



ANNUAL STATEMENT

For the Year Ended December 31, 2018  
of the Condition and Affairs of the

MOTORISTS MUTUAL INSURANCE COMPANY

NAIC Group Code.....	291, 291	NAIC Company Code.....	14621	Employer's ID Number.....	31-4259550
	(Current Period) (Prior Period)				
Organized under the Laws of OH		State of Domicile or Port of Entry OH		Country of Domicile	US
Incorporated/Organized.....	November 8, 1928	Commenced Business.....	November 27, 1928		
Statutory Home Office	471 EAST BROAD STREET .. COLUMBUS .. OH .. US .. 43215				
	(Street and Number) (City or Town, State, Country and Zip Code)				
Main Administrative Office	471 EAST BROAD STREET .. COLUMBUS .. OH .. US .. 43215			614-225-8211	
	(Street and Number) (City or Town, State, Country and Zip Code)			(Area Code) (Telephone Number)	
Mail Address	471 EAST BROAD STREET .. COLUMBUS .. OH .. US .. 43215				
	(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)				
Primary Location of Books and Records	471 EAST BROAD STREET .. COLUMBUS .. OH .. US .. 43215			614-225-8211	
	(Street and Number) (City or Town, State, Country and Zip Code)			(Area Code) (Telephone Number)	
Internet Web Site Address	MOTORISTSINSURANCEGROUP.COM				
Statutory Statement Contact	AMY E KUHLMAN			614-225-8285	
	(Name)			(Area Code) (Telephone Number) (Extension)	
	ACCOUNTING@MOTORISTSGROUP.COM			614-225-8330	
	(E-Mail Address)			(Fax Number)	

OFFICERS

Name	Title	Name	Title
1. DAVID LYNN KAUFMAN	CHIEF EXECUTIVE OFFICER	2. MARCHELLE ELAINE MOORE	SECRETARY
3. JAMES CHRISTOPHER HOWAT	TREASURER	4. THOMAS JOSEPH OBROKTA JR.	PRESIDENT

OTHER

GREGORY ARTHUR BURTON	EXECUTIVE CHAIR	TERESA MARIE KING	CHIEF CLAIMS OFFICER
JOHN CHRISTOPHER KESSLER	CHIEF STRATEGY OFFICER	ANTHONY LASKA	CHIEF INFORMATION OFFICER
WILLIAM JOSEPH MCGEE, JR.	CHIEF RISK OFFICER	MARCHELLE ELAINE MOORE	CHIEF LEGAL OFFICER & GENERAL COUNSEL

DIRECTORS OR TRUSTEES

W. MARSTON BECKER	JOHN JACOB BISHOP	YVETTE MCGEE BROWN	GREGORY ARTHUR BURTON
KEVIN JOSEPH CRAIG	THOMAS VINCENT FLAHERTY	ARCHIE MASON GRIFFIN	SANDRA WERTH HARBRECHT
DAVID LYNN KAUFMAN	DAVID LEE RADER	ROBERT CHARLES SMITH	STEVEN FRANK WHITE

State of..... OHIO  
County of..... FRANKLIN

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

(Signature)	(Signature)	(Signature)
DAVID LYNN KAUFMAN	MARCHELLE ELAINE MOORE	JAMES CHRISTOPHER HOWAT
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
CHIEF EXECUTIVE OFFICER	SECRETARY	TREASURER
(Title)	(Title)	(Title)

Subscribed and sworn to before me	a. Is this an original filing?	Yes [ X ] No [ ]
This 8TH day of FEBRUARY 2019	b. If no	1. State the amendment number
		2. Date filed
		3. Number of pages attached

MOTORISTS MUTUAL INSURANCE COMPANY  
ASSETS

	Current Year			Prior Year
	1  Assets	2  Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4  Net Admitted Assets
1. Bonds (Schedule D).....	654,241,684		654,241,684	563,976,626
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....	254,045,970	246,428	253,799,543	277,363,293
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	28,032,376		28,032,376	28,429,657
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	1,790,594		1,790,594	1,132,192
4.3 Properties held for sale (less \$.....0 encumbrances).....	1,053,370		1,053,370	501,252
5. Cash (\$.....(24,579,722), Schedule E-Part 1), cash equivalents (\$.....43,927,217, Schedule E-Part 2) and short-term investments (\$.....1,203,128, Schedule DA).....	20,550,622		20,550,622	21,791,059
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives (Schedule DB).....			0	
8. Other invested assets (Schedule BA).....	138,752,461	34,265,677	104,486,784	107,599,966
9. Receivables for securities.....	225,041		225,041	649,731
10. Securities lending reinvested collateral assets (Schedule DL).....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	1,098,692,119	34,512,105	1,064,180,014	1,001,443,776
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	5,676,800		5,676,800	5,553,503
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	48,399,563	4,662	48,394,901	22,082,182
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....3,795,300 earned but unbilled premiums).....	119,619,228	2,418,152	117,201,076	123,999,858
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	44,593,596		44,593,596	14,787,011
16.2 Funds held by or deposited with reinsured companies.....	221,575,737		221,575,737	88,340,037
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....	2,203,754		2,203,754	12,972,410
18.2 Net deferred tax asset.....	63,179,111	27,509,985	35,669,126	38,169,197
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....	24,028,598	22,256,228	1,772,370	1,875,486
21. Furniture and equipment, including health care delivery assets (\$.....0).....	4,687,698	4,687,698	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	18,474,315		18,474,315	11,557,400
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other-than-invested assets.....	60,211,620	7,372,614	52,839,006	50,029,866
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	1,711,342,140	98,761,445	1,612,580,695	1,370,810,726
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTAL (Lines 26 and 27).....	1,711,342,140	98,761,445	1,612,580,695	1,370,810,726

DETAILS OF WRITE-INS				
1101. ....			0	
1102. ....			0	
1103. ....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. ICOLI cash surrender value.....	37,847,337		37,847,337	43,919,579
2502. Pooled general expenses receivable.....	13,831,768		13,831,768	5,111,606
2503. State tax credits.....	568,038		568,038	540,540
2598. Summary of remaining write-ins for Line 25 from overflow page.....	7,964,478	7,372,614	591,864	458,141
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	60,211,620	7,372,614	52,839,006	50,029,866

MOTORISTS MUTUAL INSURANCE COMPANY  
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	500,780,495	338,314,315
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	28,316,865	16,558,202
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	91,051,094	84,784,538
4. Commissions payable, contingent commissions and other similar charges.....	13,735,592	15,498,272
5. Other expenses (excluding taxes, licenses and fees).....	25,287,957	9,621,530
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	5,072,725	5,783,800
7.1 Current federal and foreign income taxes (including \$.....2,843,921 on realized capital gains (losses)).....		
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....	726,000	
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....327,520,766 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act).....	156,011,014	223,358,065
10. Advance premium.....	2,952,942	2,537,246
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....	1,496,510	3,423,300
12. Ceded reinsurance premiums payable (net of ceding commissions).....	58,775,958	17,736,550
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20).....	199,640,602	66,807,856
14. Amounts withheld or retained by company for account of others.....	6,601,066	5,191,296
15. Remittances and items not allocated.....	1,393,422	1,106,432
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 3, Column 78).....		261
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	7,682,543	9,839,691
20. Derivatives.....		
21. Payable for securities.....		75,966
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	63,200,962	109,507,506
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	1,162,725,747	910,144,826
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	1,162,725,747	910,144,826
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....		
31. Preferred capital stock.....		
32. Aggregate write-ins for other-than-special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....		
35. Unassigned funds (surplus).....	449,854,944	460,665,899
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	449,854,944	460,665,899
38. TOTAL (Page 2, Line 28, Col. 3).....	1,612,580,692	1,370,810,725

DETAILS OF WRITE-INS		
2501. Retiree benefit obligations.....	45,522,964	99,927,433
2502. Pooled general expenses payable.....	14,365,174	6,561,874
2503. Miscellaneous liabilities.....	1,910,980	1,406,446
2598. Summary of remaining write-ins for Line 25 from overflow page.....	1,401,844	1,611,753
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	63,200,962	109,507,506
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	0	0
3201. ....		
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above).....	0	0

MOTORISTS MUTUAL INSURANCE COMPANY  
STATEMENT OF INCOME

UNDERWRITING INCOME		1	2
		Current Year	Prior Year
1.	Premiums earned (Part 1, Line 35, Column 4).....	352,114,208	494,750,362
DEDUCTIONS:			
2.	Losses incurred (Part 2, Line 35, Column 7).....	191,293,325	328,002,724
3.	Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	48,998,326	84,992,985
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	93,983,631	209,673,910
5.	Aggregate write-ins for underwriting deductions.....	0	0
6.	Total underwriting deductions (Lines 2 through 5).....	334,275,281	622,669,619
7.	Net income of protected cells.....		
8.	Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	17,838,927	(127,919,257)
INVESTMENT INCOME			
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17).....	34,912,411	24,741,997
10.	Net realized capital gains (losses) less capital gains tax of \$....1,282,092 (Exhibit of Capital Gains (Losses)).....	13,756,722	6,203,475
11.	Net investment gain (loss) (Lines 9 + 10).....	48,669,132	30,945,472
OTHER INCOME			
12.	Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$....419,234).....	(419,234)	(250,995)
13.	Finance and service charges not included in premiums.....	1,181,841	2,415,898
14.	Aggregate write-ins for miscellaneous income.....	(6,480,579)	8,490,588
15.	Total other income (Lines 12 through 14).....	(5,717,973)	10,655,491
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	60,790,087	(86,318,294)
17.	Dividends to policyholders.....	2,200,089	2,760,795
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).....	58,589,998	(89,079,089)
19.	Federal and foreign income taxes incurred.....	(4,686,042)	3,270,930
20.	Net income (Line 18 minus Line 19) (to Line 22).....	63,276,040	(92,350,019)
CAPITAL AND SURPLUS ACCOUNT			
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	460,665,899	544,259,029
22.	Net income (from Line 20).....	63,276,040	(92,350,019)
23.	Net transfers (to) from Protected Cell accounts.....		
24.	Change in net unrealized capital gains or (losses) less capital gains tax of \$....(5,977,092).....	(51,313,795)	6,171,637
25.	Change in net unrealized foreign exchange capital gain (loss).....	70,389	628,891
26.	Change in net deferred income tax.....	(11,151,472)	6,136,610
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	(11,692,379)	26,715,056
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	261	(27)
29.	Change in surplus notes.....		
30.	Surplus (contributed to) withdrawn from Protected Cells.....		
31.	Cumulative effect of changes in accounting principles.....		(83,043,032)
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.....		
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.....	0	52,147,754
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37).....	(10,810,956)	(83,593,130)
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	449,854,943	460,665,899
DETAILS OF WRITE-INS			
0501.	.....		
0502.	.....		
0503.	.....		
0598.	Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599.	Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....	0	0
1401.	Miscellaneous service fees.....	18,735	18,016
1402.	Interest on assets other than securities.....	4,504	14,397
1403.	Gain / (loss) on equipment disposals.....	(21,181)	(69,795)
1498.	Summary of remaining write-ins for Line 14 from overflow page.....	(6,482,637)	8,527,970
1499.	Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	(6,480,579)	8,490,588
3701.	Net change in retiree benefit obligations.....		52,147,754
3702.	.....		
3703.	.....		
3798.	Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799.	Totals (Lines 3701 through 3703 plus 3798) (Line 37 above).....	0	52,147,754

MOTORISTS MUTUAL INSURANCE COMPANY  
CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	326,431,181	484,990,000
2. Net investment income.....	38,944,398	29,508,058
3. Miscellaneous income.....	(227,293,710)	10,655,491
4. Total (Lines 1 through 3).....	138,081,869	525,153,549
5. Benefit and loss related payments.....	45,540,317	277,358,950
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	124,406,600	283,397,399
8. Dividends paid to policyholders.....	4,126,879	2,611,941
9. Federal and foreign income taxes paid (recovered) net of \$....2,422,123 tax on capital gains (losses).....	(14,172,606)	19,951,805
10. Total (Lines 5 through 9).....	159,901,190	583,320,095
11. Net cash from operations (Line 4 minus Line 10).....	(21,819,322)	(58,166,546)
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	170,831,757	173,559,547
12.2 Stocks.....	72,858,298	37,668,893
12.3 Mortgage loans.....		
12.4 Real estate.....	1,238,556	1,841,698
12.5 Other invested assets.....	15,808,545	35,435,818
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		366
12.7 Miscellaneous proceeds.....	466,020	868,058
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	261,203,175	249,374,380
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	263,941,333	108,684,300
13.2 Stocks.....	85,682,128	72,977,203
13.3 Mortgage loans.....		
13.4 Real estate.....	2,591,371	3,428,655
13.5 Other invested assets.....	18,573,255	22,568,767
13.6 Miscellaneous applications.....	75,966	309,730
13.7 Total investments acquired (Lines 13.1 to 13.6).....	370,864,053	207,968,655
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(109,660,878)	41,405,725
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.....	726,000	
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	129,513,763	31,691,933
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	130,239,763	31,691,933
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).....	(1,240,437)	14,931,112
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	21,791,058	6,859,946
19.2 End of year (Line 18 plus Line 19.1).....	20,550,621	21,791,058
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001 .....	.....	.....

MOTORISTS MUTUAL INSURANCE COMPANY  
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1	2	3	4
		Net Premiums Written per Column 6, Part 1B	Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire.....	810,349	2,816,560	1,078,112	2,548,797
2.	Allied lines.....	831,692	3,000,232	1,127,732	2,704,193
3.	Farmowners multiple peril.....	854,992	1,890,684	856,119	1,889,557
4.	Homeowners multiple peril.....	11,257,063	37,074,297	16,380,247	31,951,113
5.	Commercial multiple peril.....	13,196,983	29,919,649	14,706,106	28,410,525
6.	Mortgage guaranty.....	0		0	0
8.	Ocean marine.....	29,437	87,082	37,363	79,156
9.	Inland marine.....	3,405,621	7,464,367	3,454,150	7,415,838
10.	Financial guaranty.....	0		0	0
11.1	Medical professional liability - occurrence.....	0		0	0
11.2	Medical professional liability - claims-made.....	0		0	0
12.	Earthquake.....	193,412	640,162	288,985	544,589
13.	Group accident and health.....	0		0	0
14.	Credit accident and health (group and individual).....	0		0	0
15.	Other accident and health.....	118	115	0	233
16.	Workers' compensation.....	185,989,123	16,837,524	61,344,640	141,482,007
17.1	Other liability - occurrence.....	13,431,325	31,076,801	13,870,486	30,637,640
17.2	Other liability - claims-made.....	65,035	52,933	59,284	58,684
17.3	Excess workers' compensation.....	0		0	0
18.1	Products liability - occurrence.....	977,822	2,265,903	892,734	2,350,991
18.2	Products liability - claims-made.....	0		0	0
19.1, 19.2	Private passenger auto liability.....	12,801,211	21,216,430	8,918,560	25,099,080
19.3, 19.4	Commercial auto liability.....	18,111,340	33,732,925	16,726,961	35,117,304
21.	Auto physical damage.....	19,868,985	33,776,545	15,561,896	38,083,634
22.	Aircraft (all perils).....	0		0	0
23.	Fidelity.....	148,158	351,254	145,372	354,040
24.	Surety.....	0		0	0
26.	Burglary and theft.....	214,763	356,637	191,963	379,436
27.	Boiler and machinery.....	57,907	484,031	190,325	351,613
28.	Credit.....	0		0	0
29.	International.....	0		0	0
30.	Warranty.....	0		0	0
31.	Reinsurance - nonproportional assumed property.....	1,347,435	220,141	106,321	1,461,255
32.	Reinsurance - nonproportional assumed liability.....	1,174,386	93,793	73,656	1,194,522
33.	Reinsurance - nonproportional assumed financial lines.....	0		0	0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0
35.	TOTALS.....	284,767,157	223,358,065	156,011,014	352,114,208

DETAILS OF WRITE-INS

3401.	.....	0		0	0
3402.	.....	0		0	0
3403.	.....	0		0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0

MOTORISTS MUTUAL INSURANCE COMPANY  
UNDERWRITING AND INVESTMENT EXHIBIT  
PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1	2	3	4	5
		Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire.....	1,078,112				1,078,112
2.	Allied lines.....	1,127,732				1,127,732
3.	Farmowners multiple peril.....	856,119				856,119
4.	Homeowners multiple peril.....	16,380,247				16,380,247
5.	Commercial multiple peril.....	14,706,106				14,706,106
6.	Mortgage guaranty.....	-				0
8.	Ocean marine.....	37,363				37,363
9.	Inland marine.....	3,454,150				3,454,150
10.	Financial guaranty.....	-				0
11.1	Medical professional liability - occurrence.....	-				0
11.2	Medical professional liability - claims-made.....	-				0
12.	Earthquake.....	288,985				288,985
13.	Group accident and health.....	-				0
14.	Credit accident and health (group and individual).....	-				0
15.	Other accident and health.....	-				0
16.	Workers' compensation.....	61,344,640				61,344,640
17.1	Other liability - occurrence.....	13,870,486				13,870,486
17.2	Other liability - claims-made.....	59,284				59,284
17.3	Excess workers' compensation.....	-				0
18.1	Products liability - occurrence.....	892,734				892,734
18.2	Products liability - claims-made.....	-				0
19.1, 19.2	Private passenger auto liability.....	8,918,560				8,918,560
19.3, 19.4	Commercial auto liability.....	16,726,961				16,726,961
21.	Auto physical damage.....	15,561,896				15,561,896
22.	Aircraft (all perils).....	-				0
23.	Fidelity.....	145,372				145,372
24.	Surety.....	-				0
26.	Burglary and theft.....	191,963				191,963
27.	Boiler and machinery.....	190,325				190,325
28.	Credit.....	-				0
29.	International.....	-				0
30.	Warranty.....	-				0
31.	Reinsurance - nonproportional assumed property.....	106,321				106,321
32.	Reinsurance - nonproportional assumed liability.....	73,656				73,656
33.	Reinsurance - nonproportional assumed financial lines.....	-				0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0
35.	TOTALS.....	156,011,014	0	0	0	156,011,014
36.	Accrued retrospective premiums based on experience.....					
37.	Earned but unbilled premiums.....					0
38.	Balance (sum of Lines 35 through 37).....					156,011,014

DETAILS OF WRITE-INS					
3401.	.....				0
3402.	.....				0
3403.	.....				0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0

(a) State here basis of computation used in each case: Daily Method

MOTORISTS MUTUAL INSURANCE COMPANY  
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business		1	Reinsurance Assumed		Reinsurance Ceded		6
		Direct Business (a)	2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
1.	Fire.....	2,182,255	4,636,156	330,035	6,272,048	66,050	810,349
2.	Allied lines.....	2,450,488	4,837,147	221,354	6,615,334	61,962	831,692
3.	Farmowners multiple peril.....	-	5,505,258	208,929	4,859,194	-	854,992
4.	Homeowners multiple peril.....	59,002,332	34,775,899	2,782,616	83,790,741	1,513,043	11,257,063
5.	Commercial multiple peril.....	55,719,115	35,458,609	62,001	76,200,722	1,842,020	13,196,983
6.	Mortgage guaranty.....	-	-	-	-	-	0
8.	Ocean marine.....	237,519	-	-	203,062	5,020	29,437
9.	Inland marine.....	13,968,068	8,835,046	327	19,246,837	150,983	3,405,621
10.	Financial guaranty.....	-	-	-	-	-	0
11.1	Medical professional liability - occurrence.....	-	-	-	-	-	0
11.2	Medical professional liability - claims-made.....	-	-	-	-	-	0
12.	Earthquake.....	1,639,678	226,948	407	1,444,804	228,817	193,412
13.	Group accident and health.....	-	-	-	-	-	0
14.	Credit accident and health (group and individual).....	-	-	-	-	-	0
15.	Other accident and health.....	-	550	-	433	-	118
16.	Workers' compensation.....	13,372,164	588,199,000	247,377	415,438,721	390,697	185,989,123
17.1	Other liability - occurrence.....	72,320,216	24,480,566	301,063	78,571,843	5,098,676	13,431,325
17.2	Other liability - claims-made.....	-	286,825	-	221,790	-	65,035
17.3	Excess workers' compensation.....	-	-	-	-	-	0
18.1	Products liability - occurrence.....	4,324,960	2,383,030	-	5,725,787	4,381	977,822
18.2	Products liability - claims-made.....	-	-	-	-	-	0
19.1, 19.2	Private passenger auto liability.....	53,570,775	21,097,398	(648,345)	61,218,617	-	12,801,211
19.3, 19.4	Commercial auto liability.....	68,947,774	41,592,787	238,734	92,656,678	11,277	18,111,340
21.	Auto physical damage.....	79,061,716	38,056,203	1,171	96,394,814	855,291	19,868,985
22.	Aircraft (all perils).....	-	-	-	-	-	0
23.	Fidelity.....	956,383	73,201	-	880,457	970	148,158
24.	Surety.....	-	-	-	-	-	0
26.	Burglary and theft.....	363,250	879,945	105	1,028,179	360	214,763
27.	Boiler and machinery.....	2,823,834	527,542	-	908,126	2,385,344	57,907
28.	Credit.....	-	-	-	-	-	0
29.	International.....	-	-	-	-	-	0
30.	Warranty.....	-	-	-	-	-	0
31.	Reinsurance - nonproportional assumed property.....	XXX	-	4,516,823	3,169,388	-	1,347,435
32.	Reinsurance - nonproportional assumed liability.....	XXX	-	3,777,208	2,602,822	-	1,174,386
33.	Reinsurance - nonproportional assumed financial lines.....	XXX	-	-	-	-	0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
35.	TOTALS.....	430,940,527	811,852,110	12,039,806	957,450,397	12,614,888	284,767,157

DETAILS OF WRITE-INS

3401.	.....					0
3402.	.....					0
3403.	.....					0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0

(a) 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 \$.0.  
2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.0.



UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

		Losses Paid Less Salvage				5	6	7	8
		1	2	3	4				
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Recovered	Net Payments (Cols. 1 + 2 - 3)	Net Losses Unpaid Current Year (Part 2A, Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire.....	417,085	4,895,900	2,985,744	2,327,241	331,323	1,149,574	1,508,990	59.2
2.	Allied lines.....	987,989	4,041,210	2,755,274	2,273,925	277,854	1,222,882	1,328,896	49.1
3.	Farmowners multiple peril.....	-	3,325,124	1,904,502	1,420,621	371,670	651,379	1,140,913	60.4
4.	Homeowners multiple peril.....	27,976,418	22,850,803	27,110,639	23,716,582	4,561,993	13,754,777	14,523,798	45.5
5.	Commercial multiple peril.....	24,875,773	18,476,275	20,291,744	23,060,304	8,531,148	17,600,783	13,990,670	49.2
6.	Mortgage guaranty.....	-	-	-	0	0	0	0	0.0
8.	Ocean marine.....	34,189	19	17,757	16,450	2,079	10,184	8,345	10.5
9.	Inland marine.....	3,684,565	3,058,295	4,058,867	2,683,993	598,505	967,972	2,314,526	31.2
10.	Financial guaranty.....	-	-	-	0	0	0	0	0.0
11.1	Medical professional liability - occurrence.....	-	-	-	0	0	0	0	0.0
11.2	Medical professional liability - claims-made.....	-	-	-	0	0	0	0	0.0
12.	Earthquake.....	-	-	-	0	0	0	0	0.0
13.	Group accident and health.....	-	58	39	19	0	0	19	0.0
14.	Credit accident and health (group and individual).....	-	-	-	0	0	0	0	0.0
15.	Other accident and health.....	-	48	866	(819)	(933)	(1,583)	(169)	(72.6)
16.	Workers' compensation.....	11,222,180	(823,051,458)	(582,778,159)	(229,051,119)	370,381,261	64,725,289	76,604,853	54.1
17.1	Other liability - occurrence.....	38,596,411	12,067,153	81,045	50,582,519	35,207,727	67,882,140	17,908,107	58.5
17.2	Other liability - claims-made.....	-	118,369	79,351	39,017	36,748	1,263	74,502	127.0
17.3	Excess workers' compensation.....	-	-	-	0	0	0	0	0.0
18.1	Products liability - occurrence.....	1,283,082	622,506	(4,839,656)	6,745,244	4,727,081	11,627,607	(155,281)	(6.6)
18.2	Products liability - claims-made.....	-	-	-	0	0	0	0	0.0
19.1, 19.2	Private passenger auto liability.....	32,751,871	20,396,375	11,324,288	41,823,959	18,511,630	48,018,043	12,317,546	49.1
19.3, 19.4	Commercial auto liability.....	46,130,911	22,117,661	268,713	67,979,860	45,928,892	87,809,632	26,099,120	74.3
21.	Auto physical damage.....	42,743,835	22,480,834	41,083,621	24,141,048	2,516,846	5,708,321	20,949,573	55.0
22.	Aircraft (all perils).....	-	-	-	0	0	0	0	0.0
23.	Fidelity.....	689,691	(1,644)	304,475	383,573	92,216	304,825	170,963	48.3
24.	Surety.....	-	-	(18,050)	18,050	16,200	34,250	0	0.0
26.	Burglary and theft.....	3,470	31,525	1,186	33,809	20,127	42,638	11,298	3.0
27.	Boiler and machinery.....	782,790	(10,571)	626,481	145,738	121,985	263,170	4,553	1.3
28.	Credit.....	-	-	-	0	0	0	0	0.0
29.	International.....	-	-	-	0	0	0	0	0.0
30.	Warranty.....	-	-	-	0	0	0	0	0.0
31.	Reinsurance - nonproportional assumed property.....	XXX	3,489,402	397,895	3,091,507	2,388,346	3,720,898	1,758,954	120.4
32.	Reinsurance - nonproportional assumed liability.....	XXX	1,972,980	(5,422,642)	7,395,622	6,157,798	12,820,270	733,150	61.4
33.	Reinsurance - nonproportional assumed financial lines.....	XXX	-	-	0	0	0	0	0.0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0.0
35.	TOTALS.....	232,180,261	(683,119,137)	(479,766,020)	28,827,143	500,780,495	338,314,314	191,293,325	54.3
DETAILS OF WRITE-INS									
3401.	.....				0	0		0	0.0
3402.	.....				0	0		0	0.0
3403.	.....				0	0		0	0.0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	XXX
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0.0

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

Line of Business	Reported Losses				Incurred But Not Reported			8	9
	1	2	3	4	5	6	7	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
	Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded		
1. Fire.....	47,647	625,016	454,720	217,943	51,998	297,942	236,559	331,323	11,528
2. Allied lines.....	60,588	688,582	506,439	242,731	58,838	49,565	73,280	277,854	(42,128)
3. Farmowners multiple peril.....	-	938,111	634,163	303,948	-	321,713	253,991	371,670	29,430
4. Homeowners multiple peril.....	6,314,432	4,506,663	8,032,401	2,788,695	3,345,421	2,428,866	4,000,989	4,561,993	675,300
5. Commercial multiple peril.....	11,107,108	7,012,817	13,699,035	4,420,890	2,912,737	9,795,027	8,597,505	8,531,148	1,285,052
6. Mortgage guaranty.....	-	-	-	0	-	-	-	0	-
8. Ocean marine.....	-	577	390	187	5,839	-	3,947	2,079	30
9. Inland marine.....	395,418	974,721	926,214	443,925	337,800	139,297	322,518	598,505	95,497
10. Financial guaranty.....	-	-	-	0	-	-	-	0	-
11.1 Medical professional liability - occurrence.....	-	-	-	0	-	-	-	0	-
11.2 Medical professional liability - claims-made.....	-	-	-	0	-	-	-	0	-
12. Earthquake.....	-	-	-	0	-	-	-	0	-
13. Group accident and health.....	-	0	0	0	-	-	-	(a).....0	-
14. Credit accident and health (group and individual).....	-	-	-	0	-	-	-	0	-
15. Other accident and health.....	-	-	-	0	-	-	933	(a).....(933)	-
16. Workers' compensation.....	19,402,833	530,665,151	372,796,242	177,271,742	7,614,259	588,402,776	402,907,516	370,381,261	55,908,745
17.1 Other liability - occurrence.....	32,921,984	17,222,263	35,063,115	15,081,132	44,135,229	21,502,891	45,511,525	35,207,727	17,579,562
17.2 Other liability - claims-made.....	-	39,423	26,650	12,773	-	73,997	50,022	36,748	13,235
17.3 Excess workers' compensation.....	-	-	-	0	-	-	-	0	-
18.1 Products liability - occurrence.....	3,427,992	2,151,997	3,772,073	1,807,917	2,584,610	6,425,158	6,090,603	4,727,081	2,570,078
18.2 Products liability - claims-made.....	-	-	-	0	-	-	-	0	-
19.1, 19.2 Private passenger auto liability.....	34,173,600	13,611,709	35,094,115	12,691,194	8,657,000	9,693,001	12,529,565	18,511,630	3,316,167
19.3, 19.4 Commercial auto liability.....	50,343,601	31,145,457	55,811,036	25,678,023	39,416,000	24,756,036	43,921,167	45,928,892	9,772,766
21. Auto physical damage.....	6,259,329	2,330,223	6,074,289	2,515,263	-	4,884	3,302	2,516,846	(391,406)
22. Aircraft (all perils).....	-	-	-	0	-	-	-	0	-
23. Fidelity.....	27,617	0	18,669	8,948	257,000	-	173,732	92,216	23,004
24. Surety.....	-	50,000	33,800	16,200	-	-	-	16,200	-
26. Burglary and theft.....	13,400	25,000	25,958	12,442	8,728	14,993	16,035	20,127	4,400
27. Boiler and machinery.....	317,497	59,000	254,512	121,985	-	-	-	121,985	16,773
28. Credit.....	-	-	-	0	-	-	-	0	-
29. International.....	-	-	-	0	-	-	-	0	-
30. Warranty.....	-	-	-	0	-	-	-	0	-
31. Reinsurance - nonproportional assumed property.....	XXX	6,189,465	4,184,079	2,005,387	XXX	1,181,972	799,013	2,388,346	37,450
32. Reinsurance - nonproportional assumed liability.....	XXX	7,403,433	5,004,721	2,398,712	XXX	11,602,117	7,843,031	6,157,798	145,611
33. Reinsurance - nonproportional assumed financial lines.....	XXX	-	-	0	XXX	-	-	0	-
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0	0
35. TOTALS.....	164,813,048	625,639,609	542,412,621	248,040,035	109,385,459	676,690,235	533,335,233	500,780,495	91,051,094
DETAILS OF WRITE-INS									
3401. ....				0				0	
3402. ....				0				0	
3403. ....				0				0	
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0	0

(a) Including \$.....0 for present value of life indemnity claims.

MOTORISTS MUTUAL INSURANCE COMPANY  
UNDERWRITING AND INVESTMENT EXHIBIT  
PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct.....	19,796,261			19,796,261
1.2 Reinsurance assumed.....	28,415,732			28,415,732
1.3 Reinsurance ceded.....	34,310,376			34,310,376
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	13,901,617	0	0	13,901,617
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....		66,990,372		66,990,372
2.2 Reinsurance assumed, excluding contingent.....		120,880,969		120,880,969
2.3 Reinsurance ceded, excluding contingent.....		161,280,563		161,280,563
2.4 Contingent - direct.....		8,717,755		8,717,755
2.5 Contingent - reinsurance assumed.....		5,876,902		5,876,902
2.6 Contingent - reinsurance ceded.....		9,865,988		9,865,988
2.7 Policy and membership fees.....				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	31,319,447	0	31,319,447
3. Allowances to manager and agents.....		96		96
4. Advertising.....		2,823,475		2,823,475
5. Boards, bureaus and associations.....	241,478	1,905,404		2,146,883
6. Surveys and underwriting reports.....	438,135	1,591,072		2,029,207
7. Audit of assureds' records.....	39,035	53,663		92,698
8. Salary and related items:				
8.1 Salaries.....	19,502,750	26,727,825	489,177	46,719,752
8.2 Payroll taxes.....	1,114,040	1,450,028	25,619	2,589,687
9. Employee relations and welfare.....	2,959,912	66,844	67,865	3,094,621
10. Insurance.....	206,194	34,452	2,245	242,891
11. Directors' fees.....	319,756	397,172	7,847	724,775
12. Travel and travel items.....	1,150,271	1,461,149	21,058	2,632,478
13. Rent and rent items.....	1,756,228	2,212,729	57,718	4,026,675
14. Equipment.....	2,488,474	4,533,227	114,806	7,136,507
15. Cost or depreciation of EDP equipment and software.....	1,996,089	2,759,192	59,042	4,814,323
16. Printing and stationery.....	138,572	249,476	7,467	395,515
17. Postage, telephone and telegraph, exchange and express.....	697,398	1,505,376	60,268	2,263,042
18. Legal and auditing.....	240,602	292,741	1,232,041	1,765,384
19. Totals (Lines 3 to 18).....	33,288,934	48,063,922	2,145,152	83,498,008
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....5,432.....		7,124,334		7,124,334
20.2 Insurance department licenses and fees.....		855,813		855,813
20.3 Gross guaranty association assessments.....		236,088		236,088
20.4 All other (excluding federal and foreign income and real estate).....		134,876		134,876
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	0	8,351,111	0	8,351,111
21. Real estate expenses.....	210,763	184,031	4,560,880	4,955,675
22. Real estate taxes.....		171		171
23. Reimbursements by uninsured plans.....				0
24. Aggregate write-ins for miscellaneous expenses.....	1,597,011	6,064,949	84,791	7,746,751
25. Total expenses incurred.....	48,998,326	93,983,631	6,790,823	(a).....149,772,780
26. Less unpaid expenses - current year.....	91,051,093	42,415,082	1,681,015	135,147,190
27. Add unpaid expenses - prior year.....	84,784,538	29,348,866	1,554,736	115,688,140
28. Amounts receivable relating to uninsured plans, prior year.....				0
29. Amounts receivable relating to uninsured plans, current year.....				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	42,731,771	80,917,415	6,664,544	130,313,729

DETAILS OF WRITE-INS

2401. Consulting fees.....	1,933,089	2,882,220	77,738	4,893,048
2402. Donations and contributions.....		1,868,471		1,868,471
2403. Reinsurance assumed overhead.....		818,635		818,635
2498. Summary of remaining write-ins for Line 24 from overflow page.....	(336,078)	495,623	7,052	166,597
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above).....	1,597,011	6,064,949	84,791	7,746,751

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

MOTORISTS MUTUAL INSURANCE COMPANY  
EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. government bonds.....	(a).....674,567	.....645,078
1.1	Bonds exempt from U.S. tax.....	(a).....6,370,748	.....6,015,171
1.2	Other bonds (unaffiliated).....	(a).....13,357,323	.....14,204,712
1.3	Bonds of affiliates.....	(a).....	.....
2.1	Preferred stocks (unaffiliated).....	(b).....	.....
2.11	Preferred stocks of affiliates.....	(b).....	.....
2.2	Common stocks (unaffiliated).....	.....5,567,991	.....5,158,949
2.21	Common stocks of affiliates.....	.....	.....
3.	Mortgage loans.....	(c).....	.....
4.	Real estate.....	(d).....7,753,788	.....7,753,788
5.	Contract loans.....	.....	.....
6.	Cash, cash equivalents and short-term investments.....	(e).....497,397	.....564,414
7.	Derivative instruments.....	(f).....	.....
8.	Other invested assets.....	.....7,441,628	.....7,441,628
9.	Aggregate write-ins for investment income.....	.....928,372	.....928,372
10.	Total gross investment income.....	.....42,591,814	.....42,712,112
11.	Investment expenses.....	.....	(g).....6,790,823
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).....1,008,878
15.	Aggregate write-ins for deductions from investment income.....	.....	.....0
16.	Total deductions (Lines 11 through 15).....	.....	.....7,799,701
17.	Net investment income (Line 10 minus Line 16).....	.....	.....34,912,411

DETAILS OF WRITE-INS

0901.	Miscellaneous income.....	.....908,425	.....908,425
0902.	Security lending income.....	.....17,087	.....17,087
0903.	Prior year income.....	.....2,860	.....2,860
0998.	Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	.....928,372	.....928,372
1501.	.....	.....	.....
1502.	.....	.....	.....
1503.	.....	.....	.....
1598.	Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599.	Totals (Lines 1501 through 1503 plus 1598) (Line 15 above).....	.....	.....0
(a)	Includes \$.....675,585 accrual of discount less \$.....3,695,713 amortization of premium and less \$.....1,096,996 paid for accrued interest on purchases.		
(b)	Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.		
(c)	Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.		
(d)	Includes \$.....7,442,600 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.		
(e)	Includes \$.....10,511 accrual of discount less \$.....89,578 amortization of premium and less \$.....114,590 paid for accrued interest on purchases.		
(f)	Includes \$.....0 accrual of discount less \$.....0 amortization of premium.		
(g)	Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.		
(h)	Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.		
(i)	Includes \$.....1,008,878 depreciation on real estate and \$.....0 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.....	.....48,086	.....48,086	.....358,857	.....
1.1	Bonds exempt from U.S. tax.....	.....343,469	.....343,469	.....	.....
1.2	Other bonds (unaffiliated).....	.....(587,210)	.....(587,210)	.....12,407	.....
1.3	Bonds of affiliates.....	.....0	.....0	.....	.....
2.1	Preferred stocks (unaffiliated).....	.....0	.....0	.....	.....
2.11	Preferred stocks of affiliates.....	.....0	.....0	.....	.....
2.2	Common stocks (unaffiliated).....	.....14,685,425	.....14,685,425	.....(40,410,901)	.....
2.21	Common stocks of affiliates.....	.....0	.....0	.....(13,400,491)	.....
3.	Mortgage loans.....	.....0	.....0	.....	.....
4.	Real estate.....	.....469,302	.....469,302	.....	.....
5.	Contract loans.....	.....0	.....0	.....	.....
6.	Cash, cash equivalents and short-term investments.....	.....0	.....0	.....	.....
7.	Derivative instruments.....	.....0	.....0	.....	.....
8.	Other invested assets.....	.....173,654	.....(135,241)	.....(3,850,759)	.....70,389
9.	Aggregate write-ins for capital gains (losses).....	.....41,329	.....0	.....0	.....0
10.	Total capital gains (losses).....	.....15,174,055	.....(135,241)	.....(57,290,887)	.....70,389

DETAILS OF WRITE-INS

0901.	Prior year gains.....	.....41,329	.....41,329	.....	.....
0902.	.....	.....	.....0	.....	.....
0903.	.....	.....	.....0	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page...	.....0	.....0	.....0	.....0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	.....41,329	.....0	.....0	.....0

MOTORISTS MUTUAL INSURANCE COMPANY  
EXHIBIT OF NONADMITTED 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).....			0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			0
2.2 Common stocks.....	246,428	2,984,815	2,738,387
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale.....			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			0
6. Contract loans.....			0
7. Derivatives (Schedule DB).....			0
8. Other invested assets (Schedule BA).....	34,265,677	32,129,741	(2,135,936)
9. Receivables for securities.....			0
10. Securities lending reinvested collateral assets (Schedule DL).....			0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	34,512,105	35,114,556	602,451
13. Title plants (for Title insurers only).....			0
14. Investment income due and accrued.....			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	4,662	3,783	(879)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	2,418,152	1,921,216	(496,936)
15.3 Accrued retrospective premiums and contracts subject to redetermination.....			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			0
16.2 Funds held by or deposited with reinsured companies.....			0
16.3 Other amounts receivable under reinsurance contracts.....			0
17. Amounts receivable relating to uninsured plans.....			0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0
18.2 Net deferred tax asset.....	27,509,985	30,184,292	2,674,307
19. Guaranty funds receivable or on deposit.....			0
20. Electronic data processing equipment and software.....	22,256,228	11,674,083	(10,582,145)
21. Furniture and equipment, including health care delivery assets.....	4,687,698	5,386,103	698,405
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0
23. Receivables from parent, subsidiaries and affiliates.....			0
24. Health care and other amounts receivable.....			0
25. Aggregate write-ins for other-than-invested assets.....	7,372,615	2,785,033	(4,587,582)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	98,761,445	87,069,066	(11,692,379)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	98,761,445	87,069,066	(11,692,379)

DETAILS OF WRITE-INS

1101. ....			0
1102. ....			0
1103. ....			0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0
2501. Prepaid expenses.....	5,801,518	1,090,796	(4,710,722)
2502. Automobiles.....	917,873	1,333,870	415,997
2503. Employee advances.....	375,210	183,577	(191,633)
2598. Summary of remaining write-ins for Line 25 from overflow page.....	278,014	176,790	(101,224)
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	7,372,615	2,785,033	(4,587,582)

**NOTES TO FINANCIAL STATEMENTS**

**Note 1 – Summary of Significant Accounting Policies and Going Concern**

- A.

Accounting Practices

This statement has been completed in accordance with the accounting practices and procedures prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the State of Ohio. A reconciliation of the company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the Sate of Ohio is shown below.

	SSAP #	F/S Page	F/S Line #	2018	2017
<b>NET INCOME</b>					
(1) Company state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 63,276,040	\$ (92,350,017)
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
				\$	\$
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
				\$	\$
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 63,276,040	\$ (92,350,017)
<b>SURPLUS</b>					
(5) Company state basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 449,854,944	\$ 460,665,899
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
				\$	\$
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
				\$	\$
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 449,854,944	\$ 460,665,899

The preparation of financial statements in conformity with Statutory Accounting Principles as described in the NAIC Annual Statement Instructions and the Accounting Policies and Procedures Manual requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.
- B.

