

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) | 209,227,348 | | 209,227,348 | 221,845,146 |
| 2. Stocks (Schedule D): | | | | |
| 2.1 Preferred stocks | | | | |
| 2.2 Common stocks | | | | |
| 3. Mortgage loans on real estate (Schedule B): | | | | |
| 3.1 First liens | | | | |
| 3.2 Other than first liens | | | | |
| 4. Real estate (Schedule A): | | | | |
| 4.1 Properties occupied by the company (less \$ encumbrances) | | | | |
| 4.2 Properties held for the production of income (less \$ encumbrances) | | | | |
| 4.3 Properties held for sale (less \$ encumbrances) | | | | |
| 5. Cash (\$ 4,842,951 , Schedule E - Part 1), cash equivalents (\$, Schedule E - Part 2) and short-term investments (\$ 10,886,297 , Schedule DA) | 15,729,248 | | 15,729,248 | 1,985,963 |
| 6. Contract loans (including \$ premium notes) | | | | |
| 7. Derivatives (Schedule DB) | | | | |
| 8. Other invested assets (Schedule BA) | | | | |
| 9. Receivable for securities | | | | |
| 10. Securities lending reinvested collateral assets (Schedule DL) | | | | |
| 11. Aggregate write-ins for invested assets | 224,956,596 | | 224,956,596 | 223,831,108 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | | | | |
| 13. Title plants less \$ charged off (for Title insurers only) | | | | |
| 14. Investment income due and accrued | 1,337,048 | | 1,337,048 | 1,341,956 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 2,369,288 | 589,992 | 1,779,296 | 1,654,948 |
| 15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$ 113,343 earned but unbilled premiums) | 24,580,650 | | 24,580,650 | 22,718,371 |
| 15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$) | 12,231 | | 12,231 | 11,000 |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | 7,038,108 | | 7,038,108 | 6,440,617 |
| 16.2 Funds held by or deposited with reinsured companies | | | | |
| 16.3 Other amounts receivable under reinsurance contracts | | | | |
| 17. Amounts receivable relating to uninsured plans | | | | |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | | | | |
| 18.2 Net deferred tax asset | 4,050,049 | 160,951 | 3,889,098 | 3,655,796 |
| 19. Guaranty funds receivable or on deposit | | | | |
| 20. Electronic data processing equipment and software | | | | |
| 21. Furniture and equipment, including health care delivery assets (\$) | | | | |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | | | | |
| 23. Receivables from parent, subsidiaries and affiliates | | | | |
| 24. Health care (\$) and other amounts receivable | | | | |
| 25. Aggregate write-ins for other than invested assets | 407,483 | | 407,483 | 565,682 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 264,751,454 | 750,943 | 264,000,511 | 260,219,477 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | | |
| 28. Total (Lines 26 and 27) | 264,751,454 | 750,943 | 264,000,511 | 260,219,477 |
| DETAILS OF WRITE-INS | | | | |
| 1101. | | | | |
| 1102. | | | | |
| 1103. | | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | | | | |
| 1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) | | | | |
| 2501. Business-owned life insurance-cash value | 407,483 | | 407,483 | 565,682 |
| 2502. | | | | |
| 2503. | | | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | | | | |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | 407,483 | | 407,483 | 565,682 |

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.
LIABILITIES, SURPLUS AND OTHER FUNDS

