTIVE VICE PRESIDENT	STEPHEN MICHAEL SPRAY, SENIOR VICE PRESIDENT
WILLIAM HAROLD VAN DEN HEUVEL, SENIOR VICE PRESIDENT		

DIRECTORS OR TRUSTEES

WILLIAM FORREST BAHL	GREGORY THOMAS BIER	TERESA CURRIN CRACAS
DONALD JOSEPH DOYLE JR	SEAN MICHAEL GIVLER	MARTIN FRANCIS HOLLENBECK
STEVEN JUSTUS JOHNSTON	JOHN SCOTT KELLINGTON	LISA ANNE LOVE
WILLIAM RODNEY MCMULLEN	MARTIN JOSEPH MULLEN	DAVID PAUL OSBORN
JACOB FERDINAND SCHERER	THOMAS REID SCHIFF	MICHAEL JAMES SEWELL
STEPHEN MICHAEL SPRAY	KENNETH WILLIAM STECHER	JOHN FREDERICK STEELE JR
WILLIAM HAROLD VAN DEN HEUVEL	LARRY RUSSEL WEBB	

State of OHIO
County of BUTLER
SS:

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.

STEVEN J. JOHNSTON CHIEF EXECUTIVE OFFICER, PRESIDENT	MICHAEL J. SEWELL CHIEF FINANCIAL OFFICER, SENIOR VICE PRESIDENT	THERESA A. HOFFER SENIOR VICE PRESIDENT, TREASURER

Subscribed and sworn to before me this 15TH day of FEBRUARY 2019

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 Year 1 Assets	Current Year 2 Nonadmitted Assets	Current Year 3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1.	Bonds (Schedule D)	6,161,963,097		6,161,963,097	5,974,885,992
2.	Stocks (Schedule D):				
	2.1 Preferred stocks	167,109,736		167,109,736	174,555,523
	2.2 Common stocks	4,385,596,023		4,385,596,023	4,602,653,069
3.	Mortgage loans on real estate (Schedule B):				
	3.1 First liens				
	3.2 Other than first liens				
4.	Real estate (Schedule A):				
	4.1 Properties occupied by the company (less $ encumbrances)	8,511,812		8,511,812	8,746,277
	4.2 Properties held for the production of income (less $ encumbrances)				
	4.3 Properties held for sale (less $ encumbrances)				
5.	Cash ($ 422,230,260 , Schedule E - Part 1), cash equivalents ($, Schedule E - Part 2) and short-term investments ($, Schedule DA)	422,230,260		422,230,260	339,349,633
6.	Contract loans (including $ premium notes)				
7.	Derivatives (Schedule DB)				
8.	Other invested assets (Schedule BA)	164,607,863		164,607,863	107,728,709
9.	Receivable for securities				10,734,562
10.	Securities lending reinvested collateral assets (Schedule DL)				
11.	Aggregate write-ins for invested assets				
12.	Subtotals, cash and invested assets (Lines 1 to 11)	11,310,018,791		11,310,018,791	11,218,653,765
13.	Title plants less $ charged off (for Title insurers only)				
14.	Investment income due and accrued	76,647,656		76,647,656	76,842,842
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	341,846,646	14,201,948	327,644,698	332,235,844
	15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including $ 33,141,529 earned but unbilled premiums)	1,282,755,155	3,314,153	1,279,441,002	1,245,594,932
	15.3 Accrued retrospective premiums ($) and contracts subject to redetermination ($)				
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	12,409,062	6,524	12,402,538	11,174,394
	16.2 Funds held by or deposited with reinsured companies	14,010,967		14,010,967	10,571,549
	16.3 Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans				
18.1	Current federal and foreign income tax recoverable and interest thereon	104,196,244		104,196,244	
18.2	Net deferred tax asset				
19.	Guaranty funds receivable or on deposit				
20.	Electronic data processing equipment and software	17,258,019	17,184,843	73,176	168,620
21.	Furniture and equipment, including health care delivery assets ($)	6,245,101	6,245,101		
22.	Net adjustment in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates	9,776,471		9,776,471	7,228,113
24.	Health care ($) and other amounts receivable				
25.	Aggregate write-ins for other than invested assets	29,566,306	15,959,024	13,607,282	12,409,346
26.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	13,204,730,418	56,911,592	13,147,818,826	12,914,879,406
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	Total (Lines 26 and 27)	13,204,730,418	56,911,592	13,147,818,826	12,914,879,406
	DETAILS OF WRITE-INS				
1101.					
1102.					
1103.					
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)				
2501.	Equities and Deposits in Pools and Associations	13,574,658		13,574,658	9,863,641
2502.	Miscellaneous Receivables	15,991,648	15,959,024	32,624	2,545,705
2503.					
2598.	Summary of remaining write-ins for Line 25 from overflow page				
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	29,566,306	15,959,024	13,607,282	12,409,346

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Losses (Part 2A, Line 35, Column 8)	4,041,308,372	3,756,045,932
2.	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	49,140,410	51,231,287
3.	Loss adjustment expenses (Part 2A, Line 35, Column 9)	1,082,498,969	1,020,946,599
4.	Commissions payable, contingent commissions and other similar charges	181,939,466	138,914,879
5.	Other expenses (excluding taxes, licenses and fees)	39,916,221	59,607,761
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	18,698,146	23,984,576
7.1	Current federal and foreign income taxes (including $ .... on realized capital gains (losses))		8,048,183
7.2	Net deferred tax liability	181,265,116	193,150,180
8.	Borrowed money $ .... and interest thereon $		
9.	Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of $ 22,557,944 and including warranty reserves of $ .... and accrued accident and health experience rating refunds including $ .... for medical loss ratio rebate per the Public Health Service Act)	2,373,905,827	2,279,405,281
10.	Advance premium	15,335,044	18,645,396
11.	Dividends declared and unpaid:		
	11.1 Stockholders	100,000,000	100,000,000
	11.2 Policyholders	13,399,692	13,290,000
12.	Ceded reinsurance premiums payable (net of ceding commissions)	13,385,986	15,077,157
13.	Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)		
14.	Amounts withheld or retained by company for account of others	81,849,738	71,507,409
15.	Remittances and items not allocated	69,859	341,410
16.	Provision for reinsurance (including $ .... certified) (Schedule F, Part 3, Column 78)	22,186	332,875
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding		
19.	Payable to parent, subsidiaries and affiliates	17,186,353	16,243,069
20.	Derivatives		
21.	Payable for securities		1,973,481
22.	Payable for securities lending		
23.	Liability for amounts held under uninsured plans		
24.	Capital notes $ .... and interest thereon $		
25.	Aggregate write-ins for liabilities	18,793,071	52,568,100
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	8,228,714,453	7,821,313,577
27.	Protected cell liabilities		
28.	Total liabilities (Lines 26 and 27)	8,228,714,453	7,821,313,577
29.	Aggregate write-ins for special surplus funds		
30.	Common capital stock	3,586,355	3,586,355
31.	Preferred capital stock		
32.	Aggregate write-ins for other than special surplus funds		
33.	Surplus notes		
34.	Gross paid in and contributed surplus	363,410,416	363,410,416
35.	Unassigned funds (surplus)	4,552,107,602	4,726,569,058
36.	Less treasury stock, at cost:		
	36.1 .... shares common (value included in Line 30 $ ....)		
	36.2 .... shares preferred (value included in Line 31 $ ....)		
37.	Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	4,919,104,373	5,093,565,829
38.	TOTALS (Page 2, Line 28, Col. 3)	13,147,818,826	12,914,879,406
	DETAILS OF WRITE-INS		
2501.	Accounts Payable -- Other	18,793,071	52,568,100
2502.			
2503.			
2598.	Summary of remaining write-ins for Line 25 from overflow page		
2599.	Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	18,793,071	52,568,100
2901.			
2902.			
2903.			
2998.	Summary of remaining write-ins for Line 29 from overflow page		
2999.	Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)		
3201.			
3202.			
3203.			
3298.	Summary of remaining write-ins for Line 32 from overflow page		
3299.	Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above)		

STATEMENT OF INCOME

		1 Current Year	2 Prior Year
	UNDERWRITING INCOME		
1.	Premiums earned (Part 1, Line 35, Column 4)	4,690,086,613	4,517,156,454
	DEDUCTIONS:		
2.	Losses incurred (Part 2, Line 35, Column 7)	2,595,694,491	2,539,955,625
3.	Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	523,654,446	511,283,002
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2)	1,454,580,653	1,412,331,364
5.	Aggregate write-ins for underwriting deductions		
6.	Total underwriting deductions (Lines 2 through 5)	4,573,929,590	4,463,569,990
7.	Net income of protected cells		
8.	Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	116,157,023	53,586,463
	INVESTMENT INCOME		
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	376,224,882	366,179,790
10.	Net realized capital gains or (losses) less capital gains tax of $ 24,624,026 (Exhibit of Capital Gains (Losses))	90,155,122	71,441,293
11.	Net investment gain (loss) (Lines 9 + 10)	466,380,004	437,621,082
	OTHER INCOME		
12.	Net gain (loss) from agents' or premium balances charged off (amount recovered $ 2,606,215 amount charged off $ 5,907,832)	(3,301,617)	(2,590,483)
13.	Finance and service charges not included in premiums	9,546,812	9,700,550
14.	Aggregate write-ins for miscellaneous income	2,324,414	1,804,981
15.	Total other income (Lines 12 through 14)	8,569,609	8,915,048
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	591,106,635	500,122,593
17.	Dividends to policyholders	12,280,856	13,674,990
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)	578,825,779	486,447,603
19.	Federal and foreign income taxes incurred	(47,242,047)	85,220,627
20.	Net income (Line 18 minus Line 19)(to Line 22)	626,067,826	401,226,975
	CAPITAL AND SURPLUS ACCOUNT		
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	5,093,565,829	4,685,961,515
22.	Net income (from Line 20)	626,067,826	401,226,975
23.	Net transfers (to) from Protected Cell accounts		
24.	Change in net unrealized capital gains or (losses) less capital gains tax of $ (78,593,776)	(249,501,516)	628,551,445
25.	Change in net unrealized foreign exchange capital gain (loss)		
26.	Change in net deferred income tax	(66,708,711)	(140,470,133)
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	15,370,255	(16,373,326)
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	310,689	(330,645)
29.	Change in surplus notes		
30.	Surplus (contributed to) withdrawn from protected cells		
31.	Cumulative effect of changes in accounting principles		
32.	Capital changes:		
	32.1 Paid in		
	32.2 Transferred from surplus (Stock Dividend)		
	32.3 Transferred to surplus		
33.	Surplus adjustments:		
	33.1 Paid in		
	33.2 Transferred to capital (Stock Dividend)		
	33.3 Transferred from capital		
34.	Net remittances from or (to) Home Office		
35.	Dividends to stockholders	(500,000,000)	(465,000,000)
36.	Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)		
37.	Aggregate write-ins for gains and losses in surplus		
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37)	(174,461,457)	407,604,315
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	4,919,104,373	5,093,565,829
	DETAILS OF WRITE-INS		
0501.			
0502.			
0503.			
0598.	Summary of remaining write-ins for Line 5 from overflow page		
0599.	Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above)		
1401.	Collection Fees	1,268,843	1,254,431
1402.	Miscellaneous Interest	1,055,571	550,550
1403.			
1498.	Summary of remaining write-ins for Line 14 from overflow page		
1499.	Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	2,324,414	1,804,981
3701.			
3702.			
3703.			
3798.	Summary of remaining write-ins for Line 37 from overflow page		
3799.	Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above)		

CASH FLOW

		1 Current Year	2 Prior Year
	Cash from Operations		
1.	Premiums collected net of reinsurance	4,747,005,969	4,570,894,219
2.	Net investment income	401,014,631	384,647,017
3.	Miscellaneous income	5,428,840	(1,269,866)
4.	Total (Lines 1 through 3)	5,153,449,440	4,954,271,370
5.	Benefit and loss related payments	2,778,117,647	2,769,032,097
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	1,463,526,649	1,392,118,654
8.	Dividends paid to policyholders	12,171,164	13,684,990
9.	Federal and foreign income taxes paid (recovered) net of $ 24,501,738 tax on capital gains (losses)	89,626,406	25,499,961
10.	Total (Lines 5 through 9)	4,343,441,867	4,200,335,702
11.	Net cash from operations (Line 4 minus Line 10)	810,007,573	753,935,669
	Cash from Investments		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	676,560,508	593,476,548
	12.2 Stocks	241,391,972	286,742,346
	12.3 Mortgage loans		
	12.4 Real estate		
	12.5 Other invested assets		
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
	12.7 Miscellaneous proceeds	10,734,562	
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	928,687,043	880,218,894
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	891,747,089	959,244,625
	13.2 Stocks	218,692,974	201,471,839
	13.3 Mortgage loans		
	13.4 Real estate		
	13.5 Other invested assets	55,819,450	29,691,919
	13.6 Miscellaneous applications	1,973,481	10,012,913
	13.7 Total investments acquired (Lines 13.1 to 13.6)	1,168,232,994	1,200,421,296
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(239,545,951)	(320,202,401)
	Cash from Financing and Miscellaneous Sources		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes		
	16.2 Capital and paid in surplus, less treasury stock		
	16.3 Borrowed funds		
	16.4 Net deposits on deposit-type contracts and other insurance liabilities		
	16.5 Dividends to stockholders	500,000,000	465,000,000
	16.6 Other cash provided (applied)	12,419,005	(42,259,312)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(487,580,995)	(507,259,312)
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	82,880,627	(73,526,044)
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	339,349,633	412,875,678
	19.2 End of period (Line 18 plus Line 19.1)	422,230,260	339,349,633

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

	Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	101,567,926	53,038,444	53,342,491	101,263,879
2.	Allied lines	97,197,360	50,284,326	51,969,692	95,511,993
3.	Farmowners multiple peril				
4.	Homeowners multiple peril	566,240,026	287,020,888	303,661,495	549,599,419
5.	Commercial multiple peril	1,177,496,664	557,520,120	566,223,163	1,168,793,621
6.	Mortgage guaranty				
8.	Ocean marine	922,042		497,903	424,139
9.	Inland marine	150,839,118	60,415,970	69,161,796	142,093,292
10.	Financial guaranty				
11.1	Medical professional liability - occurrence	31,112,799	15,505,615	15,358,653	31,259,762
11.2	Medical professional liability - claims-made	6,601,852	4,009,355	3,604,616	7,006,591
12.	Earthquake	31,582,586	11,319,382	17,357,253	25,544,715
13.	Group accident and health				
14.	Credit accident and health (group and individual)				
15.	Other accident and health				
16.	Workers' compensation	315,666,183	127,499,705	116,647,219	326,518,669
17.1	Other liability - occurrence	606,099,430	284,490,124	296,991,676	593,597,877
17.2	Other liability - claims-made	148,990,513	69,684,439	82,903,486	135,771,466
17.3	Excess workers' compensation	1,341,181	523,826	480,857	1,384,150
18.1	Products liability - occurrence	78,292,802	35,443,683	34,929,004	78,807,482
18.2	Products liability - claims-made				
19.1, 19.2	Private passenger auto liability	339,500,322	180,548,376	184,688,942	335,359,756
19.3, 19.4	Commercial auto liability	481,828,997	222,054,907	233,533,878	470,350,026
21.	Auto physical damage	498,871,136	234,665,273	243,023,688	490,512,721
22.	Aircraft (all perils)	83,336		57,728	25,608
23.	Fidelity	3,539,109	3,135,440	2,762,406	3,912,143
24.	Surety	53,654,355	23,544,908	26,160,345	51,038,917
26.	Burglary and theft	7,300,558	3,122,746	3,817,581	6,605,722
27.	Boiler and machinery	19,161,451	9,359,353	9,468,780	19,052,024
28.	Credit	14,194,821	3,647,548	4,849,937	12,992,432
29.	International				
30.	Warranty				
31.	Reinsurance - nonproportional assumed property	32,090,528	6,010,761	5,095,324	33,005,965
32.	Reinsurance - nonproportional assumed liability	20,206,922	3,623,707	14,176,387	9,654,243
33.	Reinsurance - nonproportional assumed financial lines				
34.	Aggregate write-ins for other lines of business				
35.	TOTALS	4,784,382,015	2,246,468,896	2,340,764,298	4,690,086,613
	DETAILS OF WRITE-INS				
3401.					
3402.					
3403.					
3498.	Summary of remaining write-ins for Line 34 from overflow page				
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)				