Use of Estimates in the Preparation of the Financial Statement

The preparation of financial statements in conformity with Statutory Accounting Principles as described in the NAIC Annual Statement Instructions and the Accounting Policies and Procedures Manual requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.
- C.

Accounting Policy

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

(1)

Basis for Short-Term Investments

Short-term investments consist of class 1 money market mutual funds, agencies, and treasury bonds. Short term investments are stated at amortized cost.

(2)

Basis for Bonds and Amortization Schedule

Bonds not back by other loans are stated at amortized cost using the scientific amortization method.

(3)

Basis for Common Stocks

Common Stocks are valued at market. However, investments in stocks of uncombined subsidiaries and affiliates in which the company has an interest of 20% or more are valued using the equity basis.

(4)

Basis for Preferred Stocks

Preferred stocks are stated in accordance with the guidance provided in SSAP No. 32: Investments in Preferred Stock.

(5)

Basis for Mortgage Loans

The Company did not have any mortgage loans.

(6)

Basis for Loan-Backed Securities and Adjustment Methodology

Loan-backed securities are stated in accordance with the guidance provided in SSAP No. 43R: Loan-backed and Structured Securities. The retrospective adjustment method is used to value these securities

(7)

Accounting Policies for Investments in Subsidiaries, Controlled and Affiliated Entities

The Company owns 70% of the common stock of Motorists Life Insurance Company, a life insurer; 100% of the common stock of MICO Insurance, Company, a property/casualty insurer; 100% of the common stock of Motorists Service Corporation, a software services and staffing company; and 100% of Consumers Insurance USA, Inc. a property/casualty insurer. Motorist Life Insurance Company, MICO Insurance Company and Consumers Insurance USA, Inc. are valued on an equity basis as described in Part 5, Section 2ciB1 of the Securities Valuation Handbook. Motorists Service Corporation is valued on an equity basis as described in Part 5, Section 2ciB2 of the Securities Valuation Handbook

(8)

Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities

The Company has investments in limited partnerships and limited liability companies. In accordance with SSAP No. 48: Joint Ventures, Partnerships and Limited Liability Companies, the investments are recorded using the equity method of accounting based on the underlying audited U.S. GAAP equity values of the holdings. The company also has partnership investments in low income housing tax credit properties. In accordance with SSAP No. 93: Accounting for Low Income Housing Tax Credit Property Investments, the investments are reported at amortized cost.

(9)

Accounting Policies for Derivatives

The Company does not hold any derivative instruments.
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**NOTES TO FINANCIAL STATEMENTS**

- (10) Anticipated Investment Income Used in Premium Deficiency Calculation  
The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53: Property/Casualty Contracts-Premiums
- (11) Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses for A&H Contracts  
Unpaid loss and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based upon past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates. 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 reflected in the period determined.
- (12) Changes in the Capitalization Policy and Predefined Thresholds from Prior Period  
The Motorists Insurance Group standardized its thresholds for capitalization across all member companies. The Group also implemented updates for software licenses and maintenance agreements that allow amortization over service periods for material transactions.
- (13) Method Used to Estimate Pharmaceutical Rebate Receivables  
The Company has no pharmaceutical rebate receivables to report.

D.       Going Concern  
Management has concluded that there is no substantial doubt about the Company's ability to continue as a going concern.

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

The Motorists Insurance Group elected to freeze its defined pension and other non-qualified benefit plans effective December 31, 2017. In conjunction with this election, the Company voluntarily changed the accounting for its benefit plans to a mark-to-market (MTM) valuation approach. Under the MTM accounting method, actuarial and asset valuation gains and losses are recognized immediately as current year net benefit costs in the Statement of Operations, rather than by amortizing (smoothing) the gains and losses over future calendar years.

This change in accounting principle was applied retrospectively back to January 1, 2017 in accordance with SSAP #3, Accounting Changes and Correction of Errors, and SSAP #102, Pensions. The accounting for the cumulative unamortized plan costs as of January 1, 2017 of \$121.2 million and current year service costs and actuarial and asset valuation gains and losses totaling \$37.0 million had the following financial impact on the company and its property/casualty affiliates.

<i>(in thousands)</i>	Net Income	Change in Accounting Principle	Change in Non-Admitted Prepaid Pension Assets	Change in Benefit Obligations	Surplus Change
Motorists Mutual Insurance Company	\$ (25,328)	\$ (83,043)	\$ 46,092	\$ 48,651	\$ (13,628)
Consumers Insurance USA, Inc.	\$ (1,109)	\$ (3,637)			\$ (4,746)
Iowa Mutual Insurance Company	\$ (1,109)	\$ (3,637)			\$ (4,746)
Iowa American Insurance Company	\$ (370)	\$ (1,212)			\$ (1,582)
Motorists Commercial Mutual Insurance Co.	\$ (6,840)	\$ (22,428)	\$ 27,635		\$ (1,633)
Phenix Mutual Fire Insurance Company	\$ (1,109)	\$ (3,637)			\$ (4,746)
Wilson Mutual Insurance Company	\$ (1,109)	\$ (3,637)			\$ (4,746)
Total	\$ (36,975)	\$ (121,231)	\$ 73,727	\$ 48,651	\$ (35,827)

**Note 3 – Business Combinations and Goodwill**

A.       Statutory Purchase Method

The transaction was accounted for as a statutory purchase, and reflects the following:

1	2	3	4	5	6	7
Purchased Entity	Acquisition Date	Cost of Acquired Entity	Original Amount of Admitted Goodwill	Admitted Goodwill as of the Reporting Date	Amount of Goodwill Amortized During the Reporting Period	Admitted Goodwill as a % of SCA BACV, Gross of Admitted Goodwill
Consumers Insurance Group, Inc.	August 31, 2014	\$ 32,371,923	\$ 17,174,689	\$ 9,732,323	\$ 1,717,469	%

- B.       Statutory Merger  
Information concerning statutory mergers is not applicable.
- C.       Impairment Loss  
The Company did not recognize an impairment loss on the transaction described above.

**Note 4 – Discontinued Operations**

A.       Discontinued Operation Disposed of or Classified as Held for Sale  
The Company did not discontinue any of its operations during the periods reported.

**Note 5 – Investments**

- A.       The Company did not have any mezzanine real estate loans during the periods reported. As of December 31, 2018, the Company did not have any residential mortgage loans.
- B.       Debt Restructuring  
The Company was not involved in any debt restructuring during the periods reported.

**NOTES TO FINANCIAL STATEMENTS**

C. Reverse Mortgages

The Company did not have any reverse mortgages during the periods reported.

D. Loan-Backed Securities

- (1) Description of Sources Used to Determined Prepayment Assumptions  
Prepayment assumptions for mortgage-backed/loan-backed and structured securities were obtained from market data vendors or broker dealer values.
- (2) Other-Than-Temporary Impairments  
The Company did not hold any loan-baked securities with other-than-temporary impairments.
- (3) Recognized OTTI securities  
The Company did not hold any current year other-than-temporary recognized losses.
- (4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a. The aggregate amount of unrealized losses:	1. Less than 12 Months	\$ 620,315
	2. 12 Months or Longer	\$ 1,484,452
b. The aggregate related fair value of securities with unrealized losses:	1. Less than 12 Months	\$ 53,495,799
	2. 12 Months or Longer	\$ 40,478,729

- (5) Information Investor Considered in Reaching Conclusion that Impairments are Not Other-Than-Temporary  
The Company performed an analysis of loan-backed securities and determined that exposure to credit risk was not a factor and did not warrant any other-than-temporary impairments.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

The Company did not have any dollar repurchase agreements or relevant securities lending transactions during the periods reported.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

The Company did not have any repurchase agreements transactions accounted for as secured borrowing during the periods reported.

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

The Company did not have any reverse repurchase agreements transactions accounted for as secured borrowing during the periods reported.

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

The Company did not have any repurchase agreements transactions accounted for as a sale during the periods reported.

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

The Company did not have any reverse repurchase agreements transactions accounted for as a sale during the periods reported.

J. Real Estate

- (1) Recognized Impairment Loss  
The Company did not recognize any impairment losses for investments in real estate during the periods reported.
- (2) Sold or Classified Real Estate Investments as Held for Sale  
The Company purchased one residential home and sold one residential home in conjunction with associate employment contracts. Proceeds from the sale was equal to the cost of the investment so no gain or loss was recorded. The property owned is being actively marketed for sale by a real estate broker and is valued net of anticipated disposal costs at year end.  
  
The Company sold one office building in November of 2018. The property realized a gain of \$469,302.
- (3) Changes to a Plan of Sale for an Investment in Real Estate  
The Company did not experience any changes to its plans of sale for its real estate investments during the periods reported.
- (4) Retail Land Sales Operations  
The Company did not engage in retail land sales operations during the periods reported.
- (5) Real Estate Investments with Participating Mortgage Loan Features  
The Company did not hold any real estate investments with participating mortgage loan features during the period reported.

K. Low-Income Housing Tax Credits (LIHTC)

- (1) Number of Remaining Years of Unexpired Tax Credits and Holding Period for LIHTC Investments  
As of December 31, 2018, the company's LIHTC investments did not have any remaining unexpired tax credits. There is not a required holding period for the LIHTC investments.



**NOTES TO FINANCIAL STATEMENTS**

- (2) Amount of LIHTC and Other Tax Benefits Recognized  
There was \$109,203 in recognized losses during the current year.
- (3) Balance of Investment Recognized  
The remaining LIHTC investments total \$1,508,081 as of December 31, 2018.
- (4) Regulatory Reviews  
As of the date of this publication, there were not any underlying properties in the LIHTC funds known to be under regulatory review.
- (5) LIHTC investments which Exceed 10% of Total Admitted Assets  
Not Applicable
- (6) Recognized Impairment  
Not Applicable
- (7) Amount and Nature of Write-Downs or Reclassifications  
Not Applicable

L. Restricted Assets

The Company held other restricted assets as listed below:

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted					Current Year					
	Current Year					6	7	8	9	Percentage	
	1	2	3	4	5					10	11
Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)			
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
b. Collateral held under security lending arrangements										%	%
c. Subject to repurchase agreements										%	%
d. Subject to reverse repurchase agreements										%	%
e. Subject to dollar repurchase agreements										%	%
f. Subject to dollar reverse repurchase agreements										%	%
g. Placed under option contracts										%	%
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock										%	%
i. FHLB capital stock	2,039,300				2,039,300	2,039,300			2,039,300	0.1%	0.1%
j. On deposit with states	1,896,881				1,896,881	1,851,850	45,031		1,896,881	0.1%	0.1%
k. On deposit with other regulatory bodies										%	%
l. Pledged as collateral to FHLB (including assets backing funding agreements)	56,068,403				56,068,403	24,836,433	31,231,970		56,068,403	3.3%	3.5%
m. Pledged as collateral not captured in other categories										%	%
n. Other restricted assets	8,105,983				8,105,983	7,984,265	121,718		8,105,983	0.5%	0.5%
o. Total Restricted Assets	\$ 68,110,568	\$	\$	\$	\$ 68,110,568	\$ 36,711,848	\$ 31,398,720	\$	\$ 68,110,568	4.0%	4.2%

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

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

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

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

**NOTES TO FINANCIAL STATEMENTS**

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

Description of Assets	Gross (Admitted & Nonadmitted) Restricted							8	Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
COMM 18COR3 A2	\$ 2,523,322	\$	\$	\$	\$ 2,523,322	\$	\$ 2,523,322	\$ 2,523,322	0.1%	0.2%
Total Capital International SA	\$ 4,979,240	\$	\$	\$	\$ 4,979,240	\$ 4,975,749	\$ 3,491	\$ 4,979,240	0.3%	0.3%
University Toledo Ohio Gen Rcpts	\$ 250,000	\$	\$	\$	\$ 250,000	\$	\$ 250,000	\$ 250,000	%	%
Wal-Mart Stores, Inc. #931142DD2	\$ -	\$	\$	\$	\$	\$ 3,008,516	\$ (3,008,516)	\$ -	%	%
WFCM 18C47 A3	\$ 353,421	\$	\$	\$	\$ 353,421	\$	\$ 353,421	\$ 353,421	%	%
Total (c)	\$ 8,105,983	\$	\$	\$	\$ 8,105,983	\$ 7,984,265	\$ 121,718	\$ 8,105,983	0.5%	0.5%

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

(4) **Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements**  
The Company did not have any collateral received assets.

M. **Working Capital Finance Investments**

The company was not involved in any Working Capital Finance Investments during the periods reported.

N. **Offsetting and Netting of Assets and Liabilities**

As of December 31, 2018, the Company was not involved in any Offsetting and Netting of Assets and Liabilities during the periods reported.

**NOTES TO FINANCIAL STATEMENTS**

O. Structured Notes

The Company held Structured Notes as listed below:

CUSIP Identification		Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage- Referenced Security (YES/NO)
00248P AP 1	\$	4,338,780	\$ 4,340,958	\$ 4,338,780	NO
02582J HN 3	\$	2,550,000	\$ 2,548,284	\$ 2,550,000	NO
02587A AL 8	\$	1,513,652	\$ 1,501,646	\$ 1,514,464	NO
05683L AA 4	\$	1,000,000	\$ 1,000,000	\$ 1,000,000	NO
08161C AE 1	\$	3,604,983	\$ 3,572,942	\$ 3,596,802	YES
08763Q AA 0	\$	1,250,000	\$ 1,250,000	\$ 1,250,000	NO
161542 DQ 5	\$	31,768	\$ 122,708	\$ 12,518	YES
17291D AD 5	\$	5,149,779	\$ 5,230,683	\$ 5,142,803	YES
3137B9 BZ 7	\$	47,987	\$ 47,943	\$ 47,987	YES
31385X NF 0	\$	136,306	\$ 139,883	\$ 142,044	YES
31390U MU 7	\$	69,510	\$ 73,063	\$ 71,512	YES
31402H Z2 0	\$	84,211	\$ 85,392	\$ 83,960	YES
31403D YB 9	\$	330,771	\$ 335,161	\$ 343,823	YES
31405Q AX 6	\$	130,608	\$ 135,290	\$ 133,490	YES
31414R PK 5	\$	99,467	\$ 102,681	\$ 99,189	YES
36321J AC 8	\$	3,000,000	\$ 3,000,000	\$ 3,000,000	NO
38014B AC 3	\$	1,936,546	\$ 1,935,254	\$ 1,936,546	NO
38137H BU 1	\$	3,000,000	\$ 3,000,000	\$ 3,000,000	NO
38376G DN 7	\$	993,600	\$ 953,601	\$ 988,592	YES
42824C AG 4	\$	1,499,580	\$ 1,503,885	\$ 1,499,850	NO
44935A AC 9	\$	1,672,471	\$ 1,672,152	\$ 1,672,471	NO
452570 AE 4	\$	498,844	\$ 489,582	\$ 489,582	YES
46645U AT 4	\$	2,059,996	\$ 2,003,130	\$ 2,048,585	YES
912810 FH 6	\$	1,963,693	\$ 1,956,913	\$ 1,881,687	NO
912810 FQ 6	\$	264,005	\$ 297,762	\$ 282,881	NO
912810 FR 4	\$	1,655,243	\$ 1,740,690	\$ 1,731,745	NO
912810 PV 4	\$	430,656	\$ 422,975	\$ 438,133	NO
912810 PZ 5	\$	3,725,326	\$ 4,423,967	\$ 4,135,032	NO
912810 QF 8	\$	868,598	\$ 926,920	\$ 904,595	NO
912810 QP 6	\$	325,419	\$ 340,865	\$ 336,951	NO
912810 QV 3	\$	1,407,688	\$ 1,624,865	\$ 1,592,713	NO
912810 RA 8	\$	399,824	\$ 404,813	\$ 431,787	NO
912810 RF 7	\$	1,619,344	\$ 1,568,549	\$ 1,698,822	NO
912810 RR 1	\$	282,935	\$ 252,921	\$ 293,535	NO
912810 RW 0	\$	253,481	\$ 250,002	\$ 263,867	NO
912810 SB 5	\$	250,048	\$ 242,937	\$ 256,266	NO
912828 H4 5	\$	1,007,085	\$ 1,022,417	\$ 1,073,308	NO
912828 LA 6	\$	797,829	\$ 781,443	\$ 793,243	NO
912828 MF 4	\$	866,658	\$ 848,152	\$ 872,413	NO
912828 N7 1	\$	1,190,040	\$ 1,170,544	\$ 1,227,097	NO
912828 NM 8	\$	1,463,049	\$ 1,457,975	\$ 1,490,432	NO
912828 PP 9	\$	3,848,324	\$ 3,797,382	\$ 3,920,203	NO
912828 Q6 0	\$	358,074	\$ 363,111	\$ 376,750	NO
912828 QV 5	\$	1,067,869	\$ 1,109,708	\$ 1,168,713	NO
912828 S5 0	\$	98,607	\$ 99,041	\$ 103,811	NO
912828 SA 9	\$	673,864	\$ 683,217	\$ 728,168	NO
912828 UH 1	\$	2,281,948	\$ 2,433,774	\$ 2,508,353	NO
912828 V4 9	\$	139,655	\$ 139,203	\$ 146,257	NO
912828 WU 0	\$	3,632,190	\$ 3,778,758	\$ 3,900,153	NO
912828 XL 9	\$	1,840,774	\$ 1,891,631	\$ 1,959,103	NO
92348R AB 4	\$	1,000,000	\$ 999,700	\$ 1,000,000	NO
92349F AB 9	\$	3,000,000	\$ 2,995,481	\$ 3,000,000	NO
	\$	71,711,083	\$ 73,069,956	\$ 73,479,013	XXX

P. 5GI Securities

The Company did not hold 5GI securities.

Q. Short Sales

The Company did not have any short sales during the period reported.

R. Prepayment Penalty and Acceleration Fees

The Company did not pay any prepayment penalty and acceleration fees during the period reported.

**NOTES TO FINANCIAL STATEMENTS**

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

- A.

Investments in Joint Ventures, Partnerships and Limited Liability Companies that Exceed 10% of Ownership

The Company did not have any investments in joint ventures, partnerships, or limited liability companies that exceeded 10% of admitted assets during the periods reported.
- B.

Investments in Impaired Joint Ventures, Partnerships and Limited Liability Companies

The Company did not recognize any impairment write-downs for investments in joint ventures, partnerships or limited liability companies during the periods reported.

**Note 7 – Investment Income**

- A.

The bases, by category of investment income, for excluding (nonadmitting) any investment income due and accrued:  
The Company did not exclude any due and accrued investment income from surplus during the periods reported.
- B.

The total amount excluded:  
The total amount excluded was \$0.

**Note 8 – Derivative Instruments**

The Company did not own derivative financial instruments during the periods reported.

**Note 9 – Income Taxes**

- A.

Deferred Tax Assets/(Liabilities)

1. Components of Net Deferred Tax Asset/(Liability)

	2018			2017			Change		
	1	2	3	4	5	6	7	8	9
	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 4+5) Total	(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
a. Gross deferred tax assets	\$ 71,753,742	\$ 442,446	\$ 72,196,188	\$ 88,469,928	\$ 173,217	\$ 88,643,145	\$(16,716,186)	\$ 269,229	\$(16,446,957)
b. Statutory valuation allowance adjustment									
c. Adjusted gross deferred tax assets (1a-1b)	\$ 71,753,742	\$ 442,446	\$ 72,196,188	\$ 88,469,928	\$ 173,217	\$ 88,643,145	\$(16,716,186)	\$ 269,229	\$(16,446,957)
d. Deferred tax assets nonadmitted	27,509,985		27,509,985	30,184,292		30,184,292	(2,674,307)		(2,674,307)
e. Subtotal net admitted deferred tax asset (1c-1d)	\$ 44,243,757	\$ 442,446	\$ 44,686,203	\$ 58,285,636	\$ 173,217	\$ 58,458,853	\$(14,041,879)	\$ 269,229	(13,772,650)
f. Deferred tax liabilities	3,897,955	5,119,122	9,017,077	5,476,886	14,812,770	20,289,656	(1,578,931)	(9,693,648)	(11,272,579)
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	\$ 40,345,802	\$ (4,676,676)	\$ 35,669,126	\$ 52,808,750	\$(14,639,553)	\$ 38,169,197	\$(12,462,948)	\$ 9,962,877	\$ (2,500,071)

**NOTES TO FINANCIAL STATEMENTS**

2. Admission Calculation Components SSAP No. 101

	2018			2017			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	\$ -	\$ -	\$	\$	\$	\$	\$	\$	\$
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below)	35,591,732	77,392	35,669,124	38,034,138	135,059	38,169,197	(2,442,406)	(57,667)	(2,500,073)
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	35,591,732	77,392	35,669,124	38,034,138	135,059	38,169,197	(2,442,406)	(57,667)	(2,500,073)
2. Adjusted gross deferred tax assets allowed per limitation threshold						60,646,351			(60,646,351)
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	8,652,024	365,054	9,017,078	20,251,497	38,159	20,289,656	(11,599,473)	326,895	(11,272,578)
d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c))	\$ 44,243,756	\$ 442,446	\$ 44,686,202	\$ 58,285,635	\$ 173,218	\$ 58,458,853	\$ (14,041,879)	\$ 269,228	\$ (13,772,651)

3. Other Admissibility Criteria

	2018	2017
a. Ratio percentage used to determine recovery period and threshold limitation amount	538.0%	538.0%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 432,337,212	\$ 426,672,458

4. Impact of Tax Planning Strategies

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.