| | 1 Current Year | 2 Prior Year |
|---|-------------------|-----------------|
| 1. Losses (Part 2A, Line 35, Column 8) | .65,425,277 | .65,977,758 |
| 2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) | .8,256,831 | .9,136,622 |
| 3. Loss adjustment expenses (Part 2A, Line 35, Column 9) | .17,733,320 | .17,813,262 |
| 4. Commissions payable, contingent commissions and other similar charges | | |
| 5. Other expenses (excluding taxes, licenses and fees) | .161,538 | .174,150 |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes) | .1,661,865 | .1,728,985 |
| 7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses)) | | |
| 7.2 Net deferred tax liability | | |
| 8. Borrowed money \$ and interest thereon \$ | | |
| 9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 34,723,858 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act) | .56,293,589 | .55,173,189 |
| 10. Advance premium | .1,719,077 | .1,424,818 |
| 11. Dividends declared and unpaid: | | |
| 11.1 Stockholders | | |
| 11.2 Policyholders | | |
| 12. Ceded reinsurance premiums payable (net of ceding commissions) | .6,352,874 | .6,331,850 |
| 13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20) | | |
| 14. Amounts withheld or retained by company for account of others | | |
| 15. Remittances and items not allocated | | |
| 16. Provision for reinsurance (including \$ certified) (Schedule F, Part 3, Column 78) | | |
| 17. Net adjustments in assets and liabilities due to foreign exchange rates | | |
| 18. Drafts outstanding | | |
| 19. Payable to parent, subsidiaries and affiliates | .864,801 | .306,651 |
| 20. Derivatives | | |
| 21. Payable for securities | | |
| 22. Payable for securities lending | | |
| 23. Liability for amounts held under uninsured plans | | |
| 24. Capital notes \$ and interest thereon \$ | | |
| 25. Aggregate write-ins for liabilities | .869,963 | .1,177,267 |
| 26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) | .159,339,135 | .159,244,552 |
| 27. Protected cell liabilities | | |
| 28. Total liabilities (Lines 26 and 27) | .159,339,135 | .159,244,552 |
| 29. Aggregate write-ins for special surplus funds | | |
| 30. Common capital stock | .1,000,000 | .1,000,000 |
| 31. Preferred capital stock | | |
| 32. Aggregate write-ins for other than special surplus funds | | |
| 33. Surplus notes | | |
| 34. Gross paid in and contributed surplus | .61,550,000 | .61,550,000 |
| 35. Unassigned funds (surplus) | .42,111,377 | .38,424,926 |
| 36. Less treasury stock, at cost: | | |
| 36.1 shares common (value included in Line 30 \$) | | |
| 36.2 shares preferred (value included in Line 31 \$) | | |
| 37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39) | .104,661,377 | .100,974,926 |
| 38. TOTALS (Page 2, Line 28, Col. 3) | .264,000,511 | .260,219,477 |
| DETAILS OF WRITE-INS | | |
| 2501. Deferred agent/DM compensation liability | .468,900 | .634,100 |
| 2502. Accounts payable | .376,496 | .517,492 |
| 2503. Pooled share of unauthorized reinsurance | .19,079 | .24,663 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | .5,488 | .1,013 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | .869,963 | .1,177,267 |
| 2901. | | |
| 2902. | | |
| 2903. | | |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | | |
| 2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above) | | |
| 3201. | | |
| 3202. | | |
| 3203. | | |
| 3298. Summary of remaining write-ins for Line 32 from overflow page | | |
| 3299. Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above) | | |