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

	Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire	53,316,809	25,682			53,342,491
2.	Allied lines	51,944,123	25,569			51,969,692
3.	Farmowners multiple peril					
4.	Homeowners multiple peril	303,661,495				303,661,495
5.	Commercial multiple peril	574,589,707	1,477,319	(9,843,863)		566,223,163
6.	Mortgage guaranty					
8.	Ocean marine	497,903				497,903
9.	Inland marine	67,354,130	1,807,666			69,161,796
10.	Financial guaranty					
11.1	Medical professional liability - occurrence	15,327,326	31,327			15,358,653
11.2	Medical professional liability - claims-made	3,604,548	68			3,604,616
12.	Earthquake	17,357,253				17,357,253
13.	Group accident and health					
14.	Credit accident and health (group and individual)					
15.	Other accident and health					
16.	Workers' compensation	135,136,970	49,100	(18,538,851)		116,647,219
17.1	Other liability - occurrence	295,997,009	5,280,789	(4,286,122)		296,991,676
17.2	Other liability - claims-made	82,903,431	54			82,903,486
17.3	Excess workers' compensation	480,857				480,857
18.1	Products liability - occurrence	35,199,141	202,555	(472,693)		34,929,004
18.2	Products liability - claims-made					
19.1, 19.2	Private passenger auto liability	184,688,942				184,688,942
19.3, 19.4	Commercial auto liability	233,533,695	183			233,533,878
21.	Auto physical damage	243,023,688				243,023,688
22.	Aircraft (all perils)	57,728				57,728
23.	Fidelity	1,217,557	1,544,849			2,762,406
24.	Surety	16,173,895	9,986,450			26,160,345
26.	Burglary and theft	3,734,227	83,354			3,817,581
27.	Boiler and machinery	9,317,398	151,382			9,468,780
28.	Credit	4,849,937				4,849,937
29.	International					
30.	Warranty					
31.	Reinsurance - nonproportional assumed property	5,095,324				5,095,324
32.	Reinsurance - nonproportional assumed liability	14,176,387				14,176,387
33.	Reinsurance - nonproportional assumed financial lines					
34.	Aggregate write-ins for other lines of business					
35.	TOTALS	2,353,239,481	20,666,347	(33,141,529)		2,340,764,298
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					33,141,529
38.	Balance (Sum of Line 35 through 37)					2,373,905,827
	DETAILS OF WRITE-INS					
3401.						
3402.						
3403.						
3498.	Summary of remaining write-ins for Line 34 from overflow page					
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)					

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

		1	Reinsurance Assumed		Reinsurance Ceded		6
			2	3	4	5	Net Premiums Written
	Line of Business	Direct Business (a)	From Affiliates	From Non-Affiliates	To Affiliates	To Non-Affiliates	Cols. 1+2+3-4-5
1.	Fire	86,166,184	19,967,276	378,952		4,944,487	101,567,926
2.	Allied lines	79,897,150	23,091,154	118,159		5,909,104	97,197,360
3.	Farmowners multiple peril						
4.	Homeowners multiple peril	580,596,818	251,139	8,919,833		23,527,764	566,240,026
5.	Commercial multiple peril	993,388,549	222,911,873	18,506,270		57,310,029	1,177,496,664
6.	Mortgage guaranty						
8.	Ocean marine			922,042			922,042
9.	Inland marine	145,898,589	9,043,090	806,230		4,908,791	150,839,118
10.	Financial guaranty						
11.1	Medical professional liability - occurrence	26,445,872	4,666,927				31,112,799
11.2	Medical professional liability - claims-made	983,543	479,659	5,138,650			6,601,852
12.	Earthquake	32,440,974	524,494			1,382,882	31,582,586
13.	Group accident and health						
14.	Credit accident and health (group and individual)						
15.	Other accident and health						
16.	Workers' compensation	86,767,710	232,060,961	11,169,081		14,331,570	315,666,183
17.1	Other liability - occurrence	500,207,574	106,387,262	16,002,478		16,497,884	606,099,430
17.2	Other liability - claims-made	124,866,419	3,265,095	26,659,431		5,800,432	148,990,513
17.3	Excess workers' compensation	1,341,181					1,341,181
18.1	Products liability - occurrence	62,609,772	15,683,803	(772)			78,292,802
18.2	Products liability - claims-made						
19.1, 19.2	Private passenger auto liability	348,171,212	116,204	(263,508)		8,523,587	339,500,322
19.3, 19.4	Commercial auto liability	381,348,155	99,293,096	4,816,113		3,628,367	481,828,997
21.	Auto physical damage	446,780,544	41,910,887	12,475,841		2,296,136	498,871,136
22.	Aircraft (all perils)			83,336			83,336
23.	Fidelity	3,543,812				4,703	3,539,109
24.	Surety	56,801,995	1,029,681	3,960		4,181,281	53,654,355
26.	Burglary and theft	10,437,215	1,298,285			4,434,943	7,300,558
27.	Boiler and machinery	16,936,340	2,247,985			22,874	19,161,451
28.	Credit			14,194,821			14,194,821
29.	International						
30.	Warranty						
31.	Reinsurance - nonproportional assumed property	XXX		33,443,585		1,353,057	32,090,528
32.	Reinsurance - nonproportional assumed liability	XXX		20,206,922			20,206,922
33.	Reinsurance - nonproportional assumed financial lines	XXX					
34.	Aggregate write-ins for other lines of business						
35.	TOTALS	3,985,629,607	784,228,872	173,581,426		159,057,889	4,784,382,015
	DETAILS OF WRITE-INS						
3401.							
3402.							
3403.							
3498.	Summary of remaining write-ins for Line 34 from overflow page						
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)						

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

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

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

		Losses Paid Less Salvage				5	6	7	8
		1	2	3	4				Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Recovered	Net Payments (Cols. 1 + 2 -3)	Net Losses Unpaid Current Year (Part 2A , Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	
1.	Fire	30,259,125	9,149,868	645	39,408,348	27,936,536	18,981,872	48,363,012	47.8
2.	Allied lines	57,818,889	15,524,671	(547,816)	73,891,376	32,420,057	25,633,573	80,677,861	84.5
3.	Farmowners multiple peril								
4.	Homeowners multiple peril	358,668,852	4,416,054	10,390,313	352,694,593	143,165,419	111,979,038	383,880,974	69.8
5.	Commercial multiple peril	471,296,635	110,872,640	2,350,739	579,818,536	839,708,274	740,213,728	679,313,081	58.1
6.	Mortgage guaranty								
8.	Ocean marine		12,386		12,386	264,577		276,963	65.3
9.	Inland marine	44,563,760	2,101,402	226	46,664,936	14,832,693	18,192,744	43,304,884	30.5
10.	Financial guaranty								
11.1	Medical professional liability - occurrence	20,137,398	382,776		20,520,174	68,294,899	54,026,340	34,788,733	111.3
11.2	Medical professional liability - claims-made	63,000	790,732		853,732	21,563,385	10,867,030	11,550,088	164.8
12.	Earthquake	248,079		7	248,072	67,616	29	315,659	1.2
13.	Group accident and health								
14.	Credit accident and health (group and individual)								
15.	Other accident and health								
16.	Workers' compensation	42,284,049	129,712,535	18,578,775	153,417,810	876,135,046	872,768,567	156,784,289	48.0
17.1	Other liability - occurrence	137,592,989	34,706,246	1,467,041	170,832,194	911,828,210	848,776,679	233,883,725	39.4
17.2	Other liability - claims-made	40,624,527	752,074	219,016	41,157,584	92,121,322	90,362,703	42,916,204	31.6
17.3	Excess workers' compensation	333,940		71,180	262,760	4,802,700	4,860,302	205,158	14.8
18.1	Products liability - occurrence	16,868,298	4,043,493	45,603	20,866,189	135,484,832	146,773,073	9,577,948	12.2
18.2	Products liability - claims-made								
19.1, 19.2	Private passenger auto liability	214,456,237	9,721,829	1,596,889	222,581,178	267,844,277	249,388,746	241,036,708	71.9
19.3, 19.4	Commercial auto liability	224,234,821	62,913,907	406,281	286,742,447	531,558,723	500,768,753	317,532,416	67.5
21.	Auto physical damage	259,351,870	22,952,336	10,547	282,293,659	24,250,464	22,927,704	283,616,419	57.8
22.	Aircraft (all perils)	1,033,221	213,750	1,033,505	213,466	406,079	507,335	112,210	438.2
23.	Fidelity	522,739			522,739	3,341,606	4,242,451	(378,106)	(9.7)
24.	Surety	834,431		(9,374)	843,805	13,984,593	15,938,363	(1,109,965)	(2.2)
26.	Burglary and theft	2,143,714	314,182	426,907	2,030,990	1,560,490	727,069	2,864,411	43.4
27.	Boiler and machinery	4,768,930	107,313		4,876,242	3,993,778	2,781,659	6,088,361	32.0
28.	Credit					9,379,086	3,738,887	5,640,200	43.4
29.	International								
30.	Warranty								
31.	Reinsurance - nonproportional assumed property	XXX	9,583,070		9,583,070	10,351,481	9,965,782	9,968,769	30.2
32.	Reinsurance - nonproportional assumed liability	XXX	95,765		95,765	6,012,230	1,623,504	4,484,490	46.5
33.	Reinsurance - nonproportional assumed financial lines	XXX							
34.	Aggregate write-ins for other lines of business								
35.	TOTALS	1,928,105,504	418,367,031	36,040,483	2,310,432,051	4,041,308,372	3,756,045,932	2,595,694,491	55.3
	DETAILS OF WRITE-INS								
3401.									
3402.									
3403.									
3498.	Summary of remaining write-ins for Line 34 from overflow page								
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)								

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7		
	Line of Business	Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire	12,147,851	10,726,364	41,636	22,832,579	5,072,480	31,477		27,936,536	3,651,290
2.	Allied lines	21,296,195	7,460,355	3,095	28,753,454	3,666,434	3,342	3,173	32,420,057	3,886,492
3.	Farmowners multiple peril									
4.	Homeowners multiple peril	152,261,987	3,039,749	29,467,892	125,833,844	8,581,455	14,511,960	5,761,839	143,165,419	39,367,923
5.	Commercial multiple peril	566,928,090	121,606,247	1,303,432	687,230,905	104,319,040	59,583,884	11,425,555	839,708,274	401,305,947
6.	Mortgage guaranty									
8.	Ocean marine		3,899		3,899		260,677		264,577	
9.	Inland marine	10,731,640	762,825	190,757	11,303,708	3,329,911	227,935	28,861	14,832,693	3,240,013
10.	Financial guaranty									
11.1	Medical professional liability - occurrence	51,000,086	5,642,813		56,642,899	10,151,000	1,501,000		68,294,899	30,026,000
11.2	Medical professional liability - claims-made	4,881,193	4,718,950		9,600,143		11,963,242		21,563,385	114,000
12.	Earthquake	67,607			67,606	10			67,616	
13.	Group accident and health								(a)	
14.	Credit accident and health (group and individual)									
15.	Other accident and health								(a)	
16.	Workers' compensation	118,625,567	274,825,925	48,451,097	345,000,395	169,579,996	394,765,729	33,211,074	876,135,046	90,583,809
17.1	Other liability - occurrence	371,219,497	52,498,511	31,209,949	392,508,059	433,611,000	96,254,151	10,545,000	911,828,210	139,425,961
17.2	Other liability - claims-made	75,239,468	1,390,026	171,489	76,458,004		15,663,318		92,121,322	67,701,864
17.3	Excess workers' compensation	5,558,365		755,665	4,802,700				4,802,700	
18.1	Products liability - occurrence	56,249,748	14,744,255	675,493	70,318,511	54,092,204	12,178,309	1,104,192	135,484,832	85,999,752
18.2	Products liability - claims-made									
19.1, 19.2	Private passenger auto liability	234,343,277	3,425,941	27,304,769	210,464,450	52,866,707	11,121,455	6,608,335	267,844,277	59,200,936
19.3, 19.4	Commercial auto liability	311,301,071	83,394,559	4,454,046	390,241,583	112,427,211	29,769,929	880,000	531,558,723	118,506,726
21.	Auto physical damage	11,258,380	2,807,665	278,478	13,787,567	6,283,548	4,221,083	41,733	24,250,464	36,306,806
22.	Aircraft (all perils)	1,535,158	236,652	1,557,574	214,236	952,125	232,751	993,034	406,079	150,919
23.	Fidelity	386,606			386,606	2,955,000			3,341,606	340,000
24.	Surety	12,345,598	2,691	35,552	12,312,737	1,670,000	1,856		13,984,593	2,116,000
26.	Burglary and theft	1,544,895	120,456	104,862	1,560,490				1,560,490	193,000
27.	Boiler and machinery	2,683,499	8,000		2,691,499	1,302,279			3,993,778	188,000
28.	Credit						9,379,086		9,379,086	
29.	International									
30.	Warranty									
31.	Reinsurance - nonproportional assumed property	XXX	1,501,372		1,501,372	XXX	17,129,164	8,279,055	10,351,481	193,480
32.	Reinsurance - nonproportional assumed liability	XXX	69,054		69,054	XXX	5,943,176		6,012,230	50
33.	Reinsurance - nonproportional assumed financial lines	XXX				XXX				
34.	Aggregate write-ins for other lines of business									
35.	TOTALS	2,021,605,776	588,986,310	146,005,785	2,464,586,301	970,860,399	684,743,524	78,881,851	4,041,308,372	1,082,498,969
	DETAILS OF WRITE-INS									
3401.										
3402.										
3403.										
3498.	Summary of remaining write-ins for Line 34 from overflow page									
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)									

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

		1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1.	Claim adjustment services:				
	1.1 Direct	226,320,365			226,320,365
	1.2 Reinsurance assumed	57,384,694			57,384,694
	1.3 Reinsurance ceded	2,955,110			2,955,110
	1.4 Net claim adjustment service (1.1 + 1.2 - 1.3)	280,749,948			280,749,948
2.	Commission and brokerage:				
	2.1 Direct excluding contingent		618,015,794		618,015,794
	2.2 Reinsurance assumed, excluding contingent		143,277,747		143,277,747
	2.3 Reinsurance ceded, excluding contingent		10,941,010		10,941,010
	2.4 Contingent - direct		108,010,827		108,010,827
	2.5 Contingent - reinsurance assumed		21,900,000		21,900,000
	2.6 Contingent - reinsurance ceded				
	2.7 Policy and membership fees				
	2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)		880,263,358		880,263,358
3.	Allowances to managers and agents				
4.	Advertising	(802)	6,617,052	4	6,616,254
5.	Boards, bureaus and associations	742,879	8,750,478	6,272	9,499,628
6.	Surveys and underwriting reports	1,273,780	30,154,210	1,764	31,429,754
7.	Audit of assureds' records	(420)	1,995,771		1,995,351
8.	Salary and related items:				
	8.1 Salaries	154,889,104	257,596,931	3,154,664	415,640,698
	8.2 Payroll taxes	11,098,189	18,589,217	163,560	29,850,966
9.	Employee relations and welfare	29,868,683	48,056,233	338,079	78,262,995
10.	Insurance	92	4,908,733		4,908,825
11.	Directors' fees				
12.	Travel and travel items	4,709,536	12,280,960	32,653	17,023,149
13.	Rent and rent items	5,624,973	11,870,020	116,875	17,611,868
14.	Equipment	5,838,443	5,798,815	52,311	11,689,570
15.	Cost or depreciation of EDP equipment and software	22,801,560	44,551,341	1,123,807	68,476,708
16.	Printing and stationery	728,903	2,070,126	5,127	2,804,156
17.	Postage, telephone and telegraph, exchange and express	3,193,284	5,944,506	3,598	9,141,388
18.	Legal and auditing	1,921,722	1,361,702	670,830	3,954,254
19.	Totals (Lines 3 to 18)	242,689,927	460,546,095	5,669,542	708,905,564
20.	Taxes, licenses and fees:				
	20.1 State and local insurance taxes deducting guaranty association credits of $ 207,162	(261)	95,950,809		95,950,548
	20.2 Insurance department licenses and fees	8,450	2,151,660		2,160,110
	20.3 Gross guaranty association assessments		1,159,087		1,159,087
	20.4 All other (excluding federal and foreign income and real estate)	24,851	1,794,580		1,819,431
	20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	33,040	101,056,137		101,089,177
21.	Real estate expenses	89,840	410,247	2,571	502,657
22.	Real estate taxes		108,535		108,535
23.	Reimbursements by uninsured plans				
24.	Aggregate write-ins for miscellaneous expenses	91,692	12,196,281	(8)	12,287,965
25.	Total expenses incurred	523,654,446	1,454,580,653	5,672,105	(a) 1,983,907,204
26.	Less unpaid expenses - current year	1,082,498,969	201,143,799	526,724	1,284,169,492
27.	Add unpaid expenses - prior year	1,020,946,599	221,591,272	1,365,585	1,243,903,456
28.	Amounts receivable relating to uninsured plans, prior year				
29.	Amounts receivable relating to uninsured plans, current year				
30.	TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	462,102,077	1,475,028,126	6,510,966	1,943,641,169
	DETAILS OF WRITE-INS				
2401.	Interest Expense	84,037	12,186,028	(46)	12,270,018
2402.	Charitable Contributions	7,655	10,253	39	17,947
2403.					
2498.	Summary of remaining write-ins for Line 24 from overflow page				
2499.	Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)	91,692	12,196,281	(8)	12,287,965

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

EXHIBIT OF NET INVESTMENT INCOME

			1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds	(a)	1,090,530	1,343,374
1.1	Bonds exempt from U.S. tax	(a)	111,191,043	111,393,190
1.2	Other bonds (unaffiliated)	(a)	145,103,667	144,893,859
1.3	Bonds of affiliates	(a)		
2.1	Preferred stocks (unaffiliated)	(b)	10,583,552	10,088,245
2.11	Preferred stocks of affiliates	(b)		
2.2	Common stocks (unaffiliated)		100,022,867	100,074,833
2.21	Common stocks of affiliates		20,000,000	20,000,000
3.	Mortgage loans	(c)		
4.	Real estate	(d)		
5	Contract loans			
6	Cash, cash equivalents and short-term investments	(e)	31,181	31,181
7	Derivative instruments	(f)		
8.	Other invested assets		(6,476,720)	(6,476,720)
9.	Aggregate write-ins for investment income		549,024	549,024
10.	Total gross investment income		382,095,143	381,896,987
11.	Investment expenses			(g) 5,672,105
12.	Investment taxes, licenses and fees, excluding federal income taxes			(g)
13.	Interest expense			(h)
14.	Depreciation on real estate and other invested assets			(i)
15.	Aggregate write-ins for deductions from investment income			
16.	Total deductions (Lines 11 through 15)			5,672,105
17.	Net investment income (Line 10 minus Line 16)			376,224,882
	DETAILS OF WRITE-INS			
0901.	Other Income		549,024	549,024
0902.				
0903.				
0998.	Summary of remaining write-ins for Line 9 from overflow page			
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)		549,024	549,024
1501.				
1502.				
1503.				
1598.	Summary of remaining write-ins for Line 15 from overflow page			
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)			

(a) Includes $ 3,864,505 accrual of discount less $ 21,943,200 amortization of premium and less $ 2,633,137 paid for accrued interest on purchases.