	2018		2017		Change	
	1 Ordinary	2 Capital	3 Ordinary	4 Capital	5 (Col. 1-3) Ordinary	6 (Col. 2-4) Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 71,753,742	\$ 442,446	\$ 88,469,928	\$ 173,217	\$ (16,716,186)	\$ 269,229
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	13.5%	%	11.0%	%	2.5%	%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	\$ 44,243,757	\$ 442,446	\$ 58,285,636	\$ 173,217	\$ (14,041,879)	\$ 269,229
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	21.9%	%	16.6%	%	5.3%	%

(b) Does the company's tax planning strategies include the use of reinsurance? NO

**NOTES TO FINANCIAL STATEMENTS**

B. Deferred Tax Liabilities Not Recognized

There were no temporary differences for which deferred tax liabilities were not recognized.

C. Current and Deferred Income Taxes

1. Current Income Tax

	1	2	3
	2018	2017	(Col 1-2) Change
a. Federal	\$ (4,686,042)	\$ 3,270,931	\$ (7,956,973)
b. Foreign	\$	\$	\$
c. Subtotal	\$ (4,686,042)	\$ 3,270,931	\$ (7,956,973)
d. Federal income tax on net capital gains	\$ 1,282,092	\$ 5,654,363	\$ (4,372,271)
e. Utilization of capital loss carry-forwards	\$	\$	\$
f. Other	\$	\$	\$
g. Federal and Foreign income taxes incurred	\$ (3,403,950)	\$ 8,925,294	\$ (12,329,244)

2. Deferred Tax Assets

	1	2	3
	2018	2017	(Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	\$ 17,257,196	\$ 9,628,447	\$ 7,628,749
2. Unearned premium reserve	6,676,486	9,487,603	(2,811,117)
3. Policyholder reserves			
4. Investments	376,602	376,602	
5. Deferred acquisition costs			
6. Policyholder dividends accrual	314,267	718,893	(404,626)
7. Fixed assets			
8. Compensation and benefits accrual	1,236,469	2,876,929	(1,640,460)
9. Pension accrual	9,927,612	20,984,761	(11,057,149)
10. Receivables - nonadmitted	14,962,924	12,192,986	2,769,938
11. Net operating loss carry-forward	9,624,816	17,609,550	(7,984,734)
12. Tax credit carry-forward	11,146,906	14,381,868	(3,234,962)
13. Other (items <=5% and >5% of total ordinary tax assets)	230,464	212,289	18,175
Other (items listed individually >5%of total ordinary tax assets)			
99. Subtotal	71,753,742	88,469,928	(16,716,186)
b. Statutory valuation allowance adjustment			
c. Nonadmitted	27,509,985	30,184,292	(2,674,307)
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	44,243,757	58,285,636	(14,041,879)
e. Capital:			
1. Investments	\$ 442,446	\$ 173,217	\$ 269,229
2. Net capital loss carry-forward			
3. Real estate			
4. Other (items <=5% and >5% of total capital tax assets)			
Other (items listed individually >5% of total capital tax assets)			
99. Subtotal	\$ 442,446	\$ 173,217	\$ 269,229
f. Statutory valuation allowance adjustment			
g. Nonadmitted			
h. Admitted capital deferred tax assets (2e99-2f-2g)	442,446	173,217	269,229
i. Admitted deferred tax assets (2d+2h)	\$ 44,686,203	\$ 58,458,853	\$ (13,772,650)

**NOTES TO FINANCIAL STATEMENTS**

3. Deferred Tax Liabilities

	1	2	3
	2018	2017	(Col 1-2) Change
a. Ordinary:			
1. Investments	\$ 347,534	\$ 1,025,443	\$ (677,909)
2. Fixed assets	1,601,530	1,360,005	241,525
3. Deferred and uncollected premium	1,948,891	3,091,438	(1,142,547)
4. Policyholder reserves			
5. Other (items <=5% and >5% of total ordinary tax liabilities)			
Other (items listed individually >5% of total ordinary tax liabilities)			
99. Subtotal	3,897,955	5,476,886	(1,578,931)
b. Capital:			
1. Investments	5,119,122	14,812,770	(9,693,648)
2. Real estate			
3. Other (Items <=5% and >5% of total capital tax liabilities)			
Other (items listed individually >5% of total capital tax liabilities)			
99. Subtotal	5,119,122	14,812,770	(9,693,648)
c. Deferred tax liabilities (3a99+3b99)	\$ 9,017,077	\$ 20,289,656	\$ (11,272,579)
4. Net Deferred Tax Assets (2i – 3c)	\$ 35,669,126	\$ 38,169,197	\$ (2,500,071)

The Company's deferred income tax assets and liabilities as of December 31, 2018, were reported using the 21% tax rate, enacted on December 22,2017, under the Tax Cuts and Jobs Act (Act). The change in deferred taxes due to the change in tax rates is reflected in Note 9D. In addition, deferred taxes for 2017 included provisional amounts related to loss reserves discounting adjustments under the Act. These provisional evaluations were based on the Company's current interpretation of the legislation and insurance industry group guidance. Given the complexity of the legislation, anticipated guidance from the U.S. Treasury, and the potential for additional guidance from the U.S. Treasury, and the potential for additional guidance from Statutory Accounting Principle Working Group, these estimates may be adjusted during 2019.

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate Among the more significant book to tax adjustments were the following:

	2018	Effective Tax Rate
Provision computed at statutory rate	\$ 12,563,650	21.0%
Tax effect of:		
Dividend received deduction	(130,858)	-0.2%
Tax exempt interest income deduction	(952,907)	-1.6%
ICOLI	1,275,171	2.1%
Tax free contribution & subsidiary dissolution	-	0.0%
Non-deductible expenses	65,859	0.1%
State Grants Rec'd	-	0.0%
Prior Year True Up	257	0.0%
Return to provision		0.0%
Deferred tax true-up		0.0%
Change in non-admitted assets	(2,769,939)	-4.6%
Change in valuation allowance	-	0.0%
Low income housing and foreign tax credits		0.0%
Rate Differential	697,032	1.2%
Other	0	0.0%
Total statutory income taxes (benefit)	\$ 10,748,265	18.0%
	2018	Effective Tax Rate
Federal and foreign income taxes incurred	\$ (3,403,950)	-5.7%
Change in net deferred income taxes (without tax on unrealized gains and losses)	14,152,215	23.7%
Total statutory income taxes (benefit)	\$ 10,748,265	18.0%

NOTES TO FINANCIAL STATEMENTS

E. Operating Loss Carryfowards and Income Taxes Available for Recoupment

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

At December 31, 2018, the Company had the following net operating loss carryforwards:

Year Generated	Amount	Expiration
2017	\$40,616,368	2037
2018	\$0	2038
Totals	\$40,616,368	

At December 31, 2018, the Company had the following charitable contribution carryforwards:

Year Generated	Amount	Expiration
2015	\$967,804	2020
2016	\$749,448	2021
2017	\$1,994,551	2022
2018	\$1,504,284	2023
Totals	\$5,216,087	

At December 31, 2018, the Company had tax credit carryforwards which will expire as follows:

Carryforward Type	Amount	Expiration
Work Opportunity Credit	\$101	2030 - 2036
Research & Experimentation	\$2,715,040	2031 - 2036
Low Income Housing Credit	\$5,609,809	2029 - 2036
New Hire Retention Credit	\$10,405	N/A
AMT Credit	\$2,655,363	N/A
Foreign Tax Credit	\$156,188	2019 - 2028
Totals	\$11,146,906	

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

Year	Ordinary	Capital
2018	\$0	\$0
2017	\$0	\$0
2016	\$0	\$0
Totals	\$0	\$0

3. The Company did not have any 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:  
MICO Insurance Company  
Motorists Service Corporation  
Consumers Insurance USA, Inc.
2. The manner in which the Board of Directors sets forth for allocating the consolidated federal income tax:  
The method of allocation between the companies is subject to written agreement, approved by the Board of Directors. Allocation is based upon separate return calculations with current credit for net losses. Intercompany tax balances are settled annually when the federal income tax return is filed.

- G. Federal or Foreign Federal Income Tax Loss Contingencies:  
As of December 31, 2018, the Company had no unrecognized tax benefits.

- H. The Company is not subject to the Repatriation Transition Tax



NOTES TO FINANCIAL STATEMENTS

I. Alternative Minimum Tax (AMT Credit)

Gross AMT Credit Recognized as:

1a	Current year recoverable	2,655,363
1b	Deferred tax asset (DTA)	2,655,363
2	Beginning Balance of AMT Credit Carryforward	6,141,092
3	Amounts Recovered	2,655,363
4	Adjustments	830,367
5	Ending Balance of AMT Credit Carryforward (5=2-3-4)	2,655,362
6	Reduction for Sequestration	
7	Nonadmltted by Reporting Entity	
8	Reporting Entity Ending Balance (8=5-6-7)	2,655,362

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

A. Nature of the Relationship Involved

The Company is a member of an affiliated group of companies and is party to various transactions and agreements with other members of the group. Primarily those transactions are composed of:

- IT and Payroll processing services are provided by a non-insurance member of the group.
- The P&C Companies within the group participate in a pooling arrangement.
- The lead company to the pool provides management services to the other members of the Group. All Companies in the Group are parties to a cost sharing agreement.
- The Various companies have entered into a tax sharing agreement with each company that qualifies to be included in a consolidated return.
- Selected members of the group participated in intercompany loan agreements.

Motorists Mutual Insurance Company and BrickStreet Mutual Insurance Company secured regulatory approval to enter into an affiliation agreement on April 20, 2017, and executed the agreement on April 24, 2017, forming a revised Motorists Insurance Group. The Companies entered into various intercompany agreements, including intercompany reinsurance pooling and cost sharing agreements, effective January 1, 2018. Schedule Y reflects an updated organization chart with Motorists Mutual as the ultimate controlling entity of the Motorists Insurance Group. The pool was realigned effective January 1, 2018. Refer to Note 26 for the revised pooling agreement.

NAIC Group Number (current)	NAIC Company Code	Company Name	Pooling Percentage
0291	14621	Motorists Mutual Insurance Company	32.4%
0291	12372	Brickstreet Mutual Insurance Company	48.0%
0291	13331	Motorists Commercial Mutual Insurance Company	10.3%
0291	10204	Consumers Insurance USA, Inc.	2.1%
0291	19950	Wilson Mutual Insurance Company	1.7%
0291	14338	Iowa Mutual Insurance Company	1.7%
0291	23175	Phenix Mutual Insurance Company	1.6%
0291	31577	Iowa American Insurance Company	0.6%
0291	15137	PinnaclePoint Insurance Company	0.8%
0291	15136	SummitPoint Insurance Company	0.8%
0291	40932	Mico Insurance Company	0.0%
0291	13045	NorthStone Insurance Company	0.0%
0291	13016	AlleghenyPoint Insurance Company	0.0%

NOTES TO FINANCIAL STATEMENTS

- B.

Transactions

The intercompany transaction that resulted in the largest dollar impact was the initial pool realignment. Funds were transferred between the group companies to realign the pool to the new pooling percentages and participants and, in addition, ceding commissions were paid to those companies that had net ceding to the pool. The following summarizes the impact of those transactions which were settled between the companies in cash or the transfer of securities
- | NAIC Group Number (current) | NAIC Company Code | Company                                       | Pool Realignment and Ceding Commission |
|-----------------------------|-------------------|---|--|
| 0291                        | 12372             | BrickStreet Mutual Insurance Company          | (178,305,954)                          |
| 0291                        | 14621             | Motorists Mutual Insurance Company            | 108,799,539                            |
| 0291                        | 13331             | Motorists Commercial Mutual Insurance Company | 60,639,773                             |
| 0291                        | 10204             | Consumers' Insurance Company                  | 18,501,075                             |
| 0291                        | 19950             | Wilson Mutual Insurance Company               | 10,433,122                             |
| 0291                        | 14338             | Iowa Mutual Insurance Company                 | 10,433,122                             |
| 0291                        | 23175             | Phenix Mutual Fire Insurance Company          | 8,416,134                              |
| 0291                        | 15136             | SummitPoint Insurance Company                 | ( 8,049,910)                           |
| 0291                        | 15137             | PinnaclePoint Insurance Company               | ( 8,460,105)                           |
| 0291                        | 31577             | Iowa American Insurance Company               | 4,150,037                              |
| 0291                        | 13045             | NorthStone Insurance Company                  | (24,094,301)                           |
| 0291                        | 13016             | AlleghenyPoint Insurance Company              | (2,462,532)                            |
- BrickStreet Mutual Insurance Company made capital contribution of \$15 million to PinnaclePoint Insurance Company and \$15 million to SummitPoint Insurance Company. The additional capital was necessary to meet the requirements of the Ohio Insurance Department for those companies to be accredited reinsurers.

Motorists Mutual Insurance Company provides temporary financing for a construction project undertaken by MIG Realty. The project is anticipated to cost \$30 million. Permanent financing is anticipated to be obtained upon completion of construction.

Motorist Mutual Contributed addition capital to MIG Realty in the amount of \$1 million.

In addition, Motorists Service Corporation borrowed \$16,743,000 during 2017 from its parent through an intercompany loan agreement. The balances, which were both recorded by Motorists Mutual as non-admitted assets, were used to fund the subsidiary's development of software applications and services. Motorists Service Corporation has also initiated charges to Motorists Mutual for utilization of its developed software.

On December 14, 2016, Motorists Mutual Insurance Company formed a limited liability company, MIG Realty LLC, to engage in commercial real estate development. Motorists Mutual contributed a single parcel of land to MIG Realty LLC on September 29, 2017. As a wholly owned subsidiary MIG Realty qualifies for accounting using the look through approach. As a result, all assets and liabilities on MIG Realty's balance sheet are recognized on Motorists Mutual's balance sheet.
- C.

Dollar Amounts of Transactions

See Note B.
- D.

Amounts Due From or To Related Parties

As of December 31, 2018, and 2017, the Company reported net amounts due from/(due to) affiliates of \$10,791,772 and \$1,717,709, respectively. All amounts were settled within 60 days.
- E.

Guarantees or Undertakings

The Company had no guarantees or undertakings for the benefit of an affiliate or related party that resulted in a material contingency exposure to the Company or any related parties during the periods reported.
- F.

Material Management or Service Contracts and Cost-Sharing Arrangements

See Note A
- G.

Nature of the Control Relationship

The Company is a mutual property/casualty insurer that controls its operations. As the lead Company of The Motorists Insurance Group, Motorists Mutual Insurance Company also controls its affiliated companies' operations through interlocking boards of directors.
- H.

Amount Deducted from the Value of Upstream Intermediate Entity or Ultimate Parent Owned

The Company did not own any shares, directly or indirectly, of an upstream intermediate entity or ultimate parent during the periods reported.
- I.

Investments in SCA that Exceed 10% of Admitted Assets

The Company did not have any investments in subsidiary, controlled, or affiliated entities that exceed 10% of admitted assets during the periods reported.
- J.

Investments in Impaired SCAs

The Company did not recognize any impairment write-downs for investments in subsidiary, controlled, or affiliated entities during the periods reported.
- K.

Investment in Foreign Insurance Subsidiary

The Company did not have any investments in foreign insurance subsidiaries during the periods reported.
- L.

Investment in Downstream Noninsurance Holding Company

The Company did not have any investments in downstream non-insurance holding companies.

**NOTES TO FINANCIAL STATEMENTS**

M. All SCA Investments  
The Company held SCA Investments during the periods reported.

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

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities				
	%	\$	\$	\$
Total SSAP No. 97 8a Entities	XXX	\$	\$	\$
b. SSAP No. 97 8b(ii) Entities				
Motorists Service Corp	100.0%	\$ 246,428	\$	\$ 246,428
Total SSAP No. 97 8b(ii) Entities	XXX	\$ 246,428	\$	\$ 246,428
c. SSAP No. 97 8b(iii) Entities				
	%	\$	\$	\$
Total SSAP No. 97 8b(iii) Entities	XXX	\$	\$	\$
d. SSAP No. 97 8b(iv) Entities				
	%	\$	\$	\$
Total SSAP No. 97 8b(iv) Entities	XXX	\$	\$	\$
e. Total SSAP No. 97 8b Entities (except 8b(i) entities) (b + c + d)	XXX	\$ 246,428	\$	\$ 246,428
f. Aggregate Total (a + e)	XXX	\$ 246,428	\$	\$ 246,428

(2) NAIC Filing Response Information

SCA Entity (Should be the same entities as shown in M(1) above)	Type of NAIC Filing*	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received Y/N	NAIC Disallowed Entities Valuation Method Resubmission Required Y/N	Code**
a. SSAP No. 97 8a Entities						
			\$			
Total SSAP No. 97 8a Entities	XXX	XXX	\$	XXX	XXX	XXX
b. SSAP No. 97 8b(ii) Entities						
Motorists Service Corp	S1	12/22/2016	\$ 246,428	Y	N	
Total SSAP No. 97 8b(ii) Entities	XXX	XXX	\$ 246,428	XXX	XXX	XXX
c. SSAP No. 97 8b(iii) Entities						
			\$			
Total SSAP No. 97 8b(iii) Entities	XXX	XXX	\$	XXX	XXX	XXX
d. SSAP No. 97 8b(iv) Entities						
			\$			
Total SSAP No. 97 8b(iv) Entities	XXX	XXX	\$	XXX	XXX	XXX
e. Total SSAP No. 97 8b Entities (except 8b(i) entities) (b + c + d)	XXX	XXX	\$ 246,428	XXX	XXX	XXX
f. Aggregate Total (a + e)	XXX	XXX	\$ 246,428	XXX	XXX	XXX

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

\*\* I – Immaterial or M – Material

N. Investment in Insurance SCAs  
The Company did not hold any insurance SCA investments that departed from the NAIC statutory accounting practices and procedures.

O. SCA Loss Tracking  
Not Applicable

**Note 11 – Debt**

A. Debt, Including Capital Notes

The Company has entered into two fixed rate advances from FHLB to use for vendor payments affiliated with our MIG Realty LLC construction project. An advance of \$655,000 was taken on November 30, 2018, at a fixed rate of 2.40% for a 4 week period. An additional advance of \$71,000 was added to the \$655,000 on December 28, 2018, for a total of \$726,000 at a fixed rate of 2.52%. No interest was charged in 2018. This was due to the timing of the first advance on the last day of the month in November and the interest for the total advance will be charged in January of 2019.

B. FHLB (Federal Home Loan Bank) Agreements

(1) Nature of the FHLB Agreement

The Company is a member of the Federal Home Loan Bank (FHLB) of Cincinnati, Ohio. Through its membership the Company has access to cash advances in the amount of \$50,000,000. The Company calculated this amount in accordance with current FHLB capital stock holdings and collateral. It is the Company's intent to use these funds as a backup source of liquidity and

**NOTES TO FINANCIAL STATEMENTS**

(2) FHLB Capital Stock

a. Aggregate Totals

1. Current Year

	1 Total 2 + 3	2 General Account	3 Protected Cell Accounts
(a) Membership Stock – Class A	\$	\$	\$
(b) Membership Stock – Class B	1,644,972	1,644,972	
(c) Activity Stock	29,040	29,040	
(d) Excess Stock	365,288	365,288	
(e) Aggregate Total (a+b+c+d)	\$ 2,039,300	\$ 2,039,300	\$
(f) Actual or estimated borrowing capacity as determined by the insurer	\$ 50,000,000	XXX	XXX

2. Prior Year

	1 Total 2 + 3	2 General Account	3 Protected Cell Accounts
(a) Membership Stock – Class A	\$	\$	\$
(b) Membership Stock – Class B	1,631,585	1,631,585	
(c) Activity Stock			
(d) Excess Stock	407,715	407,715	
(e) Aggregate Total (a+b+c+d)	\$ 2,039,300	\$ 2,039,300	\$
(f) Actual or estimated borrowing capacity as determined by the insurer	\$ 20,000,000	XXX	XXX

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

	1	2	Eligible for Redemption			
			3	4	5	6
Membership Stock	Current Year Total (2+3+4+5+6)	Not Eligible for Redemption	Less than 6 Months	6 Months to Less Than 1 Year	1 to Less Than 3 Years	3 to 5 Years
1. Class A	\$	\$	\$	\$	\$	\$
2. Class B	\$ 1,644,972	\$ 1,644,972	\$	\$	\$	\$

11B(2)b1 current year total (column 1) should equal 11B(2)a1(a) total (column 1).