(b) Includes $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued dividends on purchases.

(c) Includes $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued interest on purchases.

(d) Includes $ .... for company's occupancy of its own buildings; and excludes $ .... interest on encumbrances.

(e) Includes $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued interest on purchases.

(f) Includes $ .... accrual of discount less $ .... amortization of premium.

(g) Includes $ .... investment expenses and $ .... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.

(h) Includes $ .... interest on surplus notes and $ .... interest on capital notes.

(i) Includes $ .... depreciation on real estate and $ .... depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds					
1.1	Bonds exempt from U.S. tax	158,120		158,120		
1.2	Other bonds (unaffiliated)	(458,933)	(2,783,808)	(3,242,741)	(6,949,689)	
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)	9,568,674		9,568,674	(5,178,198)	
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)	121,726,206	(13,599,436)	108,126,770	(360,647,992)	
2.21	Common stocks of affiliates				46,160,784	
3.	Mortgage loans					
4.	Real estate					
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments					
7.	Derivative instruments					
8.	Other invested assets				(1,480,198)	
9.	Aggregate write-ins for capital gains (losses)	169,657	(1,331)	168,327		
10.	Total capital gains (losses)	131,163,723	(16,384,574)	114,779,149	(328,095,293)	
	DETAILS OF WRITE-INS					
0901.	Capital gains from investments previously charged off	169,657		169,657		
0902.	Other		(1,331)	(1,331)		
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	169,657	(1,331)	168,327		

EXHIBIT OF NON-ADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)			
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	14,201,948	12,271,648	(1,930,300)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	3,314,153	3,293,639	(20,515)
15.3 Accrued retrospective premiums and contracts subject to redetermination			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	6,524	1,045	(5,479)
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset			
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software	17,184,843	16,271,767	(913,075)
21. Furniture and equipment, including health care delivery assets	6,245,101	8,205,753	1,960,653
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other than invested assets	15,959,024	32,237,995	16,278,971
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	56,911,592	72,281,847	15,370,255
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	56,911,592	72,281,847	15,370,255
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)			
2501. Miscellaneous Receivables	15,959,024	32,237,995	16,278,971
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	15,959,024	32,237,995	16,278,971

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The financial statements of The Cincinnati Insurance Company (the Company) are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance.

The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' Accounting Practices and Procedures Manual (NAIC SAP), version effective January 1, 2001 and updates through the current year have been adopted as a component of prescribed or permitted practices by the state of Ohio.

The Company has no prescribed or permitted practices that would result in differences between the NAIC SAP and the state of Ohio basis, as shown below:

	SSAP #	F/S Page	F/S Line #	2018	2017
NET INCOME					
(1) Company state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	$ 626,067,826	$ 401,226,975
(2) State Prescribed Practices that increase/(decrease) NAIC SAP	N/A	N/A	N/A	0	0
(3) State Permitted Practices that increase/(decrease) NAIC SAP	N/A	N/A	N/A	0	0
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	$ 626,067,826	$ 401,226,974
SURPLUS					
(5) Company state basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	$4,919,104,373	$5,093,565,829
(6) State Prescribed Practices that increase/(decrease) NAIC SAP	N/A	N/A	N/A	0	0
(7) State Permitted Practices that increase/(decrease) NAIC SAP	N/A	N/A	N/A	0	0
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	$4,919,104,373	$5,093,565,829

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

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

C. Accounting Policies

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

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

In addition, the Company uses the following accounting policies:

1. Cash equivalents, highly liquid debt instruments with original maturities of 90 days or less, and short term investments are carried at amortized cost, which approximates fair value.

2. Fixed maturities (bonds and notes) with an NAIC designation of 1 or 2 are valued and reported in accordance with the NAIC *Purposes and Procedures Manual of the NAIC Investment Analysis Office*, generally at amortized cost using the scientific interest method. Fixed maturities with an NAIC designation 3 through 6 are carried at the lower of amortized cost or fair value, with the difference reflected in assigned surplus.

3. Common stocks of non-affiliates are stated at fair values. Investments in unconsolidated insurance subsidiaries are carried at the subsidiaries' underlying audited capital and surplus amounts as determined on a statutory-basis. Equity in net income or loss and surplus transactions of unconsolidated insurance subsidiaries are reflected directly in the Company's unassigned surplus.

4. Redeemable preferred stocks are carried at amortized cost or the lower of amortized cost or fair value, depending on the NAIC designation. Perpetual preferred stocks are carried at fair value or the lower of amortized cost or fair value, depending on the assigned NAIC designation.

5. The Company does not have any investments in mortgage loans.

6. Loan-backed and structured securities with an NAIC designation 1 or 2 are stated at amortized cost. Loan-backed and structured securities with an NAIC designation 3 through 6 are stated at the lower of amortized cost or fair value, with the difference reflected in assigned surplus. Amortized cost of loan-backed and structured securities is determined using the retrospective adjustment method, except for those which an other-than-temporary impairment has been recognized, which use the prospective adjustment method to determine amortized cost.

7. The Company does not have any investments in non-insurance subsidiaries, controlled or affiliated companies.

8. The Company's investment in joint ventures, partnerships, and limited liability entities primarily consist of limited liability companies that invest in low income housing tax credit properties and are carried at proportional amortized cost.

9. The Company does not have any investments in derivatives.

NOTES TO FINANCIAL STATEMENTS

10. In the event that a first-order approximation (excluding anticipated investment income) of estimated future costs related to unearned premium as of a particular evaluation date exceeds the unearned premium as of that date, the Company would incorporate consideration of the related investment income it would expect to earn. However, to date the Company has not had to proceed to this step in order to demonstrate that no premium deficiency exists.

11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.

12. The Company has not modified its capitalization policy from a prior period.

13. The Company has no pharmaceutical rebate receivables.

D. Going Concern

After review of the Company's financial condition, management has no doubts about the Company's ability to continue as a going concern.

2. Accounting Changes and Correction of Errors

The Company had no material changes in accounting principles and/or corrections of errors.

3. Business Combinations and Goodwill – Not applicable

4. Discontinued Operations – Not applicable

5. Investments

A. Mortgage Loans – Not applicable

B. Debt Restructuring – Not applicable

C. Reverse Mortgages – Not applicable

D. Loan-Backed Securities

1. The Company obtains prepayment assumptions from third-party vendors.

2. The Company recognized no other-than-temporary impairments for loan-backed and structured securities due to the intent to sell or the inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis for the year ended December 31, 2018.

3. The Company recognized no other-than-temporary impairments due to the present value of cash flows expected to be collected being less than the amortized cost basis for loan-backed and structured securities for the year ended December 31, 2018.

4. The following table presents the aggregate total of all impaired loan-backed and structured securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

The aggregate amount of unrealized losses:	
1. Less than 12 months	$ 176,520
2. 12 months or longer	102,201
The aggregate related fair value of securities with unrealized losses:	
1. Less than 12 months	$ 21,037,190
2. 12 months or longer	4,947,983

5. The Company performs a quarterly analysis to assess whether the decline in the fair value of any loan-backed or structured security is other-than-temporary. Factors considered in determining whether a decline in fair value is considered other-than-temporary included the length of time and the extent to which the fair value of the security has been below cost or amortized cost and changes in credit ratings of the issue during the period. The intent to sell, the intent and ability to hold the security for a period of time sufficient to recover its cost or amortized cost basis and the ability to recover all outstanding amounts when contractually due are also considered. Based upon this analysis the Company believes there were no indications of declines in fair value that were considered to be other-than-temporary for any loan-backed or structured securities with unrealized losses as of December 31, 2018.

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

J. Real Estate - Not applicable

K. Investments in Low-income Housing Tax Credits (LIHTC)

1. The Company has four LIHTC investments. The number of years of unexpired tax credits range from 9 to 13 years. The remaining required holding period ranges from 9 to 13 years.

2. The Company recognized $7,825,372 and $2,359,536 in tax credits and other tax benefits associated with its LIHTC investments during the years ended December 31, 2018 and 2017, respectively.

3. The Company has LIHTC investment balances of $127,556,858 and $92,327,021 as of December 31, 2018 and 2017, respectively.

4. The Company is not aware that any LIHTC investments were subject to any regulatory reviews.

5. The Company's LIHTC investments do not exceed 10% of net admitted assets.

6. The Company did not recognize any impairment on LIHTC investments during the statement periods presented.

7. There were no write-downs or reclassifications made due to the forfeiture or ineligibility of tax credits, etc., in 2018.

L. Restricted Assets

1. Restricted Assets (Including Pledged)

	Gross (Admitted and Nonadmitted) Restricted									Percentage	
	Current Year										
	1	2	3	4	5	6	7	8	9	10	11
Restricted Asset Category	Total General Account (G/A)	G/A Supporting Protected Cell Account	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity	Total (1 plus 3)	Total from Prior Year	Increase/ (Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	0.00%	0.00%
b. Collateral held under security lending agreements	0	0	0	0	0	0	0	0	0	0.00%	0.00%
c. Subject to repurchase agreements	0	0	0	0	0	0	0	0	0	0.00%	0.00%
d. Subject to reverse repurchase agreements	0	0	0	0	0	0	0	0	0	0.00%	0.00%
e. Subject to dollar repurchase agreements	0	0	0	0	0	0	0	0	0	0.00%	0.00%
f. Subject to dollar reverse repurchase agreements	0	0	0	0	0	0	0	0	0	0.00%	0.00%
g. Placed under option contracts	0	0	0	0	0	0	0	0	0	0.00%	0.00%
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	0	0	0	0	0	0	0	0	0	0.00%	0.00%
i. FHLB capital stock	0	0	0	0	0	0	0	0	0	0.00%	0.00%
j. On deposit with states	72,152,464	0	0	0	72,152,464	64,444,355	7,708,109	0	72,152,464	0.55%	0.55%
k. On deposit with other regulatory	0	0	0	0	0	0	0	0	0	0.00%	0.00%
l. Pledged collateral to FHLB (including assets backing funding agreements)	0	0	0	0	0	0	0	0	0	0.00%	0.00%
m. Pledged as collateral not captured in other categories	61,738,284	0	0	0	61,738,284	44,995,336	16,742,948	0	61,738,284	0.47%	0.47%
n. Other restricted assets	0	0	0	0	0	0	0	0	0	0.00%	0.00%
o. Total Restricted Assets	$ 133,890,748	$ 0	$ 0	$ 0	$133,890,748	$ 109,439,691	$ 24,451,057	$ 0	$ 133,890,748	1.01%	1.02%

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

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

Assets pledged as collateral not captured in other categories consist of collateral pledged for certain reinsurance assumed contracts.

3. Detail of Other Restricted Assets – Not applicable

4. Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements – Not applicable

M. Working Capital Finance Investments – Not applicable

N. Offsetting and Netting of Assets and Liabilities – Not applicable

O. Structured Notes – Not applicable

P. 5* Securities – Not applicable

Q. Short Sales – Not applicable

R. Prepayment Penalty and Acceleration Fees

	General Account	Protected Cell
(1) Number of CUSIPs	44	0
(2) Aggregate Amount of Investment Income	$ 5,829,438	$ 0

6. Joint Ventures, Partnerships and Limited Liability Companies

A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.

B. The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships and Limited Liability Companies during the statement periods.

7. Investment Income

A. The Company does not admit investment income due and accrued if amounts are over 90 days past due.

B. No amount of investment income was excluded.

8. **Derivative Instruments** – Not applicable

9. **Income Taxes**

A. Components of Deferred Tax Assets (DTAs) and Deferred Tax Liabilities (DTLs):

1.

	2018		
	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets	$ 186,204,248	$ 0	$ 186,204,248
(b) Statutory Valuation Allowance Adjustments	0	0	0
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	186,204,248	0	186,204,248
(d) Deferred Tax Assets Nonadmitted	0	0	0
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	186,204,248	0	186,204,248
(f) Deferred Tax Liabilities	$ 46,134,849	$ 321,334,515	$ 367,469,364
(g) Net Admitted Deferred Tax Asset/(Liability) (1e - 1f)	$ 140,069,399	$(321,334,515)	$(181,265,116)

	2017		
	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets	$ 247,019,788	$ 0	$ 247,019,788
(b) Statutory Valuation Allowance Adjustments	0	0	0
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	247,019,788	0	247,019,788
(d) Deferred Tax Assets Nonadmitted	0	0	0
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	247,019,788	0	247,019,788
(f) Deferred Tax Liabilities	$ 42,110,092	$ 398,059,877	$ 440,169,969
(g) Net Admitted Deferred Tax Asset/(Liability) (1e - 1f)	$ 204,909,696	$(398,059,877)	$(193,150,181)

	Change		
	Ordinary	Capital	Total
(a) Gross Deferred Tax Assets	$ (60,815,540)	$ 0	$ (60,815,540)
(b) Statutory Valuation Allowance Adjustments	0	0	0
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	(60,815,540)	0	(60,815,540)
(d) Deferred Tax Assets Nonadmitted	0	0	0
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	(60,815,540)	0	(60,815,540)
(f) Deferred Tax Liabilities	$ 4,024,757	$ (76,725,362)	$ (72,700,605)
(g) Net Admitted Deferred Tax Asset/(Liability) (1e - 1f)	$ (64,840,297)	$ 76,725,362	$ 11,885,065

2.

	2018		
Admission Calculation Components SSAP No. 101	Ordinary	Capital	Total
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	$ 154,418,635	$ 0	$ 154,418,635
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding The Amount of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The lesser of 2(b)1 and 2(b)2 Below)	8,330,854	0	8,330,854
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	8,330,854	0	8,330,854
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	737,854,680
(c) Adjusted Gross Deferred Tax Assets (Excluding the amount of Deferred Tax Assets from 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	23,454,759	0	23,454,759
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No.101 Total (2(a)+2(b)+2(c)	$ 186,204,248	$ 0	$ 186,204,248

	2017		
Admission Calculation Components SSAP No. 101	Ordinary	Capital	Total
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	$188,505,328	$ 0	$ 188,505,328
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding The Amount of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The lesser of 2(b)1 and 2(b)2 Below)	19,465,216	0	19,465,216
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	19,465,216	0	19,465,216
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	764,009,581
(c) Adjusted Gross Deferred Tax Assets (Excluding the amount of Deferred Tax Assets from 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	39,049,244	0	39,049,244
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No.101 Total (2(a)+2(b)+2(c)	$ 247,019,788	$ 0	$ 247,019,788

	Change		
Admission Calculation Components SSAP No. 101	Ordinary	Capital	Total
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	$ (34,086,693)	$ 0	$ (34,086,693)
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding The Amount of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The lesser of 2(b)1 and 2(b)2 Below)	(11,134,362)	0	(11,134,362)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	(11,134,362)	0	(11,134,362)
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	(26,154,901)
(c) Adjusted Gross Deferred Tax Assets (Excluding the amount of Deferred Tax Assets from 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	(15,594,485)	0	(15,594,485)
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No.101 Total (2(a)+2(b)+2(c)	$ (60,815,540)	$ 0	$ (60,815,540)

NOTES TO FINANCIAL STATEMENTS

3.

	2018 Percentage	2017 Percentage
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	685%	747%
(b) Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 above	$4,951,739,388	$5,127,044,476

4.

	2018		
Impact of Tax Planning Strategies	Ordinary	Capital	Total
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.			
1. Adjusted Gross DTAs amount from Note 9A1(c)	$ 186,204,248	$ 0	$ 186,204,248
2. Percentage of Adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.00%	0.00%	0.00%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	$ 186,204,248	$ 0	$ 186,204,248
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.00%	0.00%	0.00%
(b) The Company's tax-planning strategies did not include the use of reinsurance-related tax planning strategies.			

	2017		
Impact of Tax Planning Strategies	Ordinary	Capital	Total
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.			
1. Adjusted Gross DTAs amount from Note 9A1(c)	$ 247,019,788	$ 0	$ 247,019,788
2. Percentage of Adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.00%	0.00%	0.00%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	$ 247,019,788	$ 0	$ 247,019,788
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.00%	0.00%	0.00%
(b) The Company's tax-planning strategies did not include the use of reinsurance-related tax planning strategies.			

	Change		
Impact of Tax Planning Strategies	Ordinary	Capital	Total
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.			
1. Adjusted Gross DTAs amount from Note 9A1(c)	$ (60,815,540)	$ 0	$ (60,815,540)
2. Percentage of Adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.00%	0.00%	0.00%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	$ (60,815,540)	$ 0	$ (60,815,540)
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.00%	0.00%	0.00%
(b) The Company's tax-planning strategies did not include the use of reinsurance-related tax planning strategies.			

B. Unrecognized DTLs – Not applicable

C. Current Tax and Change in Deferred Tax

1. Current income tax:

	2018	2017	Change
(a) Federal	$ (47,769,324)	$ 84,867,361	$(132,636,685)
(b) Foreign	527,277	353,266	174,011
(c) Subtotal	(47,242,047)	85,220,627	(132,462,674)
(d) Federal income tax on capital gains/(losses)	24,624,026	17,151,021	7,473,005
(e) Utilization of capital loss carryforwards	0	0	0
(f) Other	0	0	0
(g) Federal income taxes incurred	$ (22,618,021)	$ 102,371,648	$(124,989,669)

2. Deferred tax assets:

	2018	2017	Change
(a) Ordinary			
1. Unearned premium reserve	$ 99,704,045	$ 95,735,022	$ 3,969,023
2. Unpaid loss reserve	55,790,862	119,725,076	(63,934,214)
3. Contingent commission	0	0	0
4. Nonadmitted assets	11,951,434	15,179,188	(3,227,754)
5. Other deferred tax assets	18,757,907	16,380,502	2,377,405
99. Subtotal	$ 186,204,248	$ 247,019,788	$ (60,815,540)
(b) Statutory valuation allowance adjustment	0	0	0
(c) Nonadmitted	0	0	0
(d) Admitted ordinary deferred tax assets (2(a)99-2(b)-2(c))	$ 186,204,248	$ 247,019,788	$ (60,815,540)
(e) Capital			
1. Investments	$ 0	$ 0	$ 0
2. Unrealized (gain)/loss on investments	0	0	0
99. Subtotal	$ 0	$ 0	$ 0
(f) Statutory valuation allowance	0	0	0
(g) Nonadmitted	0	0	0
(h) Admitted capital deferred tax assets ((2(e)99- 2(f)-2(g))	$ 0	$ 0	$ 0
(i) Admitted deferred tax assets (2(d)+2(h))	$ 186,204,248	$ 247,019,788	$ (60,815,540)

NOTES TO FINANCIAL STATEMENTS

3. Deferred tax liabilities:

	2018	2017	Change
(a) Ordinary			
1. Commission expense	$ 40,596,770	$ 37,169,764	$ 3,427,006
2. Other, net	5,538,079	4,940,328	597,751
99. Subtotal	$ 46,134,849	$ 42,110,092	$ 4,024,757
(b) Capital			
1. Investments	$ 9,015,218	$ 7,146,804	$ 1,868,414
2. Unrealized (gain)/loss on investments	312,319,297	390,913,073	$ (78,593,776)
99. Subtotal	$ 321,334,515	$ 398,059,877	$ (76,725,362)
(c) Deferred tax liabilities (3(a)99+3(b)99)	$ 367,469,364	$ 440,169,969	$ (72,700,605)
4. Net deferred tax assets/(liabilities) (2(i)-3(c)):	$(181,265,116)	$(193,150,181)	$ 11,885,065

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	December 31, 2018	December 31, 2017	Change
Total deferred tax assets	$ 186,204,248	$ 247,019,788	$ (60,815,540)
Total deferred tax liabilities	367,469,364	440,169,969	(72,700,605)
Net deferred tax asset/(liability)	$ (181,265,116)	$ (193,150,181)	$ 11,885,065
Tax effect of unrealized (gains)/losses			(78,593,776)
Change in net deferred income tax (charge)/benefit			$ (66,708,711)

	December 31, 2017	December 31, 2016	Change
Total deferred tax assets	$ 247,019,788	$ 406,622,388	$ (159,602,600)
Total deferred tax liabilities	440,169,969	574,490,855	(134,320,886)
Net deferred tax asset/(liability)	$ (193,150,181)	$ (167,868,467)	$ (25,281,714)
Tax effect of unrealized (gains)/losses			(115,188,419)
Change in net deferred income tax (charge)/benefit			$ (140,470,133)

Our accounting for all elements of the 2017 Tax Cut and Jobs Act ("Tax Act") is now complete, consistent with the closing of the SAB 118 measurement period on December 22, 2018. As a result of guidance released by the IRS during the measurement period, we have adjusted our deferred tax balances related to tax base unpaid loss reserves. The adjustment resulted in no net impact on our deferred tax balances and no impact on our effective tax rate.

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate

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

Description	As of December 31, 2018		
	Amount	Tax Effect	Effective Tax Rate
Income before taxes	$ 603,449,805	$ 126,724,459	21.00 %
Net tax exempt interest	(78,630,858)	(16,512,480)	(2.74)%
Net dividends received deduction (DRD)	(39,448,383)	(8,284,160)	(1.37)%
Tax accounting method changes	(237,317,010)	(49,836,572)	(8.26)%
Other items permanent, net	(53,606,988)	(11,257,468)	(1.86)%
DRD on accrued	138,844	29,157	0.00 %
Total	$ 194,585,410	$ 40,862,936	6.77 %
Federal income tax expense incurred/(benefit)	$ (224,962,129)	$ (47,242,047)	(7.83)%
Tax on capital gains/(losses)	117,257,267	24,624,026	4.08 %
Change in nonadmitted excluding deferred tax asset	(15,370,257)	(3,227,754)	(0.53)%
Change in net deferred income tax charge/(benefit)	317,660,529	66,708,711	11.05 %
Total statutory income taxes incurred	$ 194,585,410	$ 40,862,936	6.77 %

Description	As of December 31, 2017		
	Amount	Tax Effect	Effective Tax Rate
Income before taxes	$ 503,598,621	$ 176,259,518	35.00 %
Net tax exempt interest	(85,867,934)	(30,053,777)	(5.97)%
Net dividends received deduction (DRD)	(55,680,605)	(19,488,212)	(3.87)%
Impact of tax rate change	348,684,809	122,039,683	24.23 %
Other items permanent, net	(29,689,153)	(10,391,204)	(2.06)%
DRD on accrued	248,511	86,979	0.02 %
Total	$ 681,294,249	$ 238,452,987	47.35 %
Federal income tax expense incurred/(benefit)	$ 243,487,506	$ 85,220,627	16.92 %
Tax on capital gains/(losses)	49,002,918	17,151,021	3.41 %
Change in nonadmitted excluding deferred tax asset	(12,539,412)	(4,388,794)	(0.87)%
Change in net deferred income tax charge/(benefit)	401,343,237	140,470,133	27.89 %
Total statutory income taxes incurred	$ 681,294,249	$ 238,452,987	47.35 %

In 2018, we received approval from the IRS to change our method of tax accounting for certain items, primarily related to the valuation of our tax base unpaid losses. Accounting guidance does not allow recognition of the impact of certain tax accounting method changes until approved by the IRS. As a result of IRS approval of our tax accounting method changes received in the third quarter, we recognized a $50 million income tax benefit in 2018 for the difference between the current tax rate and the 2017 tax rate for the related items. This reduced our effective tax rate by 8.26% for the twelve months ended December 31, 2018.

E. Operating Loss and Tax Credit Carryforwards

At December 31, 2018 the Company had no net operating loss carryforwards or capital loss carryforwards.

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

Year	Ordinary	Capital	Total
2018	$ 129,801,442	$ 25,839,904	$ 155,641,346
2017	0	0	0
2016	0	23,329,660	23,329,660
Total	$ 129,801,442	$ 49,169,564	$ 178,971,006

At December 31, 2018 the Company had no protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return

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

   Cincinnati Financial Corporation (Parent)
   The Cincinnati Life Insurance Company
   The Cincinnati Casualty Company
   The Cincinnati Indemnity Company
   The Cincinnati Specialty Underwriters Insurance Company
   CFC Investment Company
   CSU Producer Resources, Inc.

2. The method of allocation between the companies is subject to a written agreement, approved by the Board of Directors, whereby allocation is made primarily on a separate return basis, with the company receiving a current benefit for losses generated to the extent federal taxes are reduced for the consolidated tax group.

G. Federal or Foreign Income Tax Loss Contingencies

The Company did have tax contingencies under the principles of SSAP No. 5, *Liabilities, Contingencies and Impairment of Assets*. As of December 31, 2018, we had a gross unrecognized tax benefit of $31.4 million. We carry no amounts for unrecognized tax benefits for 2017. The entire amount of our liability, if recognized, would impact the effective tax rate. We believe that it is reasonably possible that a decrease for the full amount of our $31.4 million of unrecognized benefits, all of which relates to our tax base insurance claims and reserve deduction, may be necessary within the coming year. Such a decrease is possible when the IRS processes our income tax return filing for the 2018 tax year. This gross unrecognized tax benefit of $31.4 million has been netted for a final current federal and foreign income tax recoverable of $104.2 million. The Company is primarily subject to examination by U.S. federal and various U.S. state and local tax authorities. The statute of limitations for federal tax purposes have closed for tax years 2014 and earlier. The statute of limitations for state income tax purposes has closed for tax years 2014 and earlier. There are no U.S. federal or state returns under examination.

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. Nature of Relationships

The Company is a wholly-owned subsidiary of Cincinnati Financial Corporation (See Schedule Y, Part 1, Organizational Chart).

B. Detail of Transactions Greater than ½% of Admitted Assets

The Company paid the following dividends to Cincinnati Financial Corporation:

Date	Amount	Type
January 18, 2018	$ 100,000,000	Ordinary
April 18, 2018	$ 100,000,000	Ordinary
July 20, 2018	$ 100,000,000	Ordinary
September 21, 2018	$ 100,000,000	Ordinary
December 14, 2018	$ 100,000,000	Ordinary

C. Change in Terms of Intercompany Agreements – Not Applicable

D. Amounts Due to or from Related Parties

At December 31, 2018, the Company reported $9,776,471 due from an affiliate CSU Producer Resources, Inc. and from a subsidiary, The Cincinnati Specialty Underwriters Insurance Company. Also at December 31, 2018, the Company reported $17,186,353 due to the Ultimate Parent, Cincinnati Financial Corporation, and to affiliates The Cincinnati Life Insurance Company and CFC Investment Company, and to subsidiaries The Cincinnati Casualty Company and The Cincinnati Indemnity Company. The terms of the settlement require that these amounts be settled within 30 days.

E. Guarantees or Contingencies for Related Parties – Not applicable

F. Management, Service Contracts, Cost Sharing Arrangements

The Company has the following management agreements with related parties:

1. Inter-company Benefits and Expense Allocation Agreement.

2. Inter-company Cost Sharing and Expense Allocation Agreement.

3. Inter-company Tax Sharing Agreement.

4. Inter-company Reinsurance Agreement.

G. Nature of Relationships that Could Affect Operations

All outstanding shares of The Company are owned by the Ultimate Parent Company, Cincinnati Financial Corporation, a holding company domiciled in the state of Ohio.

H. Amount Deducted from Value of an Investment in Upstream Entity – Not applicable

I. Investment in an SCA that exceeds 10% of Admitted Assets – Not applicable

J. Impairment Writedowns related to Investments in SCA entities – Not applicable

K. Investment in Foreign Insurance Subsidiaries – Not applicable

L. Investment in Downstream Noninsurance Holding Company – Not applicable

M. All SCA Investments (Except 8bi Entities) – Not applicable

N. Investment in Insurance SCA Entities Utilizing Permitted or Prescribed Practices – Not applicable

11. **Debt** – Not applicable

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

A. Defined Benefit Plan – Not applicable

B. Defined Benefit Plan Assets – Not applicable

C. Fair Value Measurement of Defined Benefit Plan Assets – Not Applicable

D. Defined Benefit Plan Rate of Return on Assets Assumptions – Not applicable

E. Defined Contribution Plans – Not applicable

F. Multiemployer Plans – Not applicable

G. Consolidated/Holding Company Plans

1. Defined Benefit Pension Plan – The Company participates in a qualified, noncontributory defined benefit pension plan sponsored by Cincinnati Financial Corporation, the Ultimate Parent. The Company has no legal obligations for benefits under the plan. Cincinnati Financial Corporation allocates amounts to the Company based on the percentage of participants on the Company's payroll. The Company's share of net expense for the qualified pension plan was $4,432,386 and $7,017,842 for 2018 and 2017, respectively.

2. Defined Contribution Plan - The Company participates in a qualified, defined contribution plan sponsored by Cincinnati Financial Corporation, the Ultimate Parent. The Company has no legal obligation for benefits under the plan. Cincinnati Financial Corporation allocates amounts to the Company based on an inter-company management fee. The Company's share of net expense for the defined contribution plan was $16,448,595 and $14,620,793 for 2018 and 2017, respectively.

H. Postemployment Benefits and Compensated Absences – Not applicable

I. Impact of Medicare Modernization Act on Postretirement Benefits – Not applicable

13. **Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations**

1. The Company has 1,000,000 shares authorized, 717,271 shares issued and 717,271 shares outstanding. All shares are Class A shares.

2. Preferred stock issues – Not applicable

3. The maximum amount of dividends or distributions which may be paid to stockholders by property and casualty companies domiciled in the state of Ohio without prior approval or expiration of a 30 day waiting period without disapproval of the Director of Insurance is the greater of net income or 10% of policyholders' surplus as of the preceding December 31, but only to the extent of earned surplus as of the preceding December 31. The maximum amount of ordinary dividends or distributions the Company may pay in 2018 based upon net income is $626,067,826.

4. The Company paid the following dividends to Cincinnati Financial Corporation:

Date	Amount	Type
January 18, 2018	$ 100,000,000	Ordinary
April 18, 2018	$ 100,000,000	Ordinary
July 20, 2018	$ 100,000,000	Ordinary
September 21, 2018	$ 100,000,000	Ordinary
December 14, 2018	$ 100,000,000	Ordinary

5. Within the limitations of item 3 above, there are no specific restrictions placed on the portion of Company profits that may be

paid as ordinary dividends to stockholders.

6. Surplus restrictions – Not applicable

7. Mutual Surplus Advances – Not applicable

8. Company Stock Held for Special Purposes – Not applicable

9. Changes in Special Surplus Funds – Not applicable

10. The portion of unassigned funds (surplus) represented or (reduced) by cumulative unrealized gains/(losses) are $1,487,234,747 offset by deferred tax of $312,319,297 for a net balance of $1,174,915,450.

11. Surplus Notes – Not applicable

12. Restatement of Quasi-Reorganization – Not applicable

13. Date of Quasi-Reorganization – Not applicable

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

The Company has future commitments to joint ventures, limited partnerships and limited liability companies in the amount of $68,690,178.

As of December 31, 2018, the Company has $70,520,009 of legally binding, unfunded commitments related to LIHTC property investments reported as liabilities within the balance sheet. The Company expects to fund these commitments as follows:

Year	Amount
2019	$48,747,464
2020	$5,259,328
2021	$2,250,000
2022	$2,250,000
2023	$2,250,000
Thereafter	$9,763,217

B. Assessments

The Company was not aware of any material assessments as of December 31, 2018.