11B(2)b2 current year total (column 1) should equal 11B(2)a1(b) total (column 1).

(3) Collateral Pledged to FHLB

a. Amount Pledged as of Reporting Date

	1 Fair Value	2 Carrying Value	3 Aggregate Total Borrowing
1. Current Year Total General and Protected Cell Accounts Total Collateral Pledged (Lines 2+3)	\$ 55,254,014	\$ 56,068,403	\$ 726,000
2. Current Year General Account Total Collateral Pledged	55,254,014	56,068,403	726,000
3. Current Year Protected Cell Accounts Total Collateral Pledged			
4. Prior Year Total General and Protected Cell Accounts Total Collateral Pledged	\$ 25,945,861	\$ 24,836,433	\$

11B(3)a1 (columns 1, 2 and 3) should be equal to or less than 11B(3)b1 (columns 1, 2 and 3, respectively).

11B(3)a2 (columns 1, 2 and 3) should be equal to or less than 11B(3)b2 (columns 1, 2 and 3, respectively).

11B(3)a3 (columns 1, 2 and 3) should be equal to or less than 11B(3)b3 (columns 1, 2 and 3, respectively).

11B(3)a4 (columns 1, 2 and 3) should be equal to or less than 11B(3)b4 (columns 1, 2 and 3, respectively).

b. Maximum Amount Pledged During Reporting Period

	1 Fair Value	2 Carrying Value	3 Amount Borrowed at Time of Maximum Collateral
1. Current Year Total General and Protected Cell Accounts Maximum Collateral Pledged (Lines 2+3)	\$ 55,254,014	\$ 56,068,403	\$ 726,000
2. Current Year General Account Maxiumu Collateral Pledged	55,254,014	56,068,403	726,000
3. Current Year Protected Cell Accounts Maxiumu Collateral Pledged			
4. Prior Year Total General and Protected Cell Accounts Maximum Collateral Pledged	\$ 25,945,861	\$ 24,836,433	\$

**NOTES TO FINANCIAL STATEMENTS**

(4) Borrowing from FHLB

a. Amount as of the Reporting Date

1. Current Year

	1 Total 2 + 3	2 General Account	3 Protected Cell Account	4 Funding Agreements Reserves Established
(a) Debt	\$ 726,000	\$ 726,000	\$	XXX
(b) Funding Agreements				\$
(c) Other				XXX
(d) Aggregate Total (a+b+c)	\$ 726,000	\$ 726,000	\$	\$

2. Prior Year

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

b. Maximum Amount During Reporting Period (Current Year)

	1 Total 2 + 3	2 General Account	3 Protected Cell Accounts
1. Debt	\$ 726,000	\$ 726,000	\$
2. Funding Agreements			
3. Other			
4. Aggregate Total (Lines 1+2+3)	\$ 726,000	\$ 726,000	\$

11B(4)b4 (columns 1, 2 and 3) should be equal to or greater than 11B(4)a1(d) (columns 1, 2 and 3, respectively).

c. FHLB – Prepayment Obligations

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

**NOTES TO FINANCIAL STATEMENTS**

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

A. Defined Benefit Plan

(1) Change in Benefit Obligation

	Overfunded		Underfunded	
	2018	2017	2018	2017
a. Pension Benefits				
1. Benefit obligation at beginning of year	\$	\$	\$ 368,792,240	\$ 320,535,985
2. Service cost				7,895,967
3. Interest cost			10,457,950	11,199,250
4. Contribution by plan participants				
5. Actuarial gain (loss)			(33,465,555)	58,708,710
6. Foreign currency exchange rate changes				
7. Benefits paid			286,865,358	14,721,433
8. Plan amendments				
9. Business combinations, divestitures, curtailments, settlements and special termination benefits				14,826,239
10. Benefit obligation at end of year	\$	\$	\$ 58,919,277	\$ 368,792,240
	Overfunded		Underfunded	
b. Postretirement Benefits	2018	2017	2018	2017
1. Benefit obligation at beginning of year	\$	\$	\$ 21,600,626	\$ 13,904,718
2. Service cost			135,052	155,394
3. Interest cost			641,924	542,518
4. Contribution by plan participants			1,224,317	720,697
5. Actuarial gain (loss)			(2,458,866)	4,585,216
6. Foreign currency exchange rate changes				
7. Benefits paid			3,158,909	1,244,801
8. Plan amendments				
9. Business combinations, divestitures, curtailments, settlements and special termination benefits				(2,936,884)
10. Benefit obligation at end of year	\$	\$	\$ 17,984,144	\$ 21,600,626
	Overfunded		Underfunded	
c. Special or Contractual Benefits per SSAP No. 11	2018	2017	2018	2017
1. Benefit obligation at beginning of year	\$	\$	\$ 33,359,186	\$ 27,952,352
2. Service cost				524,840
3. Interest cost			1,097,571	1,051,858
4. Contribution by plan participants				
5. Actuarial gain (loss)			(2,137,239)	1,079,954
6. Foreign currency exchange rate changes				
7. Benefits paid			1,178,872	1,078,348
8. Plan amendments				(3,828,530)
9. Business combinations, divestitures, curtailments, settlements and special termination benefits				
10. Benefit obligation at end of year	\$	\$	\$ 31,140,646	\$ 33,359,186

(2) Change in Plan Assets

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
	2018	2017	2018	2017	2018	2017
a. Fair value of plan assets at beginning of year	\$ 308,196,789	\$ 281,601,955	\$ 17,297,252	\$ 15,490,088	\$	\$
b. Actual return on plan assets	(10,545,849)	38,316,267	(946,671)	2,290,027		
c. Foreign currency exchange rate changes						
d. Reporting entity contribution	32,000,000	3,000,000	1,805,987	41,241		
e. Plan participants' contributions			1,224,317	720,697		
f. Benefits paid	286,865,358	14,721,433	3,158,909	1,244,801		
g. Business combinations, divestitures and settlements						
h. Fair value of plan assets at end of year	\$ 42,785,582	\$ 308,196,789	\$ 16,221,976	\$ 17,297,252	\$	\$

**NOTES TO FINANCIAL STATEMENTS**

(3) Funded Status

	Pension Benefits		Postretirement Benefits	
	2018	2017	2018	2017
a. Components				
1. Prepaid benefit costs	\$	\$	\$	\$
2. Overfunded plans assets	\$	\$	\$	\$
3. Accrued benefit costs	\$	\$	\$	\$
4. Liability for pension benefits	\$	\$	\$	\$
b. Assets and liabilities recognized				
1. Assets (nonadmitted)	\$	\$	\$	\$
2. Liabilities recognized	\$ (16,133,695)	\$ (60,595,451)	\$ (1,762,168)	\$ (4,303,374)
c. Unrecognized liabilities	\$	\$	\$	\$

(4) Components of Net Periodic Benefit Cost

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
	2018	2017	2018	2017	2018	2017
a. Service cost	\$	\$ 7,895,967	\$ 135,052	\$ 155,394	\$	\$ 524,840
b. Interest cost	10,457,950	11,199,250	641,924	542,518	1,097,571	1,051,858
c. Expected return on plan assets	(17,834,191)	(18,735,156)	(1,083,715)	(1,005,950)		
d. Transition asset or obligation		4,333				
e. Gains and losses	(5,085,515)	126,868,364	(428,480)	4,732,426	(2,137,239)	9,511,158
f. Prior service cost or credit		6,624	(291,887)	(291,887)		90,467
g. Gain or loss recognized due to a settlement curtailment		8,880,429		2,936,884		5,087,737
h. Total net periodic benefit cost	\$ (12,461,756)	\$ 136,119,811	\$ (1,027,106)	\$ 7,069,385	\$ (1,039,668)	\$ 16,266,060

(5) Amounts in Unassigned Funds (Surplus) Recognized as Components of Net Periodic Benefit Cost

	Pension Benefits		Postretirement Benefits	
	2018	2017	2018	2017
a. Items not yet recognized as a component of net periodic cost – prior year	\$	\$ 111,458,390	\$ (1,469,483)	\$ (330,083)
b. Net transition asset or obligation recognized		(34,668)		
c. Net prior service cost or credit arising during the period				
d. Net prior service cost or credit recognized		(55,509)	291,887	291,887
e. Net gain and loss arising during the period			(428,480)	3,301,139
f. Net gain and loss recognized		(111,368,213)	428,480	(4,732,426)
g. Items not yet recognized as a component of net periodic cost – current period	\$	\$	\$ (1,177,596)	\$ (1,469,483)

(6) Amounts in Unassigned Funds (Surplus) Expected to be Recognized in the Next Fiscal Year as Components of Net Periodic Benefit Cost

	Pension Benefits		Postretirement Benefits	
	2018	2017	2018	2017
a. Net transition asset or obligations	\$	\$ 34,668	\$	\$
b. Net prior service cost or credit	\$	\$ 55,509	\$ (291,887)	\$ (291,887)
c. Net recognized gains and losses	\$	\$	\$	\$

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

	Pension Benefits		Postretirement Benefits	
	2018	2017	2018	2017
a. Net transition asset or obligations	\$	\$	\$	\$
b. Net prior service cost or credit	\$	\$	\$ (1,177,596)	\$ (1,469,483)
c. Net recognized gains and losses	\$	\$	\$	\$

**NOTES TO FINANCIAL STATEMENTS**

(8) Weighted-Average Assumptions Used to Determine Net Periodic Benefit Cost as of December 31

	2018	2017
a. Weighted-average discount rate	3.5%	4.4%
b. Expected long-term rate of return on plan assets	6.6%	6.6%
c. Rate of compensation increase	N/A%	3.0%
Weighted-average assumptions used to determine projected benefit obligations as of December 31		
d. Weighted-average discount rate	4.2%	3.5%
e. Rate of compensation increase	N/A%	3.0%

The Company has three retiree medical plan options. For measurement purposes, the 2018 assumed annual rate of increase in the per capital cost of covered health care benefits was 7.23% for retirees under age 65, 8.6% for retirees 65 and older not in the MAPD plan, and 3.0% for retirees 65 and older in the MAPD Plan. The rate was assumed to decrease over time until an ultimate increase rate of 4.5% is attained in 2026 for retirees other than those covered by the MAPD Plan.

- (9) Accumulated Benefit Obligation for Defined Benefit Pension Plans  
The amount of accumulated benefit obligation for defined benefit pension plans as of December 31, 2018 and 2017 was \$58,919,277 and \$368,792,240, respectively.
- (10) For Postretirement Benefits Other Than Pensions, the Assumed Health Care Cost Trend Rate(s)  
Employer retiree healthcare costs assume a 3% increase for all future years to reflect the maximum employer increase in premiums.
- (11) Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage point change in assumed health care cost trend rates would have the following effects:

	1 Percentage Point Increase	1 Percentage Point Decrease
a. Effect on total of service and interest cost components	\$ 10,278	\$ (9,481)
b. Effect on postretirement benefit obligation	\$ 199,080	\$ (187,689)

- (12) The following estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the year indicated:

Year(s)	Amount
a. 2019	\$ 4,319,015
b. 2020	\$ 4,389,572
c. 2021	\$ 5,139,327
d. 2022	\$ 5,254,926
e. 2023	\$ 5,412,038
f. 2024 through 2028	\$ 29,653,504

- (13) Estimate of Contributions Expected to be Paid to the Plan  
In 2019, the Company intends to make contributions to the pension plan, postretirement plan and postemployment plans in the amounts of \$5,000,000, \$97,208 and \$1,506,508, respectively.
- (14) Amounts and Types of Securities Included in Plan Assets  
As of December 31, 2018, none of the Company's securities or those of related parties were included in plan assets. The Company or related parties did not issue insurance contracts covering plan participant benefits, and there were not any significant transactions between the plan and the Company or related parties during the period.
- (15) Alternative Method Used to Amortize Prior Service Amounts or Net Gains and Losses  
The Company did not use an alternate amortization method to amortize prior service amounts. Beginning in 2017, the Company moved to a mark-to-market approach for recognizing net gains and losses.
- (16) Substantive Comment Used to Account for Benefit Obligation  
The Company did not use any substantive commitments as a basis for accounting for the benefit obligations.
- (17) Cost of Providing Special or Contractual Termination Benefits Recognized  
On November 20, 2018, the Company purchased an annuity contract for a select group of retirees. The transaction resulted in a reduction in the plan's benefit obligation and assets of \$251,779,292. A return of assets of \$3,513,545 was received in 2019 due to the original asset transfer being overstated.
- (18) Significant Change in the Benefit Obligation or Plan Assets  
All significant changes in the Company's benefit obligation and assets are presented in the disclosure.
- (19) Amount and Time Plan Assets Expected to be Returned  
The Company expects a return of assets of \$3,513,545 to the pension plan as the original transfer for assets was overstated.



**NOTES TO FINANCIAL STATEMENTS**

(20) Accumulated Postretirement and Pension Benefit Obligation and Fair Value of Plan Assets for Defined Postretirement and Pension Benefit Plans  
The company's obligation and liability components as of December 31, 2018 are presented below:

	Pension Benefits	Postretirement Benefits	Postemployment Benefits
Benefit Obligation	\$ 58,919,277	\$ 17,297,252	\$ 31,140,646
SSAP 92/102 Deferral	\$ -		
Adjusted Benefit Obligation	\$ 58,919,277	\$ 17,297,252	\$ 31,140,646
Plan Assets	\$ 42,785,582	\$ 16,221,978	
Unfunded Liability	\$ 16,133,695	\$ 1,075,274	\$ 31,140,646

(21) Full Transition Surplus Impact of SSAP 102  
The Company adopted SSAP No. 92, Accounting for Postretirement Benefits Other than Pensions and SSAP No. 102, Accounting for Pensions as of January 31, 2013 and elected to recognize the surplus impact using the deferral method. As of December 31, 2018, there was no remaining transition liability. The components of the guidance impact are as follows:

	Pension Benefits	Postretirement Benefits	Postemployment Benefits
Initial Transition Liability	\$ 20,075,042	\$ 14,578,265	\$ 2,672,574
Transition Liability as of December 31, 2018	\$ -	\$ -	\$ -
Anticipated recognition of transition liability	\$ -	\$ -	\$ -

B. Investment Policies and Strategies

The policy, as established by the Qualified Benefit Plans Committee, is to invest assets per the target allocations stated below. The assets will be reallocated periodically. The investment policy will be reviewed periodically, under the advisement of a certified investment advisor, to determine if the policy should be revised due to changes in factors including, but not limited to, funded ratio and discount rate changes, available asset classes, or market conditions. Allowable assets include, but are not limited to, cash equivalents fixed income securities, equity holdings, exchange traded index funds, and GICs.

Plan Assets	Allowable Allocation Range
Equity Securities	30-59%
Debt Securities	41-70%
Real Estate	0%
Other	0%

C. Fair Value of Plan Assets

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

Description for each class of plan assets	(Level 1)	(Level 2)	(Level 3)	Total
Pension Plan	\$	\$	\$	\$
Cash and Cash Equivalents	\$ 224,511	\$	\$	\$ 224,511
Domestic Small Cap Equities (S&P 500)	\$ 3,313,536	\$	\$	\$ 3,313,536
Domestic Large Cap Equities (S&P 500)	\$ 3,302,186	\$	\$	\$ 3,302,186
TIPS ETF	\$ 1,186,431	\$	\$	\$ 1,186,431
International Equities	\$ 2,729,353	\$	\$	\$ 2,729,353
Separate Accounts/ Commingled Funds	\$	\$ 31,908,868	\$	\$ 31,908,868
Total Pension Plan Assets	\$ 10,756,017	\$ 31,908,868	\$	\$ 42,664,885
	\$	\$	\$	\$
Postretirement Plan	\$	\$	\$	\$
Cash and Cash Equivalents	\$ 31,896	\$	\$	\$ 31,896
Domestic Small Cap Equities (S&P 500)	\$ 703,755	\$	\$	\$ 703,755
Domestic Large Cap Equities (S&P 500)	\$ 1,708,472	\$	\$	\$ 1,708,472
TIPS ETF	\$ 505,608	\$	\$	\$ 505,608
International Equities	\$ 1,337,905	\$	\$	\$ 1,337,905
Separate Accounts/ Commingled Funds	\$	\$ 12,341,019	\$	\$ 12,341,019
Total Postretirement Plan Assets	\$ 4,287,636	\$ 12,341,019	\$	\$ 16,628,655

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

The expected long-term rate of return for the plan's total assets is based on the expected return of each category, weighted based on the median of the target allocation for each class.

E. Defined Contribution Plans

The Company sponsored a defined contribution savings plan for the benefit of substantially all associates during the periods reported. The Company contributed up to a maximum of 7% and 3% of each associate's compensation in 2018 and 2017, respectively. Company contributions to the plan were \$ 6,858,976 and \$1,457,129 for 2018 and 2017, respectively. In addition, the Company made a special contribution totaling \$8,451,925 in 2017 in connection with the pension plan change noted above.

F. Multiemployer Plans

The company did not participate in any multi-employer plans during the period reported.

NOTES TO FINANCIAL STATEMENTS

- G.

Consolidated/Holding Company Plans

The company's subsidiaries and affiliates participated in defined benefit plans sponsored by the company during the years reported. Plan costs were allocated to the participating affiliates and subsidiaries based on cost sharing and/or intercompany pooling arrangements. See Note 2 for periodic pension plan costs and mark-to-market adjustments for the company and its property/casualty affiliates.
- H.

Postemployment Benefits and Compensated Absences

The Company's financial records include adequate accruals for all postemployment benefit obligations and compensated absences.
- I.

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

The Company first measured the impact of the Medicare Prescription Drug, Improvement and Modernization Act of 2003, on postretirement benefits as of January 1, 2004. The results of that measurement were included in the Company's 2004 financial records. The Act had no impact on the statutory expense for the periods reported.

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

- (1)

Number of Share and Par or State Value of Each Class

Not Applicable
- (2)

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

Not Applicable
- (3)

Dividend Restrictions

Not Applicable
- (4)

Dates and Amounts of Dividends Paid

Not Applicable
- (5)

Profits that may be Paid as Ordinary Dividends to Stockholders

Not Applicable
- (6)

Restrictions Plans on Unassigned Funds (Surplus)

There are no restrictions placed on the Company’s surplus, including for whom the surplus is being held.
- (7)

Amount of Advances to Surplus not Repaid

Not Applicable
- (8)

Amount of Stock Held for Special Purposes

Not Applicable
- (9)

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

Not Applicable
- (10)

The Portion of Unassigned Funds (Surplus) Represented or Reduced by Unrealized Gains and Losses is: \$14,890,702.
- (11)

The Reporting Entity Issued the Following Surplus Debentures or Similar Obligations

Not Applicable
- (12)

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

Not Applicable
- (13)

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

Information concerning quasi-reorganization is not applicable.

**NOTES TO FINANCIAL STATEMENTS**

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

**A. Contingent Commitments**

- (1) Total SSAP No. 97, Investments in Subsidiary, Controlled, and Affiliated Entities, A Replacement of SSAP No. 88, and SSAP No. 48, Joint Ventures, Partnerships and Limited Liability Company contingent liabilities: \$8,357,460.
- (2) Detail of other contingent commitments

Nature and Circumstances of Guarantee and Key Attributes, Including Date and Duration of Agreement	Liability Recognition of Guarantee, (Including Amount Recognized at Inception. If no Initial Recognition, Document Exception Allowed Under SSAP No. 5R)	Ultimate Financial Statement Impact if Action under the Guarantee is Required	Maximum Potential Amount of Future Payments (Undiscounted) the Guarantor could be Required to make under the Guarantee. If unable to Develop an Estimate, this Should be Specifically Noted	Current Status of Payment or Performance Risk of Guarantee. Also Provide Additional Discussion as Warranted
Commercial bank loan guarantee for five agencies with various terms, extending to 2028	\$	Increase in miscellaneous expense	\$ 1,982,236	All loans are current in payments of principal and interest. The likelihood of the company having to make any payments is remote.
Aberdeen Institutional Commingled Funds, LLC	\$	Increase in other invested assets	\$	All current capital calls have been funded.
Adams Street 2012 Global Fund LP	\$	Increase in other invested assets	\$ 3,305,600	All current capital calls have been funded.
HarbourVest Partners, LLC	\$	Increase in other invested assets	\$ 2,857,124	All current capital calls have been funded.
Park Street Capital Private Equity Fund LP	\$	Increase in other invested assets	\$ 212,500	All current capital calls have been funded.
Total	\$	XXX	\$ 8,357,460	XXX

**(3) Guarantee Obligations**

a.	Aggregate maximum potential of future payments of all guarantees (undiscounted) the guarantor could be required to make under guarantees. (Should equal the total of column 4 for (2) above.)	\$ 8,357,460
b.	Current liability recognized in F/S	
	1. Noncontingent liabilities	\$
	2. Contingent liabilities	\$
c.	Ultimate financial statement impact if action under the guarantee is required	
	1. Investments in SCA	\$
	2. Joint venture	6,375,224
	3. Dividends to stockholders (capital contribution)	
	4. Expense	1,982,236
	5. Other	
	6. Total (should equal (3)a)	\$ 8,357,460

**B. Assessments**

- (1) Nature of Any Assets That Could Have a Material Financial Effect  
The Company is subject to guaranty fund and other assessments by the states in which it conducts business. Guaranty fund assessments are accrued upon notification of the insolvency. Other assessments are recognized 1) when assessed by a state, 2) when premiums are written for premium-based assessments, or 3) when losses are incurred for loss based assessments. Incurred assessments are subject to the intercompany pooling arrangement described in Note 26. The company's net paid guaranty fund assessments totaled \$122,286 and \$111,971 for the years ended December 31, 2018, and 2017, respectively. The company's net accrued liabilities for guaranty funds were \$486,019 and \$540,626 as of December 31, 2018 and 2017, respectively. Per the accounting practices and procedures prescribed by the company's state of domicile, receivables for premium tax credits are not reflected in the accompanying financial statements.