C. Gain Contingencies – Not applicable

D. Claims Related to Extra Contractual Obligations or Bad Faith Claims Stemming from Lawsuits

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

	Net
Claims related ECO and bad faith losses paid during the reporting period	$2,005,000

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

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

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

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

E. Product Warranties – Not applicable

F. Joint and Several Liabilities – Not applicable

G. All Other Contingencies

Various lawsuits against the Company have arisen in the course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company. The Company has no assets it considers impaired.

15. Leases

A. Lessee Operating Lease

1. The Company has various noncancelable operating lease agreements that expire through May 2024.

2. At January 1, 2019, the minimum agreement rental commitments are as follows:

Year Ending December 31,	Operating Leases
2019	$13,904,327
2020	11,229,561
2021	8,024,535
2022	5,750,774
2023	4,002,459
Total	$42,911,656

3. The company is not involved in any material sales leaseback transactions.

B. Lessor Leases – Not applicable

16. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk – Not applicable

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities – Not applicable

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

19. Direct Written Premium/Produced by Managing General Agents/Third Party Administrators – Not applicable

20. Fair Value Measurements

A. Inputs Used for Assets and Liabilities Measured at Fair Value

1. Included in various investment related line items in the financial statements are certain financial instruments carried at fair value. Other financial instruments are periodically measured at fair value, such as when impaired, or, for certain fixed maturities and preferred stock, when carried at the lower of cost or market.

The fair value of an asset is the amount at which that asset could be bought or sold in a current transaction between willing parties, that is, other than in a forced or liquidation sale. The Company does not have any material liabilities carried at fair value.

The Company has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level that is significant to the fair value measurement of the instrument.

Financial assets that fall within Level 1 and Level 2 are priced according to observable data from identical or similar securities that have traded in the marketplace. Also within Level 2 are securities that are valued by outside services or brokers where the Company has evaluated the pricing methodology and determined that the inputs are observable. Financial assets that fall within Level 3 of the hierarchy are valued based upon unobservable market inputs. Pricing for each Level 3 security is based upon inputs that are market driven, including third-party reviews provided to the issuer or broker quotes. However, the Company places in the Level 3 hierarchy securities for which it is unable to obtain the pricing methodology or it could not consider the price provided as binding. Management ultimately determines the fair value for each Level 3 security that it considers to be the best exit price valuation.

The Company primarily bases fair value estimates for investments in equity and fixed-maturity securities on quoted market prices or on prices from a nationally recognized pricing vendor, an outside resource that supplies global securities pricing, dividend, corporate action and descriptive information to support fund pricing, securities operations, research and portfolio management. The Company obtains and reviews the pricing service's valuation methodologies and related inputs and validates these prices by replicating a sample across each asset class using a discounted cash flow model. When a price is not available from these sources, as in the case of securities that are not publicly traded, the Company determines the fair value using various inputs including quotes from independent brokers. In these circumstances, the Company has generally obtained and evaluated two nonbinding quotes from brokers; its investment professionals determine the best estimate of fair value. The fair value of investments not priced by a pricing vendor is less than 1 percent of the fair value of the Company's total investment portfolio.

Financial instruments are categorized based upon the following characteristics or inputs to the valuation techniques:

Level 1—Financial assets and liabilities for which inputs are observable and are obtained from reliable quoted prices for identical assets or liabilities in active markets. This is the most reliable fair value measurement and includes, for example, active exchange-traded equity securities.

Level 2 – Financial assets and liabilities for which values are based on quoted prices in markets that are not active or for which values are based on similar assets and liabilities that are actively traded. This also includes pricing models for which the inputs are corroborated by market data.

The technique used for the Level 2 fixed-maturity securities, including surplus notes which are included in other invested assets, is the application of market based modeling. The inputs used for all classes of fixed-maturity securities in the table below include relevant market information by asset class, trade activity of like securities, marketplace quotes, benchmark yields, spreads off benchmark yields, interest rates, U.S. Treasury or swap curves, yield to maturity and economic events. Specific to commercial mortgage-backed securities, key inputs also include prepayment and default projections based on past performance of the underlying collateral and current market data. Level 2 fixed-maturity securities are primarily priced by a nationally recognized pricing vendor.

The Level 2 preferred equities technique used is the application of market based modeling. The inputs used, similar to those used by the pricing vendor for our fixed-maturity securities, include relevant market information, trade activity of like securities, yield to maturity, corporate action notices and economic events. All of the Level 2 preferred equities are priced by a nationally recognized pricing vendor.

Level 3—Financial assets and liabilities for which values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. Level 3 inputs include the following:

- Quotes from brokers or other external sources that are not considered binding;

- Quotes from brokers or other external sources where it cannot be determined that market participants would in fact transact for the asset or liability at the quoted price; or

- Quotes from brokers or other external sources where the inputs are not deemed observable.

The following table presents the Company’s assets measured and reported at fair value by level within the fair value hierarchy as of December 31, 2018:

Assets at Fair Value:

	Level 1	Level 2	Level 3	Total	Net Asset Value (NAV) Included in Level 2
Bonds	$ 0	$ 125,615,290	$ 4,234,178	$ 129,849,468	$ 0
Preferred Stock	0	117,824,365	0	117,824,365	0
Common Stock	3,216,051,011	0	0	3,216,051,011	0
Total	$ 3,216,051,011	$ 243,439,655	$ 4,234,178	$ 3,463,724,844	$ 0

2. Fair Value Measurements in Level 3 of the Fair Value Hierarchy

Assets at Fair Value:

	Ending Balance as of 1/1/2018	Transfers into Level 3	Transfers out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance as of 12/31/2018
Bonds	$ 0	$ 4,860,000	$ 0	$ 0	$ (625,822)	$ 0	$ 0	$ 0	$ 0	$ 4,234,178

3. Transfers between levels are assumed to occur at the beginning of the period.

4. Inputs and Techniques Used for Level 2 and Level 3 Fair Values – See narrative in Note 20A1.

B. Other Fair Value Disclosures – Not applicable

C. Fair Values for all Financial Instruments by Level

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)	Net Asset Value (NAV) Included in Level 2
Bonds	$ 6,206,977,459	$ 6,161,963,097	$ 64,194,861	$ 6,138,508,420	$ 4,274,178	$ 0	$ 0
Preferred Stock	168,967,603	167,109,736	0	168,967,603	0	0	0
Common Stock	3,215,999,897	3,215,999,897	3,215,999,897	0	0	0	0
Other Invested Assets (Surplus Notes)	13,785,123	13,749,756	0	13,785,123	0	0	0

D. Reasons Not Practical to Estimate Fair Values – Not applicable

21. Other Items

A. Unusual or Infrequent Items – Not applicable

B. Troubled Debt Restructuring – Not applicable

C. Other Disclosures

Assets in the amount of $72,152,464 and $64,444,355 at December 31, 2018 and 2017, respectively, were on deposit with government authorities or trustees as required by law.

Assets in the amount of $61,738,284 and $44,995,336 at December 31, 2018 and 2017, respectively, were placed on deposit as collateral for certain reinsurance assumed contracts.

D. Business Interruption Insurance Recoveries – Not applicable

E. State Transferable and Non-Transferable Tax Credits – Not applicable

F. Subprime-Mortgage-Related Risk Exposure

The Company has no investments in subprime or related areas. This includes direct investments in subprime mortgage loans, RMBS, CMBS, CDO's, hedge funds, credit default swaps or SIVs. Additionally, the Company has no equity investments in SCA entities with subprime exposure nor does it underwrite any form of mortgage guaranty or financial guaranty insurance.

G. Insurance-Linked Securities (ILS) Contracts

Effective January 2017, the Company has entered a catastrophe bond arrangement providing up to $200 million in earthquake reinsurance protection or $80 million in severe convective storm coverage or various combinations of those coverages. It expires in January 2019. The earthquake coverage is countrywide, excluding California, and the severe convective storm coverage territory is also countrywide, excluding Florida. The storm coverage provides loss recovery when storm losses for all events in aggregate exceed $190 million, after an $8 million deductible per event.

The table below summarizes the Company's ILS contracts as of December 31, 2018:

Management of Risk Related To:	Number of Outstanding ILS Contracts	Aggregate Maximum Proceeds
1. Directly Written Insurance Risks		
a. ILS Contracts as Issuer	N/A	N/A
b. ILS Contracts as Ceding Insurer	2	$200,000,000
c. ILS Contracts as Counterparty	N/A	N/A
2. Assumed Insurance Risks		
a. ILS Contracts as Issuer	N/A	N/A
b. ILS Contracts as Ceding Insurer	N/A	N/A
c. ILS Contracts as Counterparty	N/A	N/A

22. Subsequent Events

The Company has considered subsequent events through February 28, 2019, the date of issuance of these statutory financial statements. There were no events occurring subsequent to December 31, 2018, which may have a material effect on the Company.

23. Reinsurance

A. Unsecured Reinsurance Recoverable

The Company does not have an unsecured aggregate recoverable for paid and unpaid losses, loss adjustment expenses and unearned premiums from any individual reinsurer that exceeds 3% of policyholders' surplus.

B. Reinsurance Recoverable in Dispute – Not applicable

C. Reinsurance Assumed and Ceded

1.

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	$ 353,380,974	$ 43,678,393	$ 0	$ 0	$ 353,380,974	$ 43,678,393
b. All Other	94,478,081	21,574,828	22,557,945	5,151,288	71,920,136	16,423,540
c. Total	$ 447,859,055	$ 65,253,221	$ 22,557,945	$ 5,151,288	$ 425,301,110	$ 60,101,933
d. Direct Unearned Premium Reserve			$1,948,604,717			

2.

REINSURANCE	Direct	Assumed	Ceded	Net
a. Contingent Commission	$ 108,010,827	$ 21,900,000	$ 0	$ 129,910,827
b. Sliding Scale Adjustments	0	0	0	0
c. Other Profit Commission Arrangements	0	0	0	0
d. Total	$ 108,010,827	$ 21,900,000	$ 0	$ 129,910,827

3. Protected Cell – Not applicable

D. Uncollectible Reinsurance – Not applicable

E. Commutation of Ceded Reinsurance – Not applicable

F. Retroactive Reinsurance – Not applicable

G. Reinsurance Accounted for as a Deposit – Not applicable

H. Disclosure for the Transfer of Property and Casualty Run-off Agreements – Not applicable

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation – Not applicable

J. Reinsurance Agreement Qualifying for Reinsurer Aggregation – Not applicable

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination – Not applicable

25. Changes in Incurred Losses and Loss Adjustment Expense

Reserves as of December 31, 2017 were $4,776,992,531. As of December 31, 2018, $1,401,461,864 has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now $3,232,153,795 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on commercial casualty lines of insurance. Therefore, there has been $143,376,872 of favorable prior-year development since December 31, 2017 to December 31, 2018. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims. Because the Company does not write retrospectively rated policies, prior-year development does not affect premium adjustments.

There were no changes in methodologies and assumptions used in calculating the reserve for loss and loss adjustment expenses at December 31, 2018.

26. Intercompany Pooling Arrangements – Not applicable

27. Structured Settlements

A.

Loss Reserves Eliminated by Annuities	Unrecorded Loss Contingencies
$138,096,514	$0

B.

Life Insurance Company and Location	Licensed in Ohio (Yes/No)	Statement (Present) Value of Annuities
The Cincinnati Life Insurance Company,	Yes	$136,355,153
Fairfield, Ohio		

28. Health Care Receivables – Not applicable

29. Participating Policies – Not applicable

30. Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves	$0
2. Date of most recent evaluation of this liability	01/16/2019
3. Was anticipated investment income utilized in the calculation	No

31. High Deductibles

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

1. Counter Party Exposure Recorded on Unpaid Claims and Billed Recoverables on Paid Claims

Annual Statement Line of Business		Gross (of High Deductible) Loss Reserves	Reserve Credit for High Deductibles	Billed Recoverables on Paid Claims	Total High Deductibles and Billed Recoverables
ASL #	ASL Description				
5	Commercial Multiple Peril	$ 4,458,999	$ 1,356,957	$ 670,255	$ 2,027,212
11.1	Medical Professional Liability - Occurrence	617,753	345,945	151,555	497,500
16	Workers' Compensation	20,005	0	21,877	21,877
18.1	Products Liability - Occurrence	24,047	9,046	954	10,000
19.3, 19.4	Commercial Auto Liability	4,547,274	1,872,960	1,078,958	2,951,918
21	Auto Physical Damage	235,705	139,007	271,894	410,901

2. Unsecured Amounts of High Deductibles

a.	Total high deductibles and billed recoverables on paid claims	$ 5,919,408
b.	Collateral on balance sheet	$ 0
c.	Collateral off balance sheet	$ 2,086,784
d.	Total unsecured deductibles and billed recoverables on paid claims	$ 3,832,624
e.	Percentage unsecured	65 %

NOTES TO FINANCIAL STATEMENTS

3. High Deductible Recoverables Amounts on Paid Claims

a.	Amount of overdue nonadmitted (either due to aging or collateral)	$ 0
b.	Total over 90 days overdue admitted	$ 100,000
c.	Total overdue (a+b)	$ 100,000

4. The Deductible Amounts for the Highest Ten Unsecured High Deductible Policies

Counterparty Ranking	Top Ten Unsecured High Deductibles Amounts
Counterparty 1	$ 905,963
Counterparty 2	$ 794,428
Counterparty 3	$ 508,027
Counterparty 4	$ 451,640
Counterparty 5	$ 403,264
Counterparty 6	$ 209,304
Counterparty 7	$ 208,950
Counterparty 8	$ 125,000
Counterparty 9	$ 84,685
Counterparty 10	$ 60,000

B. The Company has no unsecured high deductible recoverables for individual obligors part of a group under the same management or control which are greater than 1% of Capital and Surplus. For this purpose, a group of entities under common control shall be regarded as a single customer.

32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

The Company does not discount unpaid losses or loss adjustment expenses except for income tax purposes.

33. Asbestos and Environmental Reserves

A. Does the company have on the books, or has it ever written an insured for which you have identified a potential for the existence of, a liability due to asbestos losses? Yes (X) No ( )

The Company's exposure arose from the sale of commercial liability products. The Company tries to estimate the full impact of the asbestos exposures by establishing full case basis reserves on all known losses and computing IBNR based on generally accepted actuarial methodologies.

	ASBESTOS LOSSES	**2014**	**2015**	**2016**	**2017**	**2018**
1.		**Direct**	**Direct**	**Direct**	**Direct**	**Direct**
	Beginning Reserves	$38,181,859	$37,710,099	$36,560,987	$36,908,993	$32,710,723
	Incurred Loss & LAE	1,306,930	670,908	3,574,033	(2,018,727)	1,117,139
	Calendar year payments for Loss and LAE	1,778,690	1,820,020	3,226,027	2,179,543	2,075,138
	Ending Reserves	$37,710,099	$36,560,987	$36,908,993	$32,710,723	$31,752,724
2.		**Assumed**	**Assumed**	**Assumed**	**Assumed**	**Assumed**
	Beginning Reserves	$11,842,172	$11,744,833	$11,174,181	$12,440,076	$13,016,114
	Incurred Loss & LAE	622,870	(18,894)	1,598,999	748,752	1,545,234
	Calendar year payments for Loss and LAE	720,209	551,759	333,104	172,714	234,310
	Ending Reserves	$11,744,833	$11,174,181	$12,440,076	$13,016,114	$14,327,038
3.		**Net**	**Net**	**Net**	**Net**	**Net**
	Beginning Reserves	$29,849,059	$29,736,405	$27,816,915	$27,714,064	$25,784,724
	Incurred Loss & LAE	1,220,832	(581,499)	2,362,679	(789,066)	804,038
	Calendar year payments for Loss and LAE	1,333,486	1,337,991	2,465,530	1,140,274	1,175,627
	Ending Reserves	$29,736,405	$27,816,915	$27,714,064	$25,784,724	$25,413,135

B. Ending Reserves for Asbestos Claims for Bulk and IBNR Losses Included in A above:

	IBNR Reserves	**2014**	**2015**	**2016**	**2017**	**2018**
	Direct	$ 191,450	$ 46,400	$ (176,000)	$ (2,255,000)	$ (3,012,000)
	Assumed	7,934,257	$ 7,223,025	8,140,621	9,137,452	9,840,734
	Net	8,125,707	$ 7,269,425	7,964,621	6,882,452	6,828,734

C. Ending Reserves for Asbestos Claims for LAE Included in A above (Case, Bulk and IBNR):

	LAE Reserves	**2014**	**2015**	**2016**	**2017**	**2018**
	Direct	$13,149,250	$12,504,800	$14,430,450	$12,976,570	$12,943,425
	Assumed	272,791	310,159	476,281	411,887	414,698
	Net	9,913,991	8,789,559	7,835,231	7,449,137	6,791,373

D. Does the company have on the books, or has it ever written an insured for which you have identified a potential for the existence of, a liability due to environmental losses? Yes (X) No ( )

The Company's exposure arose from the sale of commercial liability products. The Company tries to estimate the full impact of the environmental exposures by establishing full case basis reserves on all known losses and computing IBNR based on generally accepted actuarial methodologies. The Company's environmental losses for each of the five most recent calendar years were as follows:

	ENVIRONMENTAL LOSSES	2014	2015	2016	2017	2018
1.		Direct	Direct	Direct	Direct	Direct
	Beginning Reserves	$45,673,007	$50,526,858	$54,455,568	$56,258,596	$56,932,928
	Incurred Loss & LAE	8,304,462	4,675,393	7,901,449	6,988,514	9,838,057
	Calendar year payments for Loss and LAE	3,450,611	746,683	6,098,421	6,314,182	6,163,830
	Ending Reserves	$50,526,858	$54,455,568	$56,258,596	$56,932,928	$60,607,155
2.		Assumed	Assumed	Assumed	Assumed	Assumed
	Beginning Reserves	$ 1,138,692	$ 1,131,234	$ 1,902,630	$ 1,480,416	$ 1,756,845
	Incurred Loss & LAE	321,050	1,145,689	803,203	930,519	1,359,081
	Calendar year payments for Loss and LAE	328,509	374,292	1,225,417	654,090	719,704
	Ending Reserves	$ 1,131,234	$ 1,902,630	$ 1,480,416	$ 1,756,845	$ 2,396,222
3.		Net	Net	Net	Net	Net
	Beginning Reserves	$46,811,699	$51,658,092	$56,358,198	$57,739,012	$58,689,773
	Incurred Loss & LAE	8,625,513	5,821,082	8,704,652	7,919,033	11,197,138
	Calendar year payments for Loss and LAE	3,779,120	1,120,975	7,323,838	6,968,272	6,883,534
	Ending Reserves	$51,658,092	$56,358,198	$57,739,012	$58,689,773	$63,003,377

E. Ending Reserves for Environmental Claims for Bulk and IBNR Losses Included in D above:

	IBNR Reserves	2014	2015	2016	2017	2018
	Direct	$18,966,812	$19,294,483	$22,738,204	$19,015,669	$19,486,899
	Assumed	666,618	588,987	693,077	890,113	1,365,843
	Net	19,633,430	19,883,470	23,431,281	19,905,782	20,852,742

F. Ending Reserves for Environmental Claims for LAE included in D above (Case, Bulk and IBNR):

	LAE Reserves	2014	2015	2016	2017	2018
	Direct	$16,610,966	$19,398,377	$16,947,606	$17,946,373	$19,688,318
	Assumed	21,358	20,342	20,023	22,096	20,316
	Net	16,632,324	19,418,719	16,967,629	17,968,469	19,708,634

34. Subscriber Savings Accounts – Not applicable

35. Multiple Peril Crop Insurance – Not applicable

36. Financial Guaranty Insurance – Not applicable

37. Other

Prior year data included in Schedule P is calculated as follows:

Part 1-Payments made in the current year and current reserves for AY's 2008 & prior.

Parts 2&3-The prior line on last year's statement is combined with the year 2008 total. Paid amounts prior to 2009 are then subtracted from this sum to arrive at the prior figure.

Part 4-The sum of the prior year line and the 2008 line from the prior year's Schedule P compose the prior figures for this section.

Part 5 Section 1&3-The prior line is combined with year 2007 from the prior schedule P. Counts for accident year 2008 in the preceding year are then subtracted from this sum to arrive at the prior figure, removing the cumulative effect.

Part 5 Section 2 - The prior line is combined with the 2008 AY of the prior year's Schedule P to arrive at the new prior number.

Total Net Losses and Expenses Unpaid – AY's 2008 & prior

(000's)	1999 & P	2000	2001	2002	2003	2004	2005	2006	2007	2008
Part 1A	65	56	0	0	19	2	86	80	(1)	21
Part 1B	519	7	11	41	260	107	49	56	59	163
Part 1C	16	32	0	0	0	5	104	52	216	80
Part 1D	63,326	15,078	17,219	20,193	23,089	25,281	29,172	23,311	31,559	35,006
Part 1E	14,733	2,197	2,276	2,857	2,860	2,355	3,384	4,335	5,708	8,700
Part 1F	0	0	0	0	0	0	0	50	176	139
Part 1G	319	72	88	47	0	0	0	0	0	0
Part 1H	25,126	386	1,124	412	403	527	739	2,760	3,783	11,430
Part 1I	3	0	0	0	0	0	0	0	7	(2)
Part 1J	26	2	(5)	6	11	22	25	34	18	3
Part 1K	15	6	0	1	5	0	0	4	10	593
Part 1R	1,562	72	137	56	78	63	120	778	916	1,502
Totals	105,710	17,908	20,850	23,613	26,725	28,362	33,679	33,460	42,451	57,635
										390,393

NOTES TO FINANCIAL STATEMENTS

Total Net Salvage and Subrogation Unpaid – AY's 2008 & prior

(000's)	1999 & P	2000	2001	2002	2003	2004	2005	2006	2007	2008
Part 1A	0	0	0	0	0	0	0	0	2	11
Part 1B	0	0	0	0	0	0	0	0	9	15
Part 1C	0	0	0	0	0	0	0	0	1	2
Part 1D	0	0	0	0	0	0	0	186	96	151
Part 1E	0	0	0	0	0	0	0	0	20	71
Part 1F	0	0	0	0	0	0	0	0	0	0
Part 1G	0	0	0	0	0	0	0	0	0	0
Part 1H	0	0	0	0	0	0	0	0	0	0
Part 1I	0	0	0	0	0	0	0	0	0	0
Part 1J	0	0	0	0	0	0	0	0	21	38
Part 1K	0	0	0	0	0	0	0	0	0	0
Part 1R	0	0	0	0	0	0	0	0	0	0
Totals	0	0	0	0	0	0	0	186	149	288
										623

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

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

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

1.3 State Regulating? Ohio

1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [X] No [ ]

1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. 0000020286

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

2.2 If yes, date of change:

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2014

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2014

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 10/05/2015

3.4 By what department or departments?
Ohio

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

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

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes [ ] No [X]
4.12 renewals? Yes [ ] No [X]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes [ ] No [X]
4.22 renewals? Yes [ ] No [X]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]
If yes, complete and file the merger history data file with the NAIC.

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

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

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

6.2 If yes, give full information:

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

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

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

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

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

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

8.4 If response to 8.3 is yes, please provide 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. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Deloitte & Touche; Suite 1900; 250 E. 5th St; PO Box 5340; Cincinnati, OH 45201-5340

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

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

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

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

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

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

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Kevin Bingham, Deloitte Consulting LLP, City Place I, 33rd Floor, 185 Asylum Street, Hartfort, CT, 06103-3402

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

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value $

12.2 If, yes provide explanation:

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

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

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

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

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

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No [ ]
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

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

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

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

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

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

GENERAL INTERROGATORIES

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

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

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
031301066	Ameriserv Financial Bank	Once a claim has been reported and a reserve established.	150,000
064009241	Avenue Bank	Once a claim has been reported and a reserve established.	220,620
081903537	Bank and Trust Company	Once a claim has been reported and a reserve established.	20,000
042101271	Bank of The Bluegrass	Once a claim has been reported and a reserve established.	11,704
323371076	Banner Bank	Once a claim has been reported and a reserve established.	200,000
041215553	Buckeye Community Bank	Once a claim has been reported and a reserve established.	66,000
124302325	Cache Valley Bank	Once a claim has been reported and a reserve established.	188,374
067016341	Cadence Bank	Once a claim has been reported and a reserve established.	75,000
022303659	Canadaigua Nati'l Bank & Tr. Co.	Once a claim has been reported and a reserve established.	55,000
067011760	Capitla Bank, NA	Once a claim has been reported and a reserve established.	250,000
042174509	Central Bank & Trust	Once a claim has been reported and a reserve established.	75,000
031319139	Centric Bank	Once a claim has been reported and a reserve established.	100,000
244172082	Century National Bank	Once a claim has been reported and a reserve established.	15,000
124103773	Citizens Community Bank, Division of Glacier Bank	Once a claim has been reported and a reserve established.	41,000
042215565	Citizens Natl Bk of Southwestern OH	Once a claim has been reported and a reserve established.	17,700
102003206	Colorado Business Bank	Once a claim has been reported and a reserve established.	141,123
125108272	Columbia Bank	Once a claim has been reported and a reserve established.	165,000
101015282	CrossFirst Bank	Once a claim has been reported and a reserve established.	250,000
324377134	Desertview Federal Credit Union	Once a claim has been reported and a reserve established.	277,000
041209080	Farmers National Bank of Canfield	Once a claim has been reported and a reserve established.	22,000
041208421	Farmers State BK W Salem	Once a claim has been reported and a reserve established.	15,000
241270851	First Federal Bank of the Midwest	Once a claim has been reported and a reserve established.	50,000
042200910	First Financial Bank, National Association	Once a claim has been reported and a reserve established.	269,718
071102076	First Mid Illinois Bank & Trust	Once a claim has been reported and a reserve established.	75,000
053112796	Forest Commercial Bank	Once a claim has been reported and a reserve established.	39,974
074903803	Garrett State Bank	Once a claim has been reported and a reserve established.	336,000
083904563	German American Bancorp	Once a claim has been reported and a reserve established.	80,000
072408708	Independent Bank	Once a claim has been reported and a reserve established.	49,403
081904468	Jersey State Bank	Once a claim has been reported and a reserve established.	30,000
064101204	Macon Bank & Trust Company	Once a claim has been reported and a reserve established.	100,000
291970033	Midcountry Bank	Once a claim has been reported and a reserve established.	40,000
303087995	Midfirst Bank	Once a claim has been reported and a reserve established.	153,123
041202702	Northwest Bank	Once a claim has been reported and a reserve established.	90,000
243374218	Northwest Savings Bank	Once a claim has been reported and a reserve established.	25,000
071000301	Peoples State Bank	Once a claim has been reported and a reserve established.	92,000
064008637	Pinnacle National Bank	Once a claim has been reported and a reserve established.	179,620
83001314	Republic Bank and Trust Company	Once a claim has been reported and a reserve established.	600,000
053200983	South State Bank	Once a claim has been reported and a reserve established.	257,995
107000372	Southwest Capital Bank	Once a claim has been reported and a reserve established.	457,585
083909445	Springs Valley Bank & Trust Co	Once a claim has been reported and a reserve established.	100,000
061212811	Sunmark Community Bank	Once a claim has been reported and a reserve established.	155,000
062202341	Synovus Bank	Once a claim has been reported and a reserve established.	18,984
064003881	Synovus Bank	Once a claim has been reported and a reserve established.	141,326
053207533	The Peoples Bank	Once a claim has been reported and a reserve established.	100,000
051408949	Towne Bank Norfolk	Once a claim has been reported and a reserve established.	150,000
091310576	Union State Bank of Fargo	Once a claim has been reported and a reserve established.	105,000
075901561	Woodtrust Bank N.A.	Once a claim has been reported and a reserve established.	150,000
31100102	WSFS Bank Center	Once a claim has been reported and a reserve established.	100,000

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No [ ]

17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No [ ]

18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? Yes [X] No [ ]

FINANCIAL

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

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers $
- 20.12 To stockholders not officers $
- 20.13 Trustees, supreme or grand (Fraternal Only) $

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers $
- 20.22 To stockholders not officers $
- 20.23 Trustees, supreme or grand (Fraternal Only) $

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [ ] No [X]

21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others $
- 21.22 Borrowed from others $
- 21.23 Leased from others $
- 21.24 Other $

22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [ ] No [X]

22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment $
- 22.22 Amount paid as expenses $
- 22.23 Other amounts paid $

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No [ ]

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $

INVESTMENT

24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [X] No [ ]

24.02 If no, give full and complete information relating thereto

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)

24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [ ] No [ ] N/A [X]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $

24.06 If answer to 24.04 is no, report amount of collateral for other programs. $

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [ ] No [ ] N/A [X]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] N/A [X]

24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [ ] No [ ] N/A [X]

GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. $

24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $

24.103 Total payable for securities lending reported on the liability page. $

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

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

25.21 Subject to repurchase agreements $
25.22 Subject to reverse repurchase agreements $
25.23 Subject to dollar repurchase agreements $
25.24 Subject to reverse dollar repurchase agreements $
25.25 Placed under option agreements $
25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock $
25.27 FHLB Capital Stock $
25.28 On deposit with states $ 72,152,464
25.29 On deposit with other regulatory bodies $
25.30 Pledged as collateral - excluding collateral pledged to an FHLB $ 61,738,284
25.31 Pledged as collateral to FHLB - including assets backing funding agreements $
25.32 Other $

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [ ] No [X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ] N/A [X]
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [ ] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year. $

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

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

1 Name of Custodian(s)	2 Custodian's Address
Fifth Third Bank	Fifth Third Center, Cincinnati, Ohio 45263

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

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

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

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

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

GENERAL INTERROGATORIES

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

1 Name of Firm or Individual	2 Affiliation
Securian Asset Management, Inc	U

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

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

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
109905	Securian Asset Management, Inc	5URRAMPU5ELNW8AQJB87	Securities and Exchange Commission	NO

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

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	6,161,963,097	6,206,977,459	45,014,362
30.2 Preferred stocks	167,109,736	168,967,603	1,857,868
30.3 Totals	6,329,072,833	6,375,945,062	46,872,230

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

The majority of fair market values are obtained from Interactive Data Corporation (IDC). For securities IDC is unable to price, the company looks to Bloomberg and uses a recent historical price method. If this cannot be determined the company uses outside brokers to analytically determine the price.

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

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

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

For our private placement securities, the company receives the fair value price from an outside private placement manager's firm. For all other securities not priced by IDC the company looks to outside security brokers who are market makers in that type of security.

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

32.2 If no, list exceptions:

For securities not filed with the SVO, please see the attached on page 15.6

GENERAL INTERROGATORIES

33. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:
    a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
    b. Issuer or obligor is current on all contracted interest and principal payments.
    c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
    Has the reporting entity self-designated 5GI securities? Yes [ ] No [X]

34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:
    a. The security was purchased prior to January 1, 2018.
    b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
    c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
    d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
    Has the reporting entity self-designated PLGI securities? Yes [ ] No [X]

OTHER

35.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $ 6,913,286

35.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
Michigan Assigned Claims Plan	1,953,859

36.1 Amount of payments for legal expenses, if any? $ 2,434,821

36.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Miller Weisbrod, LLP	1,750,000

37.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $ 306,721

37.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
Property Casualty Insurers Association	272,221

General Interrogatory 32.2
Securities not filed with the SVO

Cusip	Description	Par	Book Adjusted Carry Value	SVO Rating
12701#AB9	CRG ISSUER 2017-1	1,500,000.00	1,500,000.00	1Z
34489*AE9	FOOTBALL CLUB TERM NOTES	3,300,000.00	3,300,000.00	1Z
60040RAA4	MILLENNIUM CONSOLIDATED HOLDINGS LLC	5,000,000.00	4,970,642.93	2Z
41165FAC5	HARBORONE BANCORP INC	2,500,000.00	2,500,000.00	2Z
76169#AM5	REYES HOLDINGS, L.L.C.	4,000,000.00	4,000,000.00	2Z
31986GAA5	FIRST CMNTY HLDGS	5,000,000.00	5,000,000.00	6*
19910RAD1	COLUMBUS-FRANKLIN CNTY OHIO FIN AUTH PUB INFRAS	4,860,000.00	4,234,177.80	6*
32115DAB2	FIRST NBC BK HLDG CO	4,000,000.00	40,000.00	6*
80889EBC0	SCIOTO CNTY OHIO REGL WTR DIST NO 1 AUTH WTR SYS R	1,175,000.00	1,175,000.00	6*
53933EAC4	LL & P WIND ENERGY INC WASH REV	1,615,000.00	1,619,245.57	6*
874704EC9	TALLMADGE OHIO	180,000.00	180,000.00	6*
43739YAB9	HOMEBANCORP INC	5,000,000.00	5,000,000.00	6*
70336FAA2	PATRIOT NATL BANCORP INC	6,000,000.00	6,000,000.00	6*
35908VAA8	FRONTIER BANCSHARES INC	5,000,000.00	5,000,000.00	6*
631004AC2	NARRAGANSETT FINL CORP	4,000,000.00	4,000,000.00	6*
09531VAB6	BLUE BRDG FINL LLC	7,500,000.00	7,500,000.00	6*
9941276J2	CAPE ANALYTICS INC SERIES B PREFERRED	268,774.00	1,000,000.54	P6V
	Total	**60,898,774.00**	**57,019,066.84**	

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ ] No [X]

1.2 If yes, indicate premium earned on U. S. business only. $

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? $

1.31 Reason for excluding

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

1.5 Indicate total incurred claims on all Medicare Supplement Insurance. $

1.6 Individual policies:

Most current three years:
1.61 Total premium earned $
1.62 Total incurred claims $
1.63 Number of covered lives

All years prior to most current three years
1.64 Total premium earned $
1.65 Total incurred claims $
1.66 Number of covered lives

1.7 Group policies:

Most current three years:
1.71 Total premium earned $
1.72 Total incurred claims $
1.73 Number of covered lives

All years prior to most current three years
1.74 Total premium earned $
1.75 Total incurred claims $
1.76 Number of covered lives

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator		
2.2	Premium Denominator	4,690,086,613	4,517,156,454
2.3	Premium Ratio (2.1/2.2)	0.000	0.000
2.4	Reserve Numerator		
2.5	Reserve Denominator	7,546,853,578	7,107,629,099
2.6	Reserve Ratio (2.4/2.5)	0.000	0.000

3.1 Does the reporting entity issue both participating and non-participating policies? Yes [X] No [ ]

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

3.21 Participating policies $ 83,750,963
3.22 Non-participating policies $ 3,688,697,451

4. For mutual reporting Entities and Reciprocal Exchanges Only:
4.1 Does the reporting entity issue assessable policies? Yes [ ] No [ ]
4.2 Does the reporting entity issue non-assessable policies? Yes [ ] No [ ]
4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? %
4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. $

5. For Reciprocal Exchanges Only:
5.1 Does the Exchange appoint local agents? Yes [ ] No [ ]
5.2 If yes, is the commission paid:
5.21 Out of Attorney's-in-fact compensation Yes [ ] No [ ] N/A [ ]
5.22 As a direct expense of the exchange Yes [ ] No [ ] N/A [ ]
5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [ ] No [ ]

5.5 If yes, give full information

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
Protection is provided through several excess reinsurance contracts for workers' compensation coverage.