- C. Gain Contingencies  
The Company did not have any material gain contingencies to disclose for the periods reported.
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits  
Not Applicable
- E. Product Warranties

The Company did not have any contingent liabilities associated with product warranties to disclose for the periods reported.

**NOTES TO FINANCIAL STATEMENTS**

F. Joint and Several Liabilities

The Company did not have any joint and several liabilities exposure to disclose for the periods reported.

G. All Other Contingencies

The Company did not have any other contingent liabilities arising from litigation, income taxes, or other matters that were material in nature. All assets that the Company considered to be impaired were valued at market prior to the closing of the Company's financial records. The potential for losses associated with uncollectable receivable balances is not material to the Company's financial position. Premium balances over 90 days past due are recorded as nonadmitted assets.

**Note 15 – Leases**

A. Lessee Operating Lease

(1) Lessee's Leasing Arrangements

a. Rental Expense

The Company leases computer-related equipment under various operating lease arrangements and entered into various agreements for information technology-related services through December 2024. The expenses for the years ended December 31, 2018 and 2017 were \$26,898,159 and \$16,358,396, respectively.

(2) Leases with Initial or Remaining Noncancelable Lease Terms in Excess of One Year

a. At December 31, 2018 the minimum aggregate rental commitments are as follows:

Year Ending December 31	Operating Leases
1. 2019	\$ 25,066,402
2. 2020	\$ 13,163,646
3. 2021	\$ 8,336,875
4. 2022	\$ 7,869,031
5. 2023	\$ 5,704,000
6. Total	\$ 60,139,954

(3) The Company was not involved in sale-leaseback transactions during the periods reported.

B. The Company leased office space in its home office building to non-affiliated parties during the periods reported. This was not a significant part of the Company's business activities.

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

1-2. The table below summarizes the face amount of the Company's financial instruments with off-balance sheet risk: The Company did not have any off-balance sheet risks for the periods disclosed.

3-4. The Company is exposed to concentration of credit risk due to cash deposits in excess of federal insured limits. The Company mitigates its exposure to losses from these cash deposits by monitoring the financial stability of the financial institutions involved and through the concentration of funds and nightly sweep to mutual fund investments.

The Company is exposed to credit-related losses in the event that a bond issuer may default on its obligation. The Company mitigates its exposure of these credit related losses by maintaining a diversified bond portfolio with high credit ratings. The Company also is exposed to credit related losses in the event of a reinsurer is unable to honor its liabilities to the Company. The Company mitigates its exposure to losses from insolvent reinsurers by continuously monitoring the credit rating of all the Company's reinsurers.

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

A. Transfers of Receivables Reported as Sales

Not Applicable

B. Transfer and Servicing of Financial Assets

Not Applicable

C. Wash Sales

Not Applicable

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

The Company did not serve an Administrative Services Only (ASO) or as an Administrative Services Contract (ASC) plan administrator during the periods reported.

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

The Company did not write any direct premiums through managing general agents or third party administrators during the periods reported.

**NOTES TO FINANCIAL STATEMENTS**

**Note 20 – Fair Value Measurements**

- A. Fair Value Measurements
- (1) Fair Value Measurements at Reporting Date
- Inputs Used for Assets and Liabilities Measured and Reported at Fair Value

SSAP No. 100, Fair Value Measurements, clarifies the definition of estimated fair value and establishes a hierarchy for measuring estimated fair value. The hierarchy established by this standard consists of three levels to indicate the quality of the estimated fair value measurements as described below:

Level 1 - Quoted Prices in Active Markets for Identical Assets and Liabilities: Unadjusted quoted prices for identical assets or liabilities in active markets that are readily and regularly obtainable.

Level 2 - Significant Other Observable Inputs: Quoted prices in markets that are not active or inputs that are observable either directly or indirectly. These inputs can include quoted prices for similar but not identical assets or liabilities other than quoted prices in Level 1.

Level 3 - Significant Unobservable Inputs: Unobservable inputs that are supported by little or no market activity and are significant to the determination of estimated fair value of assets or liabilities. Unobservable inputs reflect the entity's assumptions about the assumptions that market participants would use in pricing the asset or liability.

Description for Each Type of Asset or Liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
Assets at Fair Value					
Common Stock, Industrial and Misc	\$ 156,349,303	\$	\$ 3,505,635	\$	\$ 159,854,938
Parents, Subsidiaries and Affiliates	\$	\$	\$ 94,191,032	\$	\$ 94,191,032
Other invested assets	\$	\$	\$ 85,488,408	\$	\$ 85,488,408
Total	\$ 156,349,303	\$	\$ 183,185,076	\$	\$ 339,534,379
Liabilities at Fair Value					
	\$	\$	\$	\$	\$
Total	\$	\$	\$	\$	\$

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred between Levels 1 and 2. This policy also applies to transfers into or out of Level 3. The Company had no transfers into or out of any of the levels during the years ended December 31, 2018 and 2017.

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

Description	Beginning Balance at 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	Settle-ments	Ending Balance at 12/31/2018
a. Assets										
Common Stock, Industrial and Misc	\$ 3,542,856	\$	\$	\$ -	\$ 139,070	\$ -	\$ -	\$ (176,290)	\$	\$ 3,505,635
Parents, Subsidiaries and Affiliates	\$100,091,524	\$	\$	\$ -	\$ (13,400,491)	\$ 7,500,000	\$ -	\$ -	\$	\$ 94,191,032
Other invested assets	\$ 88,213,628	\$	\$	\$ (64,852)	\$ (3,835,810)	\$ 4,123,216	\$	\$ (2,947,774)	\$	\$ 85,488,408
Total	\$191,848,007	\$	\$	\$ (64,852)	\$ (17,097,232)	\$ 11,623,216	\$	\$ (3,124,064)	\$	\$ 183,185,076
b. Liabilities										
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

- (3) Policies when Transfers Between Levels are Recognized
- At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred between Levels 1 and 2. This policy also applies to transfers into or out of Level 3. The Company had no transfers into or out of any of the levels during the years ended December 31, 2018 and 2017.
- (4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement
- Not Applicable
- (5) Fair Value Disclosures
- Not Applicable

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

Not Applicable

**NOTES TO FINANCIAL STATEMENTS**

C. Fair Value Level

The following tables reflect the estimated fair values and admitted values of all admitted assets and liabilities that are financial instruments excluding those accounted for under the equity method (subsidiaries, joint ventures and ventures). The estimated fair values are categorized into the three-level fair value hierarchy as described above.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$ 653,518,701	\$ 654,241,684	\$ -	\$ 653,518,701	\$ -	\$	\$
Common Stock	\$ 254,045,970	\$ 253,799,543	\$ 156,349,303	\$ -	\$ 97,696,667	\$	\$
Other invested assets	\$ 138,752,460	\$ 104,486,783	\$ -	\$ -	\$ 85,488,408	\$	\$ 53,264,051

Bonds and Common Stocks

When available, the estimated fair values for bonds, including loan-backed and structured securities, and unaffiliated common stocks are based on quoted prices in active markets that are readily and regularly obtainable. Generally, these investments are classified in Level 1. Generally, these are the most liquid of the Company's securities holdings and valuation of these securities does not involve management's judgment.

When quoted prices in active markets are not available, the determination of estimated fair value is based on market standard valuation methodologies, giving priority to observable inputs. The significant inputs to the market standard valuation methodologies for certain types of securities with reasonable levels of price transparency are inputs that are observable in the market or can be derived principally from or corroborated by observable market data. Generally, these investments are classified as Level 2.

When observable inputs are not available, the market standard valuation methodologies for determining the estimated fair value of certain types of securities that trade infrequently, and therefore have little or no price transparency, rely on inputs that are significant to the estimated fair value that are not observable in the market or cannot be derived principally from or corroborated by observable market data. These unobservable inputs can be based in large part on management's judgment or estimation, and cannot be supported by reference or market activity. Even though these inputs are unobservable, management believes they are consistent with what other market participants would use when pricing such securities and are considered appropriate given the circumstances. Generally, these investments are classified as Level 3.

Other Invested Assets

Other invested assets were valued using equity statements from the respective fund managers.

D. Not Practicable to Estimate Fair Value

Type of Class or Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Low Income Housing	\$ 1,508,081	N/A		Asset is not a marketable financial instrument
Surplus Notes	\$ 16,000,000	Variable		Asset is not a marketable financial instrument
1 Agency Loan	\$ 235,495	Variable		Asset is not a marketable financial instrument
1 Agency Loan	\$ 84,649	Variable		Asset is not a marketable financial instrument
1 Agency Loan	\$ 73,273	Variable		Asset is not a marketable financial instrument
1 Agency Loan	\$ 46,005	Variable		Asset is not a marketable financial instrument
1 Agency Loan	\$ 19,086	Variable		Asset is not a marketable financial instrument
1 Agency Loan	\$ 12,978	Variable		Asset is not a marketable financial instrument
1 Agency Loan	\$ 7,033	Variable		Asset is not a marketable financial instrument
1 Agency Loan	\$ 3,575	Variable		Asset is not a marketable financial instrument
Independent Agency Investment	\$ 1,008,199	Variable		Asset is not a marketable financial instrument
Intercompany Loan	\$ 34,265,677	Variable		Asset is not a marketable financial instrument

E. NAV Practical Expedient Investments

Not Applicable

**Note 21 – Other Items**

A. Unusual or Infrequent Items

On November 20, 2018, the Company purchased an annuity contract for a select group of retirees. Please see Note 12 for more detailed information.

B. Troubled Debt Restructuring Debtors

The Company did not have any transactions related to troubled debt restructuring during the periods reported.

C. Other Disclosures

The Company elected to use rounding in the reporting of amounts in this statement.

NOTES TO FINANCIAL STATEMENTS

- D. Business Interruption Insurance Recoveries
- There were no business interruption insurance recoveries received during the periods reported.
- E. State Transferable and Non-Transferable Tax Credits
- (1) Carrying Value of Transferable and Non-Transferable State Tax Credits Gross of any Related Tax Liabilities and Total Unused Transferable and Non-Transferable State Tax Credits by State and in Total

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

- (2) Method of Estimating Utilization of Remaining Transferable and Non-Transferable State Tax Credits
- (3) Impairment Loss
- (4) State Tax Credits Admitted and Nonadmitted

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

- F. Subprime Mortgage Related Risk Exposure
- (1) Description of the Subprime-Mortgage-Related Exposure and Related Risk Management Policies
- The definition of "subprime" is necessarily broad and intended to encompass both Alt-A and subprime. Corporate and equity securities (such as banks and investment banks), which may have underlying subprime exposure, are not included. The company's categorization of CMBS reflects securities backed by commercial real estate. Therefore, these securities are not included in the reported figures.
- The company's portfolio managers monitor the collateral every month in order to determine whether the collateral pools have deteriorated. Credit support levels provide a basis for the deal tranches the company owns. Anticipated lifetime losses are used to determine deal underperformance.
- (2) Direct Exposure Through Investments in Subprime Mortgage Loans
- Not Applicable
- (3) Direct Exposure Through Other Investments
- Not Applicable
- G. Insurance-Linked Securities (ILS) Contracts

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

**NOTES TO FINANCIAL STATEMENTS**

**Note 22 – Events Subsequent**

Subsequent events have been considered through February 28, 2019 for these statutory financial statements which are to be issued on March 1, 2019.

A.	Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?		Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
		2018	2017
B.	ACA fee assessment payable for the upcoming year	\$	\$
C.	ACA fee assessment paid	\$	\$
D.	Premium written subject to ACA 9010 assessment	\$	\$
E.	Total adjusted capital before surplus adjustment (Five-Year Historical Line 28)	\$ 453,150,090	
F.	Total adjusted capital after surplus adjustment (Five-Year Historical Line 28 minus 22B above)	\$ 453,150,090	
G.	Authorized control level (Five-Year Historical Line 29)	\$ 62,503,179	
H.	Would reporting the ACA assessment as of December 31, 2018 have triggered an RBC action level (YES/NO)?		Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]

**Note 23 – Reinsurance**

A.	Unsecured Reinsurance Recoverables			
		NAIC Group Code	FEIN	Unsecured Recoverables
	Motorists Commercial Mutual Ins Company	13331	41-0299900	\$ 21,912,035
	Iowa Mutual Insurance Company	14338	42-0333120	\$ 35,470,918
	Iowa American Insurance Company	31577	42-1019089	\$ 12,519,148
	Consumers Insurance USA Inc	10204	62-1590861	\$ 43,817,017
	Phenix Mutual Fire Insurance Company	23175	02-0178290	\$ 33,384,394
	Wilson Mutual Insurance Company	19950	39-0739760	\$ 35,470,918
	BrickStreet Mutual Insurance Company	12372	20-2394166	\$ 1,000,531,815
	PinnaclePoint Insurance Company	15137	46-1783383	\$ 16,692,197
	SummitPoint Insurance Company	15136	46-179572	\$ 16,692,197

B. Reinsurance Recoverable in Dispute

As of December 31, 2018, the Company did not have any reinsurance receivables in dispute from any other one reinsurer that exceeded 5% of policyholders surplus.

C. Reinsurance Assumed and Ceded

(1) Maximum Amount of Return Commission

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$ 292,900,208	\$ 53,595,996	\$ 325,504,462	\$ 71,262,579	\$ (32,604,253)	\$ (17,666,583)
b. All Other	2,643,281	428,602	2,016,304		626,977	428,602
c. Total	\$ 295,543,490	\$ 54,024,598	\$ 327,520,766	\$ 71,262,579	\$ (31,977,276)	\$ (17,237,981)
d. Direct Unearned Premium Reserves						\$ 187,988,290

(2) Additional or Return Commission

	Direct	Assumed	Ceded	Net
a. Contingent commission	\$ 7,896,873	\$ 6,561,889	\$ 9,774,123	\$ 4,684,639
b. Sliding scale adjustments				
c. Other profit commission arrangements				
d. Total	\$ 7,896,873	\$ 6,561,889	\$ 9,774,123	\$ 4,684,639

(3) Types of Risks Attributed to Protected Cell

Not Applicable

D. Uncollectible Reinsurance

There were not any reinsurance balances written off as uncollectible during the year.

E. Commutation of Ceded Reinsurance

The Company did not commute any ceded reinsurance balances during the year.



**NOTES TO FINANCIAL STATEMENTS**

- F.

Retroactive Reinsurance

The Company did not have any retroactive reinsurance contracts in place during the periods reported.
- G.

Reinsurance Accounted for as a Deposit

The Company did not have any agreements in place that required reinsurance to be accounted for as a deposit during the periods reported.
- H.

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

The Company did not enter into any special run-off agreements.
- I.

Certified Reinsurer Rating Downgraded or Status Subject to Revocation

The Company has never been classified as a certified reinsurer, and its records do not reflect any certified reinsurers that experienced a rating downgrade or are subject to revocation action.
- J.

Reinsurance Agreements Qualifying for Reinsurer Aggregation

The Company does not hold any retroactive reinsurance agreements covering asbestos and pollution liabilities which qualify for reinsurer aggregation.

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

The Company did not have any retrospectively rated contracts or contracts subject to redetermination in place during the periods reported.

- F.

Risk Sharing Provisions of the Affordable Care Act

(1)

Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions  
Yes [ ☐ ]    No [ ☒ ]

(2)

Impact of Risk Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year:  
  
Not Applicable

(3)

Roll forward of prior year ACA Risk Sharing Provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance:  
  
Not Applicable

(4)

Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year  
  
Not Applicable

(5)

ACA Risk Corridors Receivable as of Reporting Date  
  
Not Applicable

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

- A.

Change in Incurred Losses and Loss Adjustment Expenses

Reserves for the Company’s incurred losses and loss adjustment expenses (after intercompany pooling) attributable to insured events of prior years reflect favorable development totaling \$43,171,068. The development can be attributed primarily to the re-estimation of unpaid losses and loss adjustment expenses in the workers' compensation, products liability, private passenger auto liability, commercial auto liability, auto physical damage, and homeowners lines of business. The favorable development in these lines was slightly offset by losses in the other liability and commercial multiple peril lines of business. The changes reflected in these lines were generally the result of recent development trends. There were not any premium adjustments made as a result of this loss and loss adjustment expense development.
- B.

Information about Significant Changes in Methodologies and Assumptions

There have been no significant changes in methodologies and assumptions used in calculating the liability for unpaid loss and loss adjustment expense.

**NOTES TO FINANCIAL STATEMENTS**

**Note 26 – Intercompany Pooling Arrangements**

- A.

Identification of the Lead Entity and all Affiliated Entities Participating in the Intercompany Pool

	NAIC Company Code	Pooling Percentage
Lead Entity and all Affiliated Entities	14621	32.4%
Motorists Mutual Insurance Company (Lead Entity)	12372	48.0%
BrickStreet Mutual Insurance Company	13331	10.3%
Motorists Commercial Mutual Insurance Company	10204	2.1%
Consumers Insurance USA, Inc.	14338	1.7%
Iowa Mutual Insurance Company	19950	1.7%
Wilson Mutual Insurance Company	23175	1.6%
Phenix Mutual Fire Insurance Company	15137	0.8%
PinnaclePoint Insurance Company	15136	0.8%
SummitPoint Insurance Company	31577	0.6%
Iowa American Insurance Company	40932	0%
MICO Insurance Company	13045	0%
NorthStone Insurance Company	13016	0%
AlleghanyPoint Insurance Company		
- B.

Description of Lines and Types of Business Subject to the Pooling Agreement  
The pooling arrangement covered premiums, losses and underwriting expenses for all lines during the year. Related finance and service charge income, agent and premium blance charge-offs, deificiency reserves, and poliyholder dividends were also subject to the pooling arrangement
- C.

Description of Cessions to Non-Affiliated Reinsurance Subject to Pooling Agreement  
Each Company recognized facultative and treaty reinsurance cessions with unaffiliated reinsurers prior to the administratation of the intercompany pooling agreement.
- D-E.

Identification of all Pool Members that are Parties to Reinsurance Agreements with Non-Affiliated Reinsurers  
As the lead insurer, Motorists Mutual assumed all net premiums, losses, loss adjustment expenses, and underwriting expenses and then ceded each pool participant its share of the pool.
- F.

Description of Intercompany Sharing  
Underwriting-related balance sheet items such as premiums receivable, installments, reinsurance assumed premium receivables and loss payables, reinsurance ceded premium payables and loss receivables, general expense receivables and payables, funds held balances, advanced premiums, and outstanding drafts were also pooled.
- G.

Amounts Due To/From Lead Entity and all Affiliated Entities Participating in the Intercompany Pool  
As of December 31, 2018, the Company reported an aggregate pooling-related balance of \$8,220,361 receivable from the other pool participants. The balances due to/from each of the other participants are listed below:

	Receivables/(Payables)	
Motorists Mutual Insurance Company	\$	8,220,361
BrickStreet Mutual Insurance Company	\$	(3,766,583)
Motorists Commercial Mutual Insurance Company	\$	(265,706)
Iowa Mutual Insurance Company	\$	(2,255,103)
Wilson Mutual Insurance Company	\$	(1,130,251)
Phenix Mutual Fire Insurance Company	\$	(2,074,915)
PinnaclePoint Insurance Company	\$	594,912
SummitPoint Insurance Company	\$	(530,029)
Consumers Insurance USA, Inc.	\$	(321,628)
Iowa American Insurance Company	\$	1,259,778
MICO Insurance Company	\$	(381)
NorthStone Insurance Company	\$	(365,206)
AlleghanyPoint Insurance Company	\$	634,753

**Note 27 – Structured Settlements**

- A.

Reserves No Longer Carried

Loss Reserves Eliminated by Annuities	Unrecorded Loss Contingencies
\$ 3,964,724	\$ 3,869,807
- B.

Annuities Which Equal or Exceed 1% of Policyholders' Surplus

As of December 31, 2018, there were not any amounts in excess of 1% of the company's surplus due for annuities from any one life insurance company associated with purchased annuities for which the company did not receive a release of liability from the claimant.

**Note 28 – Health Care Receivables**

- A.

Pharmaceutical Rebate Receivables

The Company did not have any health care receivables to disclose for the periods reported

**NOTES TO FINANCIAL STATEMENTS**

**Note 29 – Participating Policies**

The Company did not write policies with participating contracts during the periods reported.

**Note 30 – Premium Deficiency Reserves**

As of December 31, 2018 the Company reported no premium deficiency reserves.

1. Liability carried for premium deficiency reserve: 

\$0
2. Date of most recent evaluation of this liability: 

January 4, 2019
3. Was anticipated investment income utilized in the calculation? 

Yes [ X ]    No [   ]

**Note 31 – High Deductibles**

The Company did not have any unpaid claims on policies with high deductibles to disclose for the periods reported

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

- A. Tabular Discount
- The Company did not discount loss and loss adjustment expense reserves during the periods reported.

**Note 33 – Asbestos/Environmental Reserves**

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

	2014	2015	2016	2017	2018
a. Beginning reserves (including Case, Bulk + IBNR Loss & LAE)	\$ 4,164,623	\$ 3,959,106	\$ 3,699,236	\$ 3,622,877	\$ 3,425,381
b. Incurred losses and loss adjustment expense	348,502	176,950	449,419	168,263	(227,991)
c. Calendar year payments for losses and loss adjustment expenses	554,019	436,820	525,778	365,759	231,268
d. Ending reserves (including Case, Bulk + IBNR Loss & LAE)	\$ 3,959,106	\$ 3,699,236	\$ 3,622,877	\$ 3,425,381	\$ 2,966,122
- (2) Assumed Reinsurance

	2014	2015	2016	2017	2018
a. Beginning reserves (including Case, Bulk + IBNR Loss & LAE)	\$ 915,319	\$ 833,091	\$ 792,704	\$ 712,478	\$ 1,067,854
b. Incurred losses and loss adjustment expense	(24,319)	(150)	3,719	440,916	(215)
c. Calendar year payments for losses and loss adjustment expenses	57,909	40,237	83,945	85,540	33,384
d. Ending reserves (including Case, Bulk + IBNR Loss & LAE)	\$ 833,091	\$ 792,704	\$ 712,478	\$ 1,067,854	\$ 1,034,255
- (3) Net of Ceded Reinsurance

	2014	2015	2016	2017	2018
a. Beginning reserves (including Case, Bulk + IBNR Loss & LAE)	\$ 5,033,847	\$ 4,739,223	\$ 4,484,888	\$ 4,331,050	\$ 4,484,929
b. Incurred losses and loss adjustment expense	267,292	179,396	454,964	604,732	(231,072)
c. Calendar year payments for losses and loss adjustment expenses	561,916	433,731	608,802	450,853	263,157
d. Ending reserves (including Case, Bulk + IBNR Loss & LAE)	\$ 4,739,223	\$ 4,484,888	\$ 4,331,050	\$ 4,484,929	\$ 3,990,700

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

(1) Direct basis	\$ 2,753,053
(2) Assumed reinsurance basis	785,479
(3) Net of ceded reinsurance basis	\$ 3,530,020

**NOTES TO FINANCIAL STATEMENTS**

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

(1) Direct basis	\$ 193,843
(2) Assumed reinsurance basis	44,493
(3) Net of ceded reinsurance basis	\$ 234,080

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?

The Company had exposure to environmental losses during the periods reported. Direct exposure arose from the sale of general liability, commercial auto liability, and homeowners business. The Company also had exposure through its unaffiliated reinsurance assumed operations and an intercompany pooling arrangement (reference Note 26). The Company estimates the impact of its direct exposure by establishing case reserves on all known losses and by computing IBNR losses based on previous experience. The Company relies on case and IBNR reserves established by the Excess Casualty Reinsurance Association and the Mutual Reinsurance Bureau to measure its exposure from unaffiliated reinsurance assumed operations.

(1) Direct

	2014	2015	2016	2017	2018
a. Beginning reserves	\$ 1,688,687	\$ 1,370,164	\$ 1,471,929	\$ 1,418,652	\$ 1,630,273
b. Incurred losses and loss adjustment expense	(86,650)	178,295	77,784	338,690	(214,614)
c. Calendar year payments for losses and loss adjustment expenses	231,873	76,530	131,061	127,069	148,305
d. Ending reserves	\$ 1,370,164	\$ 1,471,929	\$ 1,418,652	\$ 1,630,273	\$ 1,267,354

(2) Assumed Reinsurance

	2014	2015	2016	2017	2018
a. Beginning reserves	\$ 151,715	\$ 164,867	\$ 98,082	\$ 95,360	\$ 156,933
b. Incurred losses and loss adjustment expense	21,603	(34,508)	10,726	81,213	88,629
c. Calendar year payments for losses and loss adjustment expenses	8,451	32,277	13,448	19,640	17,226
d. Ending reserves	\$ 164,867	\$ 98,082	\$ 95,360	\$ 156,933	\$ 228,336

(3) Net of Ceded Reinsurance

	2014	201	2016	2017	2018
a. Beginning reserves	\$ 1,811,787	\$ 1,492,516	\$ 1,550,124	\$ 1,501,697	\$ 1,733,638
b. Incurred losses and loss adjustment expense	(79,748)	167,641	91,776	368,366	(179,156)
d. Calendar year payments for losses and loss adjustment expenses	239,523	110,033	140,203	136,425	163,023
d. Ending reserves	\$ 1,492,516	\$ 1,550,124	\$ 1,501,697	\$ 1,733,638	\$ 1,391,459

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

(1) Direct basis	\$ 1,095,069
(2) Assumed reinsurance basis	164,244
(3) Net of ceded reinsurance basis	\$ 1,167,633

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

(1) Direct basis	\$ 445,575
(2) Assumed reinsurance basis	67,235
(3) Net of ceded reinsurance basis	\$ 466,970

**Note 34 – Subscriber Savings Accounts**

Information concerning subscriber savings accounts is not applicable

**Note 35 – Multiple Peril Crop Insurance**

The Company did not write multiple peril crop insurance during the periods reported.

**Note 36 – Financial Guaranty Insurance**

A. Financial Guaranty Insurance Contracts

(1) Financial guarantee insurance contracts where premiums are received as installment payments over the period of the contract, rather than at inception: The Company did not write financial guaranty insurance during the periods reported.

MOTORISTS MUTUAL INSURANCE COMPANY  
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?  
If yes, complete Schedule Y, Parts 1, 1A and 2.

Yes [X]No [ ]

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 publicly traded group?

Yes [ ]No [X]

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.

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.

12/31/2013

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.

12/31/2013

3.3

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

11/07/2014

3.4

By what department or departments?  
OHIO DEPARTMENT OF INSURANCE

3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments?

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

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?  
If the answer is YES, complete and file the merger history data file with the NAIC.

Yes [ ]No [X]

5.2

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

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

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, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

8.1

Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board?

Yes [ ]No [X]

8.2

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

8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [ ]No [X]

8.4

If the response to 8.3 is yes, please provide below the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 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?  
KPMG LLP 191 W. Nationwide Blvd., Suite 500, Columbus OH 43215

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 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 [ ]

MOTORISTS MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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?  
Derek A. Jones, FCAS, MAAA, Milliman, One Pennsylvania Plaza, 38th Floor, New York, NY 10119, who is a consulting actuary for the Motorists Mutual Insurance Group

12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [ ☐ ] No [ ☒ ]

12.11

Name of real estate holding company

12.12

Number of parcels involved

0

12.13

Total book/adjusted carrying value

\$0

12.2

If yes, provide explanation

13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1

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

13.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [ ☐ ] No [ ☐ ]

13.3

Have there been any changes made to any of the trust indentures during the year?

Yes [ ☐ ] No [ ☐ ]

13.4

If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes [ ☐ ] No [ ☐ ] N/A [ ☐ ]

14.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [ ☒ ] 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 [ ☒ ]

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 [ ☒ ]

14.31

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

15.1

Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?

Yes [ ☐ ] No [ ☒ ]

15.2

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

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

16.

Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinator committee thereof?

Yes [ ☒ ] 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 [ ☒ ] No [ ☐ ]

18.

Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?

Yes [ ☒ ] 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 [ ☒ ]

20.1

Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11

To directors or other officers

\$0

20.12

To stockholders not officers

\$0

20.13

Trustees, supreme or grand (Fraternal only)

\$0

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

\$0

20.22

To stockholders not officers

0

20.23

Trustees, supreme or grand (Fraternal only)

0

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 reporting in the statement?

Yes [ ☐ ] No [ ☒ ]

21.2

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

21.21

Rented from others

\$0

21.22

Borrowed from others

\$0

21.23

Leased from others

\$0

21.24

Other

\$0

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 [ ☒ ]

22.2

If answer is yes:

22.21

Amount paid as losses or risk adjustment

\$0

22.22

Amount paid as expenses

\$0

22.23

Other amounts paid

\$0

23.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [ ☒ ] No [ ☐ ]

15.1

MOTORISTS MUTUAL INSURANCE COMPANY  
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

23.2If yes, indicate any amounts receivable from parent included in the Page 2 amount:\$0

INVESTMENT

24.01Were 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 [ ]

24.02If no, give full and complete information, relating thereto:  
Securities on deposit with the states.

24.03For 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).

24.04Does 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]

24.05If answer to 24.04 is yes, report amount of collateral for conforming programs.\$0

24.06If answer to 24.04 is no, report amount of collateral for other programs\$0

24.07Does 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]

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

24.09Does 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]

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

24.101Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:\$0

24.102Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:\$0

24.103Total payable for securities lending reported on the liability page:\$0

25.1Were 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 current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.)Yes [X]No [ ]

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

25.21Subject to repurchase agreements\$0

25.22Subject to reverse repurchase agreements\$0

25.23Subject to dollar repurchase agreements\$0

25.24Subject to reverse dollar repurchase agreements\$0

25.25Placed under option agreements\$0

25.26Letter stock or securities restricted as sale – excluding FHLB Capital Stock\$8,105,983

25.27FHLB Capital Stock\$2,039,300

25.28On deposit with states\$1,896,881

25.29On deposit with other regulatory bodies\$0

25.30Pledged as collateral – excluding collateral pledged to an FHLB\$0

25.31Pledged as collateral to FHLB – including assets backing funding agreements\$25,305,713

25.32Other\$0

25.3For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
0		\$

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

26.2If 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.

27.1Were 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]

27.2If yes, state the amount thereof at December 31 of the current year:\$0

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 [ ]

28.01For 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
BNY Mellon	500 Grant Street One Mellon Center, Suite #1035, Pittsburgh, PA 15258

28.02For 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)
0		

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

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
0			

28.05Investment 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
Aberdeen Asset Management Inc.	U

MOTORISTS MUTUAL INSURANCE COMPANY  
GENERAL INTERROGATORIES  
PART 1 - COMMON INTERROGATORIES

Adams Street Partners, LLC	U
Chickasaw Capital Management, LLC	U
Crescent Capital Group LP	U
HarbourVest Partners LLC	U
New England Asset Management, Inc.	U
Northern Trust Investments, Inc.	U
Park Street Capital private Equity Fund VIII, LLC	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 [ X ] No [ ]

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	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed
111069	Aberdeen Asset Management Inc.	549300IMVQISZLW4JU74	Sec	NO
109358	Adams Street Partners, LLC	549300GXEOBEF8KQ2C40	Sec	NO
127398	Chickasaw Capital Management, LLC		Sec	NO
153966	Crescent Capital Group LP	549300L8Z46F3ZAWSB82	Sec	NO
110638	HarbourVest Partners LLC	5493001MCDH7I6NIXC24	Sec	NO
109846	New England Asset Management, Inc.	KUR85E5PS4GQFZTFC130	Sec	NO
105900	Northern Trust Investments, Inc.	BEL4B8X7EHJU845Y2N39	Sec	NO
105780	Park Street Capital private Equity Fund VIII, LLC		Sec	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 [ X ] No [ ]

29.2 If yes, complete the following schedule:

1 CUSIP	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
04314H 85 7	Artisan Intl Val Fund 1	\$ 28,278,838
04314H 66 7	Artisan Intl Val ADV	\$ 16,700,192
29.2999 TOTAL		\$ 44,979,029

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
Artisan Intl Val Fund 1	Samsung Electronics Co Ltd	\$ 1,583,615	12/31/2018
Artisan Intl Val Fund 1	Compass Group PLC ORD	\$ 1,365,868	12/31/2018
Artisan Intl Val Fund 1	UBS Group AG	\$ 1,196,195	12/31/2018
Artisan Intl Val Fund 1	Arch Capital Group Ltd	\$ 1,184,883	12/31/2018
Artisan Intl Val Fund 1	ABB Ltd.	\$ 1,142,465	12/31/2018
Artisan Intl Val ADV	Samsung Electronics Co Ltd	\$ 935,211	12/31/2018
Artisan Intl Val ADV	Compass Group PLC ORD	\$ 806,619	12/31/2018
Artisan Intl Val ADV	UBS Group AG	\$ 706,418	12/31/2018
Artisan Intl Val ADV	Arch Capital Group Ltd	\$ 699,738	12/31/2018
Artisan Intl Val ADV	ABB Ltd.	\$ 674,688	12/31/2018

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	\$ 655,444,812	\$ 653,518,701	\$ (1,926,111)
30.2	Preferred Stocks	\$ 0	\$ 0	\$ 0
30.3	Totals	\$ 655,444,812	\$ 653,518,701	\$ (1,926,111)

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

The Fair Value of securities is determined using quoted market prices when available, external pricing service, svo pricing, fair values available from custodians or investment managers .

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

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

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

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

32.2 If no, list exceptions:



MOTORISTS MUTUAL INSURANCE COMPANY  
GENERAL INTERROGATORIES  
PART 1 - COMMON INTERROGATORIES

33.

By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designation 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 an 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?

\$2,642,764
- 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
	\$
- 36.1

Amount of payments for legal expenses, if any?

\$178,440
- 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
	\$
- 37.1

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

\$0
- 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
	\$



GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

6.3	What provision has this reporting entity made (such as 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? <u>The Company purchases catastrophic reinsurance at levels that are deemed adequate to protect against excessive loss.</u>		
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 <input checked="" type="checkbox"/> ]	No <input type="checkbox"/> ]
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 uninsured catastrophic loss:		
7.1	Has the 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 cap, an aggregate limit or any similar provisions)?	Yes <input checked="" type="checkbox"/> ]	No <input type="checkbox"/> ]
7.2	If yes, indicate the number of reinsurance contracts containing such provisions.		<div>0</div>
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 <input checked="" type="checkbox"/> ]	No <input type="checkbox"/> ]
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 <input type="checkbox"/> ]	No <input checked="" type="checkbox"/> ]
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 <input type="checkbox"/> ]	No <input checked="" type="checkbox"/> ]
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 <input type="checkbox"/> ]	No <input checked="" type="checkbox"/> ]
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 31 of SSAP No. 62R, <i>Property and Casualty Reinsurance</i> , 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 <input type="checkbox"/> ]	No <input checked="" type="checkbox"/> ]
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, (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 (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 <input type="checkbox"/> ]	No <input checked="" type="checkbox"/> ]
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 <input checked="" type="checkbox"/> ]	No <input type="checkbox"/> ] N/A <input type="checkbox"/> ]
11.1	Has the reporting entity guaranteed policies issued by any other entity and now in force?	Yes <input type="checkbox"/> ]	No <input checked="" type="checkbox"/> ]
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 assets schedule, Page 2, state the amount of corresponding liabilities recorded for: 12.11 Unpaid losses 12.12 Unpaid underwriting expenses (including loss adjustment expenses)	\$	<div>0</div> <div>0</div>
12.2	Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?	\$	<div>0</div>
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 <input type="checkbox"/> ]	No <input checked="" type="checkbox"/> ] N/A <input type="checkbox"/> ]
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		<div>%</div> <div>%</div>



MOTORISTS MUTUAL INSURANCE COMPANY  
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
<b>Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 &amp; 3)</b>					
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).....	890,714,324	362,619,497	360,891,974	353,567,235	350,759,404
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	157,690,298	162,040,460	159,667,521	162,785,211	176,736,536
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	197,103,654	204,026,304	210,895,259	221,694,335	228,737,582
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	1,030,135	1,160,774	1,148,290	1,074,429	999,926
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	8,294,031	7,272,621	7,611,426	7,401,251	8,555,913
6. Total (Line 35).....	1,254,832,443	737,119,656	740,214,470	746,522,461	765,789,361
<b>Net Premiums Written (Page 8, Part 1B, Col. 6)</b>					
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).....	231,375,857	243,775,690	239,546,145	236,885,164	233,881,730
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	25,324,821	109,857,608	106,435,618	107,437,227	116,086,946
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	25,396,382	135,321,489	137,358,526	141,366,130	144,424,791
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	148,276	794,313	774,216	722,290	667,668
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	2,521,821	4,981,745	5,213,827	5,069,857	5,850,718
12. Total (Line 35).....	284,767,157	494,730,845	489,328,332	491,480,668	500,911,853
<b>Statement of Income (Page 4)</b>					
13. Net underwriting gain (loss) (Line 8).....	17,838,927	(127,919,257)	(11,560,328)	(8,645,977)	(3,375,134)
14. Net investment gain (loss) (Line 11).....	48,669,132	30,945,473	29,528,360	18,453,076	40,539,785
15. Total other income (Line 15).....	(5,717,973)	10,655,491	4,164,628	2,459,922	5,472,963
16. Dividends to policyholders (Line 17).....	2,200,089	2,760,795	2,306,002	2,692,891	3,534,153
17. Federal and foreign income taxes incurred (Line 19).....	(4,686,042)	3,270,930	88,660	1,765,431	(1,331,930)
18. Net income (Line 20).....	63,276,040	(92,350,018)	19,737,998	7,808,699	40,435,391
<b>Balance Sheet Lines (Pages 2 and 3)</b>					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	1,612,580,695	1,370,810,725	1,359,654,695	1,387,354,078	1,373,884,308
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	48,394,901	22,082,182	23,617,927	39,413,776	30,120,137
20.2 Deferred and not yet due (Line 15.2).....	117,201,076	123,999,858	119,233,063	114,488,837	109,086,791
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	1,162,725,747	910,144,826	815,395,667	833,490,269	816,476,501
22. Losses (Page 3, Line 1).....	500,780,495	338,314,315	289,035,938	286,236,131	279,450,789
23. Loss adjustment expenses (Page 3, Line 3).....	91,051,094	84,784,538	72,287,635	70,619,300	69,761,169
24. Unearned premiums (Page 3, Line 9).....	156,011,014	223,358,065	223,377,582	224,964,101	227,930,873
25. Capital paid up (Page 3, Lines 30 & 31).....					
26. Surplus as regards policyholders (Page 3, Line 37).....	449,854,944	460,665,899	544,259,029	553,863,809	557,407,808
<b>Cash Flow (Page 5)</b>					
27. Net cash from operations (Line 11).....	(21,819,322)	(58,166,546)	17,570,401	27,537,163	3,877,886
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital.....	453,150,090	464,841,655	548,334,375	557,957,895	562,585,923
29. Authorized control level risk-based capital.....	65,750,830	79,308,314	66,953,099	65,905,122	67,444,352
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....	61.5	56.3	62.9	64.8	64.6
31. Stocks (Lines 2.1 & 2.2).....	23.8	27.7	22.4	21.9	21.9
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....					
33. Real estate (Lines 4.1, 4.2 & 4.3).....	2.9	3.0	2.9	2.7	2.8
34. Cash, cash equivalents and short-term investments (Line 5).....	1.9	2.2	0.7	(0.0)	(0.1)
35. Contract loans (Line 6).....					
36. Derivatives (Line 7).....					
37. Other invested assets (Line 8).....	9.8	10.7	11.0	10.6	10.8
38. Receivables for securities (Line 9).....	0.0	0.1	0.1	0.0	
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
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds (Sch. D, Summary, Line 12, Col. 1).....					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1).....					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1).....	94,191,032	100,091,524	104,775,333	104,825,034	98,291,815
45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10).....					
46. Affiliated mortgage loans on real estate.....					
47. All other affiliated.....	16,000,000	16,000,000	16,000,000	16,000,000	16,000,000
48. Total of above lines 42 to 47.....	110,191,032	116,091,524	120,775,333	120,825,034	114,291,815
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).....	24.5	25.2	22.2	21.8	20.5

MOTORISTS MUTUAL INSURANCE COMPANY  
FIVE-YEAR HISTORICAL DATA  
(Continued)