6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process.
The company has engaged with JLT Re who uses the catastrophe models from Risk Management Solutions and Applied Insurance Research to model potential maximum loss exposure.

6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
The company has a catastrophic reinsurance program insuring losses $500 million excess $100 millon, plus co-participation by layer.

6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [X] No [ ]

6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss.

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

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

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

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

8.2 If yes, give full information

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

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

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

9.4 Except for transactions meeting the requirements of paragraph 32 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [ ] No [X]

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

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

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

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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

11.2 If yes, give full information

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

12.11 Unpaid losses $

12.12 Unpaid underwriting expenses (including loss adjustment expenses) $

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

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

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

12.41 From %

12.42 To %

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

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

12.61 Letters of credit $ 22,535,855

12.62 Collateral and other funds $

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): $ 10,000,000

13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [ ] No [X]

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. 1

14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes [ ] No [X]

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [ ] No [ ]

14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [ ] No [ ]

14.5 If the answer to 14.4 is no, please explain:

15.1 Has the reporting entity guaranteed any financed premium accounts? Yes [ ] No [X]

15.2 If yes, give full information

16.1 Does the reporting entity write any warranty business? Yes [ ] No [X]
If yes, disclose the following information for each of the following types of warranty coverage:

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

* Disclose type of coverage:

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that is exempt from the statutory provision for unauthorized reinsurance? Yes [ ] No [X]

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from the statutory provision for unauthorized reinsurance. Provide the following information for this exemption:

17.11 Gross amount of unauthorized reinsurance in Schedule F - Part 3 exempt from the statutory provision for unauthorized reinsurance $

17.12 Unfunded portion of Interrogatory 17.11 $

17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11 $

17.14 Case reserves portion of Interrogatory 17.11 $

17.15 Incurred but not reported portion of Interrogatory 17.11 $

17.16 Unearned premium portion of Interrogatory 17.11 $

17.17 Contingent commission portion of Interrogatory 17.11 $

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

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

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

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

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

19.1 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 [ ]

FIVE-YEAR HISTORICAL DATA

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

		1 2018	2 2017	3 2016	4 2015	5 2014
	Gross Premiums Written (Page 8, Part 1B Cols. 1, 2 & 3)					
1.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	2,058,215,917	2,016,845,873	1,976,729,395	1,918,402,873	1,827,546,026
2.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	911,235,025	850,369,847	776,919,769	721,971,290	672,551,986
3.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,844,764,186	1,807,077,944	1,742,655,756	1,677,570,531	1,622,198,987
4.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	75,574,269	62,656,424	52,150,753	47,705,872	47,291,629
5.	Nonproportional reinsurance lines (Lines 31, 32 & 33)	53,650,507	25,557,552	12,999,159	220,000	
6.	Total (Line 35)	4,943,439,904	4,762,507,639	4,561,454,832	4,365,870,566	4,169,588,628
	Net Premiums Written (Page 8, Part 1B, Col. 6)					
7.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	2,009,434,078	1,976,953,348	1,906,050,164	1,836,424,938	1,767,984,350
8.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	887,358,682	829,294,203	757,519,464	705,405,414	642,812,139
9.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,763,903,520	1,734,036,163	1,668,910,028	1,603,585,542	1,540,300,244
10.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	71,388,285	59,060,243	48,430,739	43,808,125	42,063,632
11.	Nonproportional reinsurance lines (Lines 31, 32 & 33)	52,297,450	25,557,552	12,999,159	220,000	
12.	Total (Line 35)	4,784,382,015	4,624,901,508	4,393,909,554	4,189,444,019	3,993,160,365
	Statement of Income (Page 4)					
13	Net underwriting gain (loss) (Line 8)	116,157,023	53,586,463	175,887,371	342,883,869	159,773,617
14.	Net investment gain or (loss) (Line 11)	466,380,004	437,621,082	407,479,610	381,851,807	395,450,453
15.	Total other income (Line 15)	8,569,609	8,915,048	7,228,638	6,721,395	5,977,258
16.	Dividends to policyholders (Line 17)	12,280,856	13,674,990	15,218,815	14,873,311	15,671,799
17.	Federal and foreign income taxes incurred (Line 19)	(47,242,047)	85,220,627	141,288,450	182,495,798	109,723,200
18.	Net income (Line 20)	626,067,826	401,226,975	434,088,354	534,087,962	435,806,329
	Balance Sheet Lines (Pages 2 and 3)					
19.	Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	13,147,818,826	12,914,879,406	12,092,696,643	11,194,176,670	11,017,151,254
20.	Premiums and considerations (Page 2, Col. 3)					
	20.1 In course of collection (Line 15.1)	327,644,698	332,235,844	336,321,585	341,227,782	325,674,149
	20.2 Deferred and not yet due (Line 15.2)	1,279,441,002	1,245,594,932	1,196,787,690	1,147,192,287	1,099,156,670
	20.3 Accrued retrospective premiums (Line 15.3)					
21.	Total liabilities excluding protected cell business (Page 3, Line 26)	8,228,714,453	7,821,313,577	7,406,735,128	6,781,745,197	6,544,940,815
22.	Losses (Page 3, Line 1)	4,041,308,372	3,756,045,932	3,552,867,103	3,237,348,232	3,087,597,925
23.	Loss adjustment expenses (Page 3, Line 3)	1,082,498,969	1,020,946,599	953,115,139	923,158,082	876,604,196
24.	Unearned premiums (Page 3, Line 9)	2,373,905,827	2,279,405,281	2,172,469,641	2,079,433,143	1,991,920,630
25.	Capital paid up (Page 3, Lines 30 & 31)	3,586,355	3,586,355	3,586,355	3,586,355	3,586,355
26.	Surplus as regards policyholders (Page 3, Line 37)	4,919,104,373	5,093,565,829	4,685,961,515	4,412,431,473	4,472,210,439
	Cash Flow (Page 5)					
27.	Net cash from operations (Line 11)	810,007,573	753,935,669	765,762,383	705,990,418	571,713,960
	Risk-Based Capital Analysis					
28.	Total adjusted capital	4,951,739,388	5,127,044,476	4,714,781,042	4,431,180,883	4,489,600,517
29.	Authorized control level risk-based capital	723,155,077	686,271,907	644,665,966	582,050,743	563,705,141
	Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0					
30.	Bonds (Line 1)	54.5	53.3	54.2	55.6	54.3
31.	Stocks (Lines 2.1 & 2.2)	40.3	42.6	41.1	40.3	41.1
32.	Mortgage loans on real estate (Lines 3.1 and 3.2)					
33.	Real estate (Lines 4.1, 4.2 & 4.3)	0.1	0.1	0.1	0.1	0.1
34.	Cash, cash equivalents and short-term investments (Line 5)	3.7	3.0	4.0	3.7	4.4
35.	Contract loans (Line 6)					
36.	Derivatives (Line 7)					
37.	Other invested assets (Line 8)	1.5	1.0	0.6	0.4	0.1
38.	Receivables for securities (Line 9)		0.1	0.1		
39.	Securities lending reinvested collateral assets (Line 10)					
40.	Aggregate write-ins for invested assets (Line 11)					
41.	Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
	Investments in Parent, Subsidiaries and Affiliates					
42.	Affiliated bonds (Schedule D, Summary, Line 12, Col. 1)					
43.	Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1)					
44.	Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1)	1,169,545,012	1,123,384,228	1,025,507,763	939,083,747	904,809,546
45.	Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)					
46.	Affiliated mortgage loans on real estate					
47.	All other affiliated					
48.	Total of above Lines 42 to 47	1,169,545,012	1,123,384,228	1,025,507,763	939,083,747	904,809,546
49.	Total Investment in Parent included in Lines 42 to 47 above					
50.	Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	23.8	22.1	21.9	21.3	20.2

FIVE-YEAR HISTORICAL DATA

(Continued)

		1 2018	2 2017	3 2016	4 2015	5 2014
	Capital and Surplus Accounts (Page 4)					
51.	Net unrealized capital gains (losses) (Line 24)	(249,501,516)	628,551,445	319,503,914	(148,403,794)	130,576,859
52.	Dividends to stockholders (Line 35)	(500,000,000)	(465,000,000)	(475,000,000)	(447,000,000)	(400,000,000)
53.	Change in surplus as regards policyholders for the year (Line 38)	(174,461,457)	407,604,315	273,530,042	(59,778,966)	146,540,007
	Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	939,618,851	957,342,339	827,620,214	821,230,264	830,989,901
55.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	444,427,897	441,264,659	400,465,800	375,053,442	352,143,539
56.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	951,389,781	973,401,234	847,832,166	768,338,570	849,278,704
57.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	1,357,170	2,473,938	(1,805,556)	2,988,100	18,875,273
58.	Nonproportional reinsurance lines (Lines 31, 32 & 33)	9,678,835	4,208,851			
59.	Total (Line 35)	2,346,472,534	2,378,691,021	2,074,112,624	1,967,610,376	2,051,287,417
	Net Losses Paid (Page 9, Part 2, Col. 4)					
60.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	917,234,067	928,422,638	804,545,484	802,458,098	799,776,514
61.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	444,537,381	440,453,114	400,345,976	374,399,933	351,314,166
62.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	937,615,224	961,205,050	835,244,175	751,385,441	835,132,161
63.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	1,366,544	2,487,143	(1,820,418)	2,698,795	16,221,867
64.	Nonproportional reinsurance lines (Lines 31, 32 & 33)	9,678,835	4,208,851			
65.	Total (Line 35)	2,310,432,051	2,336,776,796	2,038,315,217	1,930,942,267	2,002,444,708
	Operating Percentages (Page 4) (Line divided by Page 4, Line 1) x 100.0					
66.	Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67.	Losses incurred (Line 2)	55.3	56.2	54.7	50.7	55.0
68.	Loss expenses incurred (Line 3)	11.2	11.3	10.2	10.3	10.5
69.	Other underwriting expenses incurred (Line 4)	31.0	31.3	31.0	30.7	30.5
70.	Net underwriting gain (loss) (Line 8)	2.5	1.2	4.1	8.4	4.1
	Other Percentages					
71.	Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	30.2	30.3	30.2	30.0	29.6
72.	Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	66.5	67.5	64.9	60.9	65.5
73.	Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	97.3	90.8	93.8	94.9	89.3
	One Year Loss Development ($000 omitted)					
74.	Development in estimated losses and loss expenses incurred prior to current year (Schedule P - Part 2 - Summary, Line 12, Col. 11)	(125,497)	(97,024)	(138,247)	(147,250)	(59,549)
75.	Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0)	(2.5)	(2.1)	(3.1)	(3.3)	(1.4)
	Two Year Loss Development ($000 omitted)					
76.	Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(175,786)	(190,065)	(202,417)	(160,844)	(169,156)
77.	Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)	(3.8)	(4.3)	(4.5)	(3.7)	(4.3)

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

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

($000 OMITTED)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported Direct and Assumed
	Direct and Assumed	Ceded	Net (1 - 2)	4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid Cols (4 - 5 + 6 - 7 + 8 - 9)	
1. Prior	XXX	XXX	XXX	35,299	9,249	8,401	1,009	4,533		1,047	37,975	XXX
2. 2009	3,054,331	167,561	2,886,770	1,621,584	68,907	156,403	2,556	189,878		50,426	1,896,403	XXX
3. 2010	3,039,382	161,559	2,877,823	1,625,979	30,115	140,624	1,421	190,086		58,757	1,925,153	XXX
4. 2011	3,177,114	215,272	2,961,842	2,181,497	269,998	153,855	1,269	199,839	8,381	69,415	2,255,542	XXX
5. 2012	3,438,157	184,651	3,253,506	1,934,694	58,779	150,214	2,961	198,592	16	62,024	2,221,744	XXX
6. 2013	3,800,345	200,269	3,600,076	1,757,681	12,163	150,012	824	194,591		69,445	2,089,297	XXX
7. 2014	4,075,542	175,644	3,899,898	1,942,447	15,020	145,242	649	212,967		72,749	2,284,987	XXX
8. 2015	4,259,930	153,489	4,106,441	1,831,389	36,336	131,651	1,329	203,830		77,164	2,129,205	XXX
9. 2016	4,462,841	160,754	4,302,086	1,911,232	28,920	112,042	4,146	204,960	1	78,326	2,195,167	XXX
10. 2017	4,677,029	159,873	4,517,156	1,739,152	6,096	74,740	234	192,312	13	75,139	1,999,861	XXX
11. 2018	4,848,920	158,833	4,690,087	1,230,048	11,744	35,359	134	117,544		37,265	1,371,072	XXX
12. Totals	XXX	XXX	XXX	17,811,000	547,328	1,258,545	16,532	1,909,132	8,411	651,758	20,406,406	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR						
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	21 Direct and Assumed	22 Ceded	Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
1. Prior	203,484	58,503	227,517	6,010	2,275	1,331	30,263	7,355	52		623	390,393	XXX
2. 2009	19,849	485	24,230	289	20	20	7,407		45		363	50,757	XXX
3. 2010	21,814	2,263	29,565	722	9	9	7,531	35	14		700	55,904	XXX
4. 2011	49,887	1,542	24,590	1,338	127	127	11,084	40	197		1,064	82,837	XXX
5. 2012	46,139	586	40,587	2,096	20	17	15,121	95	713		1,661	99,786	XXX
6. 2013	82,840	9,178	57,815	2,281	95	93	26,449	125	2,567		2,727	158,090	XXX
7. 2014	141,745	11,153	52,719	2,432	74	69	48,056	150	11,884		4,937	240,674	XXX
8. 2015	221,373	7,467	103,409	3,047	240	226	78,243	125	22,537		8,897	414,936	XXX
9. 2016	384,660	12,245	122,581	5,556	948	695	128,931	155	33,223		12,869	651,691	XXX
10. 2017	548,234	22,732	321,751	19,290	1,444	700	201,529	225	57,076		25,108	1,087,087	XXX
11. 2018	890,568	19,852	650,842	35,821	834	224	262,366	300	143,241		59,151	1,891,654	XXX
12. Totals	2,610,592	146,006	1,655,604	78,882	6,084	3,509	816,980	8,605	271,549		118,100	5,123,807	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred /Premiums Earned)			Nontabular Discount		34	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense	Inter-Company Pooling Participation Percentage	35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX			XXX	366,488	23,905
2. 2009	2,019,417	72,257	1,947,160	66.1	43.1	67.5				43,305	7,452
3. 2010	2,015,621	34,564	1,981,056	66.3	21.4	68.8				48,394	7,510
4. 2011	2,621,075	282,695	2,338,379	82.5	131.3	79.0				71,596	11,241
5. 2012	2,386,079	64,549	2,321,529	69.4	35.0	71.4				84,044	15,742
6. 2013	2,272,051	24,664	2,247,387	59.8	12.3	62.4				129,196	28,894
7. 2014	2,555,134	29,473	2,525,661	62.7	16.8	64.8				180,879	59,795
8. 2015	2,592,671	48,531	2,544,140	60.9	31.6	62.0				314,267	100,668
9. 2016	2,898,576	51,718	2,846,858	64.9	32.2	66.2				489,439	162,251
10. 2017	3,136,238	49,289	3,086,949	67.1	30.8	68.3				827,963	259,124
11. 2018	3,330,801	68,075	3,262,726	68.7	42.9	69.6				1,485,737	405,917
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX			XXX	4,041,308	1,082,499

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements which will reconcile Part 1 with Parts 2 and 4.

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED) 1 2009	2 2010	3 2011	4 2012	5 2013	6 2014	7 2015	8 2016	9 2017	10 2018	DEVELOPMENT 11 One Year	12 Two Year
1. Prior	2,237,937	2,116,864	2,027,860	1,940,080	1,961,865	1,957,929	1,926,243	1,929,034	1,938,164	1,930,814	(7,350)	1,780
2. 2009	2,025,162	1,887,095	1,847,331	1,756,925	1,771,202	1,769,198	1,758,370	1,757,533	1,750,710	1,757,237	6,527	(296)
3. 2010	XXX	2,050,406	1,902,332	1,850,380	1,799,912	1,802,325	1,807,426	1,805,856	1,795,754	1,790,956	(4,798)	(14,900)
4. 2011	XXX	XXX	2,381,460	2,222,426	2,185,801	2,176,987	2,172,244	2,169,742	2,149,992	2,146,725	(3,267)	(23,017)
5. 2012	XXX	XXX	XXX	2,270,863	2,158,626	2,165,080	2,126,127	2,122,701	2,133,635	2,122,240	(11,394)	(461)
6. 2013	XXX	XXX	XXX	XXX	2,170,080	2,116,418	2,096,233	2,078,154	2,060,357	2,050,229	(10,128)	(27,925)
7. 2014	XXX	XXX	XXX	XXX	XXX	2,392,177	2,346,222	2,314,676	2,300,715	2,300,809	94	(13,867)
8. 2015	XXX	XXX	XXX	XXX	XXX	XXX	2,425,477	2,342,397	2,338,950	2,317,774	(21,177)	(24,623)
9. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,681,153	2,635,945	2,608,676	(27,269)	(72,477)
10. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,884,308	2,837,573	(46,735)	XXX
11. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,001,941	XXX	XXX
										12. Totals	(125,497)	(175,786)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED) 1 2009	2 2010	3 2011	4 2012	5 2013	6 2014	7 2015	8 2016	9 2017	10 2018	11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
1. Prior	000	501,298	856,461	1,097,446	1,252,247	1,355,270	1,416,577	1,467,516	1,507,032	1,540,473	XXX	XXX
2. 2009	830,310	1,168,517	1,350,363	1,487,388	1,577,048	1,631,788	1,663,870	1,685,820	1,694,334	1,706,525	XXX	XXX
3. 2010	XXX	842,232	1,227,755	1,423,446	1,529,562	1,630,188	1,680,871	1,703,872	1,726,343	1,735,066	XXX	XXX
4. 2011	XXX	XXX	1,111,075	1,519,168	1,710,287	1,870,879	1,966,289	2,019,873	2,046,825	2,064,084	XXX	XXX
5. 2012	XXX	XXX	XXX	1,017,312	1,457,871	1,679,294	1,828,775	1,934,677	1,995,876	2,023,168	XXX	XXX
6. 2013	XXX	XXX	XXX	XXX	941,759	1,378,441	1,594,284	1,752,211	1,846,173	1,894,706	XXX	XXX
7. 2014	XXX	XXX	XXX	XXX	XXX	1,089,758	1,539,719	1,766,895	1,965,817	2,072,020	XXX	XXX
8. 2015	XXX	XXX	XXX	XXX	XXX	XXX	1,035,192	1,483,484	1,741,454	1,925,375	XXX	XXX
9. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,137,551	1,695,166	1,990,208	XXX	XXX
10. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,272,679	1,807,562	XXX	XXX
11. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,253,529	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED) 1 2009	2 2010	3 2011	4 2012	5 2013	6 2014	7 2015	8 2016	9 2017	10 2018
1. Prior	862,205	655,537	544,580	408,585	393,098	362,532	312,388	286,137	258,978	244,416
2. 2009	552,158	277,365	203,352	93,161	90,774	67,513	52,477	44,303	28,819	31,348
3. 2010	XXX	559,680	284,589	180,070	112,092	74,157	63,244	61,657	43,239	36,338
4. 2011	XXX	XXX	565,008	292,785	173,690	113,131	85,260	71,632	40,511	34,296
5. 2012	XXX	XXX	XXX	562,067	285,661	204,523	115,187	83,165	74,962	53,517
6. 2013	XXX	XXX	XXX	XXX	551,285	325,277	205,063	153,918	101,282	81,858
7. 2014	XXX	XXX	XXX	XXX	XXX	578,903	339,618	205,451	132,664	98,193
8. 2015	XXX	XXX	XXX	XXX	XXX	XXX	657,738	397,084	263,405	178,480
9. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	703,959	406,320	245,800
10. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	813,698	503,765
11. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	877,086

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status (a)	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken: 2 Direct Premiums Written	3 Direct Premiums Earned	4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Included in Column 2)
1. Alabama AL	L	144,419,309	142,403,777	4,026	78,880,483	91,068,069	78,835,141	355,923	
2. Alaska AK	L	75,886	84,507		1,905	(11,504)	19,430		
3. Arizona AZ	L	55,687,306	54,230,825	141,225	33,991,729	35,391,238	40,206,081	141,289	
4. Arkansas AR	L	64,936,576	66,423,316	3,354	38,613,465	32,562,921	31,568,686	154,275	
5. California CA	L	37,837,109	28,507,572		33,982,026	57,728,105	32,793,098	36,833	
6. Colorado CO	L	30,075,907	29,731,560		16,014,198	17,374,197	23,961,016	94,244	
7. Connecticut CT	L	45,456,591	40,312,509	14,344	22,547,562	31,309,772	24,527,111	143,126	
8. Delaware DE	L	13,768,686	13,149,436	209,053	5,977,642	7,574,394	15,420,920	15,871	
9. District of Columbia DC	L	3,368,288	2,817,903	4,473	682,922	1,258,958	1,911,676	1,855	
10. Florida FL	L	55,692,440	50,210,884		22,191,802	15,228,870	66,856,706	42,493	
11. Georgia GA	L	239,105,264	235,736,854	186,590	141,142,827	169,167,987	178,878,096	521,488	
12. Hawaii HI	L	204,211	191,823		(2,183)	15,597	73,554	165	
13. Idaho ID	L	36,462,930	35,400,247	36,462	16,372,302	23,652,792	25,720,547	85,859	
14. Illinois IL	L	218,842,651	217,292,960	1,319,686	95,460,953	100,220,758	177,494,286	573,168	
15. Indiana IN	L	215,070,259	215,104,404	107,912	94,237,195	94,924,141	148,240,726	530,564	
16. Iowa IA	L	63,389,889	62,325,204	1,052,372	37,812,555	36,814,631	69,156,011	105,830	
17. Kansas KS	L	44,391,686	43,527,841	204,642	17,666,460	21,666,111	28,361,841	94,370	
18. Kentucky KY	L	148,852,040	150,767,561	24,894	67,945,027	70,768,543	96,545,051	136,208	
19. Louisiana LA	L	2,385,116	2,272,331		1,397,865	1,325,537	2,643,485	278	
20. Maine ME	L	253,676	240,402		150,482	229,391	213,669	243	
21. Maryland MD	L	82,860,619	80,489,543	461,066	45,628,787	58,804,996	70,574,612	233,703	
22. Massachusetts MA	L	4,087,059	2,697,250		1,324,109	1,768,981	1,786,754	5,715	
23. Michigan MI	L	193,446,670	201,841,350	581,983	97,902,858	99,334,066	136,527,728	681,066	
24. Minnesota MN	L	106,593,401	106,013,453	26,868	48,778,233	45,672,736	69,236,115	277,796	
25. Mississippi MS	L	1,816,002	1,826,347		393,013	971,453	2,711,419	782	
26. Missouri MO	L	112,669,090	108,974,868	295,191	48,348,093	48,657,746	92,926,740	260,952	
27. Montana MT	L	49,425,328	47,744,165		17,807,784	25,153,006	35,606,615	55,570	
28. Nebraska NE	L	28,833,046	29,211,382	277,425	17,765,971	9,103,524	28,613,927	33,993	
29. Nevada NV	L	1,605,230	1,721,113		567,551	1,131,572	1,835,850	495	
30. New Hampshire NH	L	13,763,862	13,421,458	47,976	5,334,627	5,070,738	8,568,560	46,317	
31. New Jersey NJ	L	9,690,227	7,783,429	111,172	3,834,757	4,877,987	8,596,649	18,666	
32. New Mexico NM	L	18,258,209	18,299,614	2,210	5,951,284	11,050,431	22,782,897	71,228	
33. New York NY	L	129,118,484	115,190,974	433,180	47,251,045	58,228,047	91,877,178	271,780	
34. North Carolina NC	L	223,708,232	220,662,654	129,717	120,470,902	181,617,922	161,606,098	511,419	
35. North Dakota ND	L	14,044,216	14,526,340		6,090,919	6,020,511	9,853,138	18,337	
36. Ohio OH	L	651,027,081	645,391,617		284,468,492	313,762,440	396,366,257	1,654,496	
37. Oklahoma OK	L	1,813,591	1,845,484		834,303	499,226	1,055,748	669	
38. Oregon OR	L	43,428,656	39,577,092		19,402,716	17,801,884	21,892,862	141,934	
39. Pennsylvania PA	L	182,891,591	177,055,135	1,643,576	91,101,210	107,277,317	201,741,512	474,534	
40. Rhode Island RI	L	222,847	251,872		429,069	313,049	165,303	45	
41. South Carolina SC	L	65,424,131	64,771,518	9,822	33,247,985	39,585,236	52,838,664	149,873	
42. South Dakota SD	L	9,968,960	10,204,186	33,959	4,972,971	11,027,942	16,806,182	13,562	
43. Tennessee TN	L	153,218,023	153,021,078	66,071	65,878,488	53,838,519	94,684,025	394,266	
44. Texas TX	L	101,916,817	99,671,197	10,084	56,512,778	60,982,693	97,487,249	241,017	
45. Utah UT	L	52,053,393	52,692,636		22,307,768	19,180,390	38,931,196	151,327	
46. Vermont VT	L	21,175,089	20,966,858	133,259	9,063,037	8,029,543	18,389,914	66,824	
47. Virginia VA	L	126,948,158	122,734,795	438,412	73,101,259	82,668,377	113,072,854	333,832	
48. Washington WA	L	25,125,532	21,639,758		7,931,665	7,926,344	13,459,625	56,966	
49. West Virginia WV	L	24,650,843	23,545,038		11,883,765	10,913,381	15,281,905	34,793	
50. Wisconsin WI	L	108,471,096	108,587,503	4,112,738	52,322,371	56,262,945	119,831,734	190,021	
51. Wyoming WY	L	7,097,802	6,488,030		2,130,479	3,002,694	3,929,472	7,312	
52. American Samoa AS	N								
53. Guam GU	N								
54. Puerto Rico PR	L	500	930			163	259		
55. U.S. Virgin Islands VI	N								
56. Northern Mariana Islands MP	N								
57. Canada CAN	N								
58. Aggregate other alien OT	XXX								
59. Totals	XXX	3,985,629,607	3,909,580,582	12,123,742	1,928,105,504	2,158,806,365	2,992,466,175	9,433,371	
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX								
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX								

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG 52

E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - see DSLI)

D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile

R - Registered - Non-domiciled RRGs

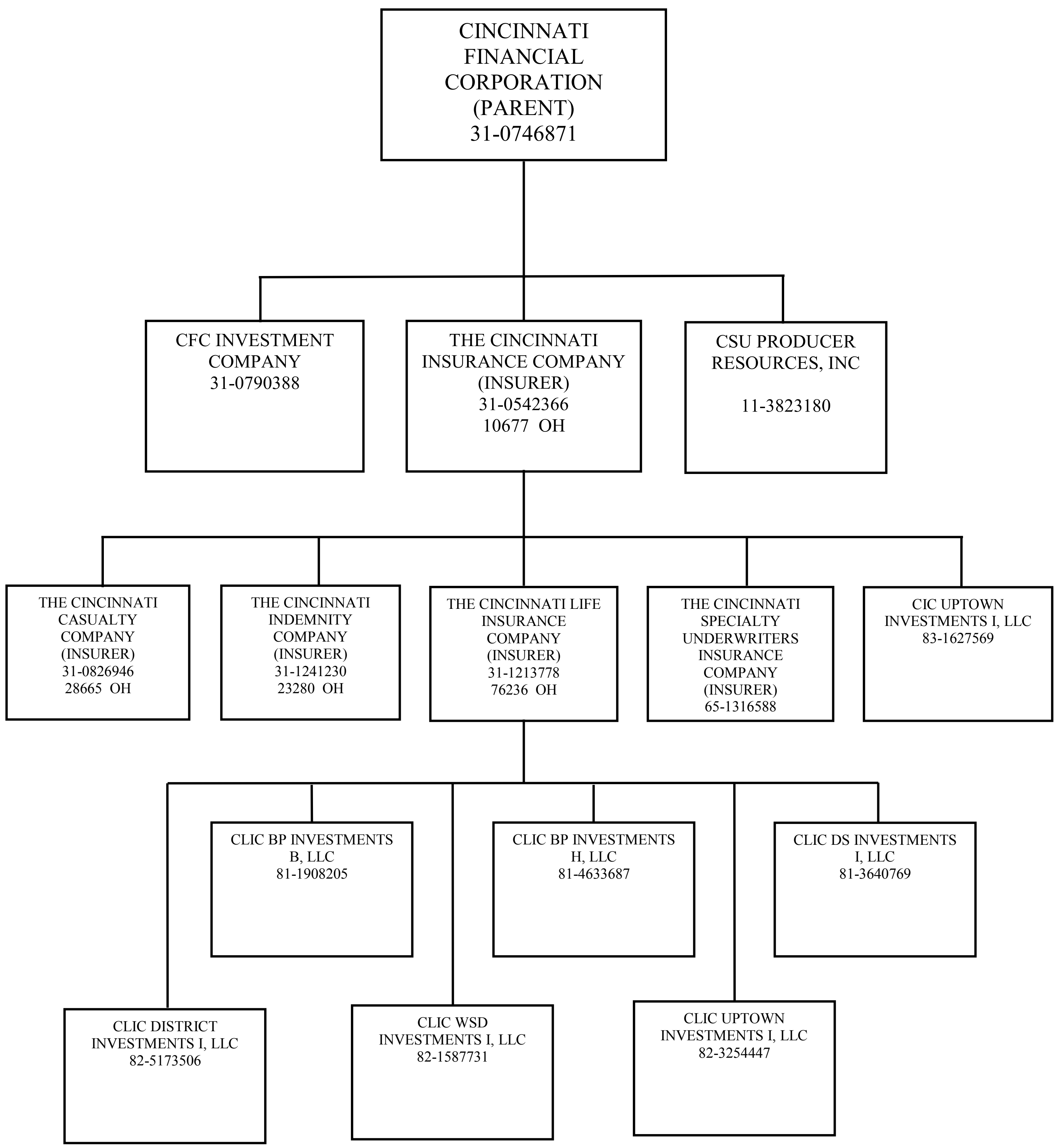
Q - Qualified - Qualified or accredited reinsurer

N - None of the above - Not allowed to write business in the state 5

(b) Explanation of basis of allocation of premiums by states, etc.

Premiums recieved on all classes are booked to the state in which the risk is located.

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



OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Schedule E - Part 3 Line 58

States, Etc.	1 Type of Deposit	2 Purpose of Deposit	Deposits For the Benefit of All Policyholders 3 Book/Adjusted Carrying Value	4 Fair Value	All Other Special Deposits 5 Book/Adjusted Carrying Value	6 Fair Value
5804. Reinsurance Agreement FMAC	B	Collateral For Reinsurance			8,154,835	8,111,531
5805. Reinsurance Agreement ARCH AMERT	B	Collateral For Reinsurance			1,445,156	1,479,992
5897. Summary of remaining write-ins for Line 58 from overflow page	XXX	XXX			9,599,991	9,591,524

ALPHABETICAL INDEX

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ANNUAL STATEMENT BLANK (Continued)

ANNUAL STATEMENT BLANK (Continued)