	1	2	3	4	5
	2018	2017	2016	2015	2014
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24).....	(51,313,795)	6,171,637	(2,215,065)	(1,070,632)	(4,463,956)
52. Dividends to stockholders (Line 35).....					
53. Change in surplus as regards policyholders for the year (Line 38).....	(10,810,956)	(83,593,130)	(9,604,780)	(3,543,999)	(11,376,483)
<b>Gross Losses Paid (Page 9, Part 2, Cols. 1 &amp; 2)</b>					
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)....	(637,744,938)	189,163,160	188,352,721	170,289,573	170,384,934
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	82,344,707	89,564,563	81,605,498	86,707,003	97,931,903
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	98,310,820	130,144,674	112,488,868	113,394,221	117,777,790
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	688,153	263,637	699,767	169,840	179,631
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	5,462,382	5,093,404	6,250,018	4,148,646	5,653,146
59. Total (Line 35).....	(450,938,876)	414,229,438	389,396,872	374,709,283	391,927,404
<b>Net Losses Paid (Page 9, Part 2, Col. 4)</b>					
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)....	(61,880,520)	127,404,349	124,752,366	112,205,529	121,049,695
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	31,460,016	61,342,240	55,834,120	59,305,573	67,100,528
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	48,359,696	86,308,185	69,421,249	74,468,628	81,110,533
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	400,823	180,591	479,340	116,340	128,567
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	10,487,128	3,488,982	4,281,262	2,841,822	4,509,318
65. Total (Line 35).....	28,827,143	278,724,347	254,768,337	248,937,892	273,898,641
<b>Operating Percentages (Page 4)</b> (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1).....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2).....	54.3	66.3	52.5	51.7	52.7
68. Loss expenses incurred (Line 3).....	13.9	17.2	11.6	12.7	11.3
69. Other underwriting expenses incurred (Line 4).....	26.7	42.4	38.2	37.3	36.7
70. Net underwriting gain (loss) (Line 8).....	5.1	(25.9)	(2.4)	(1.7)	(0.7)
<b>Other Percentages</b>					
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).....	35.0	40.2	37.5	37.0	34.8
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	68.2	83.5	64.1	64.4	64.0
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).....	63.3	107.4	89.9	88.7	89.9
<b>One Year Loss Development (\$000 omitted)</b>					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11).....	(58,526)	28,009	(3,619)	(13,964)	(15,134)
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).....	(12.7)	5.1	(0.7)	(2.5)	(2.7)
<b>Two Year Loss Development (\$000 omitted)</b>					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	(59,288)	11,178	(9,222)	(24,845)	(12,203)
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).....	(10.9)	2.0	(1.7)	(4.4)	(2.5)

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 [ X ]

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 Number of Claims Reported- Direct and Assumed
	1  Direct and Assumed	2  Ceded	3  Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10  Salvage and Subrogation Received	11  Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
				4  Direct and Assumed	5  Ceded	6  Direct and Assumed	7  Ceded	8  Direct and Assumed	9  Ceded			
1. Prior.....	.....XXX.....	.....XXX.....	.....XXX.....	.....4,429	.....1,096	.....716	.....17	.....349	.....2	.....81	.....4,379	.....XXX.....
2. 2009.....	.....299,839	.....14,985	.....284,854	.....161,423	.....10,080	.....16,200	.....1,478	.....21,321	.....513	.....2,872	.....186,873	.....XXX.....
3. 2010.....	.....282,277	.....16,423	.....265,854	.....152,657	.....7,128	.....14,385	.....1,263	.....22,630	.....513	.....2,994	.....180,768	.....XXX.....
4. 2011.....	.....274,114	.....19,622	.....254,492	.....161,916	.....15,181	.....13,418	.....1,650	.....23,110	.....882	.....2,693	.....180,729	.....XXX.....
5. 2012.....	.....281,143	.....25,695	.....255,447	.....150,507	.....14,375	.....15,888	.....2,571	.....23,691	.....1,201	.....2,858	.....171,939	.....XXX.....
6. 2013.....	.....306,546	.....31,685	.....274,861	.....157,025	.....19,276	.....17,318	.....3,437	.....24,913	.....1,454	.....2,690	.....175,089	.....XXX.....
7. 2014.....	.....323,311	.....38,727	.....284,584	.....158,296	.....17,373	.....17,373	.....3,984	.....24,505	.....1,714	.....2,893	.....177,103	.....XXX.....
8. 2015.....	.....316,269	.....47,490	.....268,779	.....143,129	.....21,881	.....15,408	.....3,633	.....22,424	.....1,617	.....2,411	.....153,830	.....XXX.....
9. 2016.....	.....376,677	.....40,713	.....335,965	.....153,464	.....12,208	.....12,492	.....1,942	.....29,720	.....1,729	.....5,784	.....179,798	.....XXX.....
10. 2017.....	.....383,821	.....25,167	.....358,654	.....144,628	.....7,197	.....9,092	.....528	.....30,278	.....1,505	.....4,814	.....174,769	.....XXX.....
11. 2018.....	.....361,033	.....8,919	.....352,114	.....83,459	.....443	.....3,253		.....20,477	.....1	.....2,524	.....106,745	.....XXX.....
12. Totals.....	.....XXX.....	.....XXX.....	.....XXX.....	...1,470,933	.....126,238	.....135,543	.....20,505	.....243,420	.....11,132	.....32,614	.....1,692,021	.....XXX.....

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23  Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25  Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....	.....48,286	.....9,754	.....33,190	.....2,612	.....6	.....	.....3,367	.....18	.....1,424	.....610	.....	.....73,279	.....XXX.....
2. 2009.....	.....5,485	.....168	.....8,233	.....550	.....	.....	.....584	.....(2)	.....80	.....186	.....	.....13,480	.....XXX.....
3. 2010.....	.....7,129	.....172	.....7,750	.....607	.....	.....	.....1,249	.....(8)	.....489	.....126	.....	.....15,720	.....XXX.....
4. 2011.....	.....6,841	.....564	.....7,210	.....836	.....2	.....	.....815	.....14	.....830	.....163	.....	.....14,120	.....XXX.....
5. 2012.....	.....14,696	.....752	.....3,857	.....1,760	.....17	.....	.....1,476	.....34	.....418	.....235	.....	.....17,683	.....XXX.....
6. 2013.....	.....18,124	.....1,371	.....8,852	.....1,743	.....72	.....	.....2,039	.....38	.....1,383	.....388	.....	.....26,931	.....XXX.....
7. 2014.....	.....18,694	.....2,786	.....14,925	.....3,015	.....17	.....	.....4,115	.....2,015	.....1,892	.....712	.....	.....31,116	.....XXX.....
8. 2015.....	.....20,884	.....2,037	.....19,002	.....1,316	.....39	.....	.....6,641	.....78	.....1,788	.....405	.....	.....44,516	.....XXX.....
9. 2016.....	.....24,159	.....879	.....31,996	.....1,659	.....32	.....	.....6,848	.....24	.....4,053	.....(118)	.....	.....64,644	.....XXX.....
10. 2017.....	.....41,210	.....2,605	.....55,072	.....353	.....31	.....	.....7,172	.....	.....13,100	.....	.....	.....113,626	.....XXX.....
11. 2018.....	.....67,307	.....3,688	.....77,937	.....831	.....15	.....94	.....10,091	.....	.....25,980	.....	.....	.....176,718	.....XXX.....
12. Totals...	.....272,816	.....24,776	.....268,024	.....15,284	.....230	.....94	.....44,397	.....2,211	.....51,436	.....2,706	.....0	.....591,832	.....XXX.....

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34  Inter-Company Pooling Participation Percentage	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		35  Losses Unpaid	36 Loss Expenses Unpaid
1. Prior..	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....	.....	.....XXX.....	.....69,110	.....4,169
2. 2009.	.....213,326	.....12,973	.....200,353	.....71.1	.....86.6	.....70.3	.....	.....	.....	.....13,000	.....480
3. 2010.	.....206,289	.....9,801	.....196,487	.....73.1	.....59.7	.....73.9	.....	.....	.....	.....14,100	.....1,620
4. 2011.	.....214,141	.....19,291	.....194,850	.....78.1	.....98.3	.....76.6	.....	.....	.....	.....12,650	.....1,470
5. 2012.	.....210,550	.....20,929	.....189,622	.....74.9	.....81.4	.....74.2	.....	.....	.....	.....16,041	.....1,642
6. 2013.	.....229,726	.....27,706	.....202,020	.....74.9	.....87.4	.....73.5	.....	.....	.....	.....23,863	.....3,069
7. 2014.	.....239,819	.....31,600	.....208,219	.....74.2	.....81.6	.....73.2	.....	.....	.....	.....27,818	.....3,298
8. 2015.	.....229,314	.....30,968	.....198,346	.....72.5	.....65.2	.....73.8	.....	.....	.....	.....36,532	.....7,984
9. 2016.	.....262,764	.....18,323	.....244,441	.....69.8	.....45.0	.....72.8	.....	.....	.....	.....53,617	.....11,027
10. 2017.	.....300,584	.....12,189	.....288,395	.....78.3	.....48.4	.....80.4	.....	.....	.....	.....93,324	.....20,302
11. 2018.	.....288,520	.....5,057	.....283,463	.....79.9	.....56.7	.....80.5	.....	.....	.....	.....140,726	.....35,992
12. Totals	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....0	.....0	.....XXX.....	.....500,780	.....91,051

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.

MOTORISTS MUTUAL INSURANCE COMPANY

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)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	One Year	Two Year
1. Prior.....	.....296,809	.....285,873	.....269,089	.....257,234	.....246,457	.....240,003	.....223,361	.....218,220	.....204,269	.....207,584	.....3,315	.....(10,636)
2. 2009.....	.....214,067	.....209,630	.....202,814	.....198,698	.....194,683	.....193,525	.....188,624	.....186,999	.....180,813	.....179,651	.....(1,162)	.....(7,348)
3. 2010.....	.....XXX.....	.....198,438	.....195,577	.....192,213	.....190,980	.....185,413	.....180,781	.....178,548	.....175,516	.....174,007	.....(1,509)	.....(4,541)
4. 2011.....	.....XXX.....	.....XXX.....	.....192,656	.....187,193	.....188,876	.....184,371	.....179,877	.....175,584	.....172,730	.....171,956	.....(774)	.....(3,628)
5. 2012.....	.....XXX.....	.....XXX.....	.....XXX.....	.....181,104	.....177,709	.....173,115	.....172,555	.....169,324	.....167,846	.....166,948	.....(898)	.....(2,376)
6. 2013.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....189,493	.....189,037	.....187,472	.....183,914	.....181,092	.....177,566	.....(3,526)	.....(6,348)
7. 2014.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....192,340	.....194,228	.....193,013	.....190,113	.....184,248	.....(5,865)	.....(8,765)
8. 2015.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....185,031	.....184,015	.....182,429	.....176,157	.....(6,272)	.....(7,858)
9. 2016.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....220,065	.....226,777	.....212,278	.....(14,499)	.....(7,787)
10. 2017.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....273,857	.....246,522	.....(27,335)	.....XXX.....
11. 2018.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....237,008	.....XXX.....	.....XXX.....
12. Totals.....											.....(58,526)	.....(59,288)

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)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		
1. Prior.....	.....000.....	.....48,551	.....78,035	.....96,164	.....106,780	.....115,484	.....120,690	.....126,110	.....131,088	.....135,119	.....XXX.....	.....XXX.....
2. 2009.....	.....77,984	.....118,019	.....134,824	.....150,314	.....157,647	.....162,331	.....164,626	.....165,968	.....166,714	.....166,065	.....XXX.....	.....XXX.....
3. 2010.....	.....XXX.....	.....73,012	.....114,705	.....132,516	.....144,179	.....150,813	.....154,306	.....157,139	.....159,514	.....158,650	.....XXX.....	.....XXX.....
4. 2011.....	.....XXX.....	.....XXX.....	.....77,481	.....117,055	.....133,714	.....145,372	.....151,289	.....155,375	.....157,519	.....158,502	.....XXX.....	.....XXX.....
5. 2012.....	.....XXX.....	.....XXX.....	.....XXX.....	.....62,763	.....103,851	.....122,634	.....133,880	.....142,635	.....147,228	.....149,448	.....XXX.....	.....XXX.....
6. 2013.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....63,512	.....105,242	.....125,997	.....139,980	.....147,862	.....151,630	.....XXX.....	.....XXX.....
7. 2014.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....69,024	.....112,026	.....132,282	.....146,750	.....154,312	.....XXX.....	.....XXX.....
8. 2015.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....60,920	.....100,330	.....121,574	.....133,023	.....XXX.....	.....XXX.....
9. 2016.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....83,984	.....129,120	.....151,807	.....XXX.....	.....XXX.....
10. 2017.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....96,676	.....145,995	.....XXX.....	.....XXX.....
11. 2018.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....86,270	.....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	2	3	4	5	6	7	8	9	10
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
1. Prior.....	.....191,598	.....151,866	.....126,242	.....107,421	.....87,670	.....78,965	.....60,882	.....50,303	.....33,026	.....33,926
2. 2009.....	.....83,750	.....61,502	.....45,294	.....33,751	.....26,184	.....22,083	.....16,018	.....14,646	.....8,082	.....8,269
3. 2010.....	.....XXX.....	.....67,163	.....47,788	.....34,612	.....27,819	.....21,112	.....16,131	.....12,345	.....8,396	.....8,400
4. 2011.....	.....XXX.....	.....XXX.....	.....71,755	.....43,529	.....33,212	.....24,150	.....18,622	.....12,163	.....8,167	.....7,175
5. 2012.....	.....XXX.....	.....XXX.....	.....XXX.....	.....66,027	.....41,316	.....23,981	.....19,536	.....12,112	.....6,715	.....3,539
6. 2013.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....70,779	.....41,416	.....30,198	.....20,261	.....13,407	.....9,111
7. 2014.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....67,516	.....46,001	.....30,967	.....22,216	.....14,009
8. 2015.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....71,697	.....51,385	.....34,442	.....24,248
9. 2016.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....77,109	.....54,519	.....37,160
10. 2017.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....106,014	.....61,891
11. 2018.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....87,197



MOTORISTS MUTUAL INSURANCE COMPANY  
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

		1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		Active Status (a)	2 Direct Premiums Written	3 Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges not Included in Premiums	Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
States, Etc.										
1. Alabama.....	AL	Q								
2. Alaska.....	AK	N								
3. Arizona.....	AZ	N								
4. Arkansas.....	AR	N								
5. California.....	CA	Q								
6. Colorado.....	CO	N								
7. Connecticut.....	CT	Q								
8. Delaware.....	DE	Q								
9. District of Columbia.....	DC	N								
10. Florida.....	FL	N								
11. Georgia.....	GA	Q								
12. Hawaii.....	HI	N								
13. Idaho.....	ID	N								
14. Illinois.....	IL	Q								
15. Indiana.....	IN	L	35,542,276	36,804,484		18,444,878	18,104,974	31,130,916	113,953	
16. Iowa.....	IA	Q								
17. Kansas.....	KS	N								
18. Kentucky.....	KY	L	57,609,149	58,010,543		29,551,989	31,239,553	41,189,237	163,182	
19. Louisiana.....	LA	N								
20. Maine.....	ME	Q								
21. Maryland.....	MD	Q								
22. Massachusetts.....	MA	Q								
23. Michigan.....	MI	L	19,285,819	20,997,724		27,446,825	30,364,721	25,823,859	30,395	
24. Minnesota.....	MN	N								
25. Mississippi.....	MS	N								
26. Missouri.....	MO	Q								
27. Montana.....	MT	Q								
28. Nebraska.....	NE	Q								
29. Nevada.....	NV	N								
30. New Hampshire.....	NH	Q								
31. New Jersey.....	NJ	Q								
32. New Mexico.....	NM	N								
33. New York.....	NY	Q								
34. North Carolina.....	NC	Q								
35. North Dakota.....	ND	Q								
36. Ohio.....	OH	L	230,167,721	232,163,669		111,143,149	109,159,364	108,644,227	1,389,603	
37. Oklahoma.....	OK	Q								
38. Oregon.....	OR	Q								
39. Pennsylvania.....	PA	L	66,202,352	68,062,331	526,457	36,037,334	36,098,422	56,458,798	264,810	
40. Rhode Island.....	RI	Q								
41. South Carolina.....	SC	Q								
42. South Dakota.....	SD	Q								
43. Tennessee.....	TN	Q								
44. Texas.....	TX	Q								
45. Utah.....	UT	Q								
46. Vermont.....	VT	Q								
47. Virginia.....	VA	Q								
48. Washington.....	WA	N								
49. West Virginia.....	WV	L	22,133,210	21,257,847		9,556,085	7,965,340	10,951,469	48,556	
50. Wisconsin.....	WI	Q								
51. Wyoming.....	WY	N								
52. American Samoa.....	AS	N								
53. Guam.....	GU	N								
54. Puerto Rico.....	PR	N								
55. US Virgin Islands.....	VI	N								
56. Northern Mariana Islands.....	MP	N								
57. Canada.....	CAN	N								
58. Aggregate Other Alien.....	OT	XXX	0	0	0	0	0	0	0	0
59. Totals.....	XXX		430,940,527	437,296,597	526,457	232,180,261	232,932,375	274,198,507	2,010,498	0

DETAILS OF WRITE-INS

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

Explanation of Basis of Allocation of Premiums by States, etc.

Premiums are assigned to state based on the following methods:

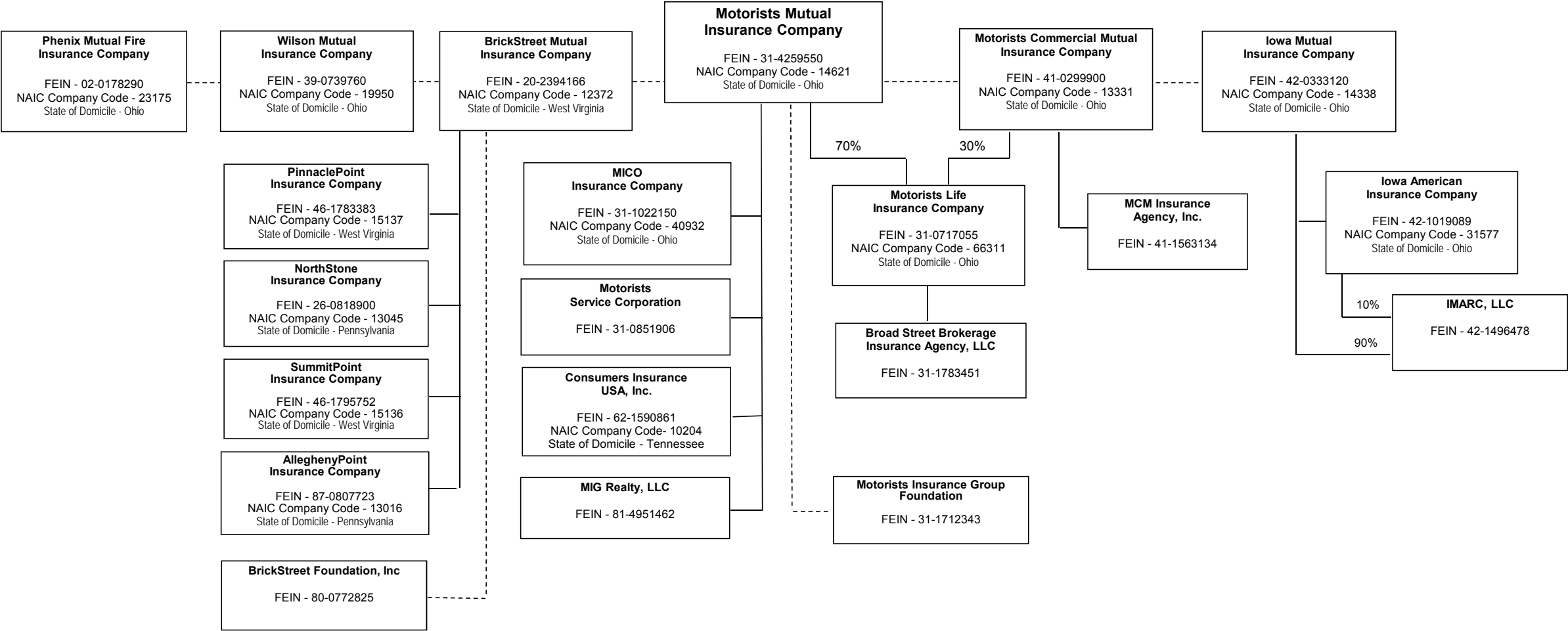
- 1) the location of the risk for lines 1, 2, 4, 5, 8, 9, 12, 16, 26, and 27  
2) the location of the insured's operation for lines 17 and 18  
3) the principal garaging location for lines 19 and 21  
4) the location of the employer for line 23

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....	6
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - See DSLI).....	0
D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile.....	0

R - Registered - Non-domiciled RRGs.....	0
Q - Qualified - Qualified or accredited reinsurer.....	29
N - None of the above - Not allowed to write business in the state.....	22

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