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.
STATEMENT OF INCOME

| | 1 Current Year | 2 Prior Year |
|--|-------------------|-----------------|
| UNDERWRITING INCOME | | |
| 1. Premiums earned (Part 1, Line 35, Column 4)..... | 137,254,977 | 145,209,275 |
| DEDUCTIONS: | | |
| 2. Losses incurred (Part 2, Line 35, Column 7)..... | 79,782,571 | 86,150,709 |
| 3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)..... | 13,443,239 | 14,696,844 |
| 4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)..... | 45,874,851 | 47,867,111 |
| 5. Aggregate write-ins for underwriting deductions..... | (107,970) | (19,391) |
| 6. Total underwriting deductions (Lines 2 through 5)..... | 138,992,691 | 148,695,273 |
| 7. Net income of protected cells..... | | |
| 8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)..... | (1,737,714) | (3,485,998) |
| INVESTMENT INCOME | | |
| 9. Net investment income earned (Exhibit of Net Investment Income, Line 17)..... | 4,892,127 | 4,137,575 |
| 10. Net realized capital gains or (losses) less capital gains tax of \$(102,148) (Exhibit of Capital Gains (Losses))..... | (410,210) | (23,285) |
| 11. Net investment gain (loss) (Lines 9 + 10)..... | 4,481,917 | 4,114,289 |
| OTHER INCOME | | |
| 12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$5,126 amount charged off \$885,917)..... | (880,792) | (867,600) |
| 13. Finance and service charges not included in premiums..... | 1,920,073 | 2,087,764 |
| 14. Aggregate write-ins for miscellaneous income..... | 53,117 | (103,299) |
| 15. Total other income (Lines 12 through 14)..... | 1,092,398 | 1,116,866 |
| 16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)..... | 3,836,601 | 1,745,157 |
| 17. Dividends to policyholders..... | 7,174 | 6,725 |
| 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)..... | 3,829,428 | 1,738,432 |
| 19. Federal and foreign income taxes incurred..... | 489,011 | (92,464) |
| 20. Net income (Line 18 minus Line 19)(to Line 22)..... | 3,340,417 | 1,830,896 |
| CAPITAL AND SURPLUS ACCOUNT | | |
| 21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)..... | 100,974,926 | 101,815,791 |
| 22. Net income (from Line 20)..... | 3,340,417 | 1,830,896 |
| 23. Net transfers (to) from Protected Cell accounts..... | | |
| 24. Change in net unrealized capital gains or (losses) less capital gains tax of \$2,199..... | 8,272 | 41 |
| 25. Change in net unrealized foreign exchange capital gain (loss)..... | | |
| 26. Change in net deferred income tax..... | (86,072) | (2,876,554) |
| 27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)..... | 418,250 | 199,317 |
| 28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)..... | | |
| 29. Change in surplus notes..... | | |
| 30. Surplus (contributed to) withdrawn from protected cells..... | | |
| 31. Cumulative effect of changes in accounting principles..... | | |
| 32. Capital changes: | | |
| 32.1 Paid in..... | | |
| 32.2 Transferred from surplus (Stock Dividend)..... | | |
| 32.3 Transferred to surplus..... | | |
| 33. Surplus adjustments: | | |
| 33.1 Paid in..... | | |
| 33.2 Transferred to capital (Stock Dividend)..... | | |
| 33.3 Transferred from capital..... | | |
| 34. Net remittances from or (to) Home Office..... | | |
| 35. Dividends to stockholders..... | | |
| 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..... | 5,584 | 5,435 |
| 38. Change in surplus as regards policyholders for the year (Lines 22 through 37)..... | 3,686,451 | (840,864) |
| 39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)..... | 104,661,377 | 100,974,926 |
| DETAILS OF WRITE-INS | | |
| 0501. Pooled share of LAD program income..... | (107,970) | (19,391) |
| 0502. | | |
| 0503. | | |
| 0598. Summary of remaining write-ins for Line 5 from overflow page..... | | |
| 0599. Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above)..... | (107,970) | (19,391) |
| 1401. Miscellaneous income\expense)..... | 58,340 | (98,429) |
| 1402. Premiums for business-owned life insurance..... | (5,223) | (4,870) |
| 1403. | | |
| 1498. Summary of remaining write-ins for Line 14 from overflow page..... | | |
| 1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)..... | 53,117 | (103,299) |
| 3701. Pooled share of unauthorized reinsurance..... | 5,584 | 5,435 |
| 3702. | | |
| 3703. | | |
| 3798. Summary of remaining write-ins for Line 37 from overflow page..... | | |
| 3799. Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above)..... | 5,584 | 5,435 |

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.
CASH FLOW

| | 1 Current Year | 2 Prior Year |
|---|-------------------|-----------------|
| Cash from Operations | | |
| 1. Premiums collected net of reinsurance | 136,799,478 | 144,286,642 |
| 2. Net investment income | 5,635,701 | 4,939,907 |
| 3. Miscellaneous income | 1,092,398 | 1,116,866 |
| 4. Total (Lines 1 through 3) | 143,527,578 | 150,343,416 |
| 5. Benefit and loss related payments | 81,812,335 | 90,480,382 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | | |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 59,510,790 | 62,649,318 |
| 8. Dividends paid to policyholders | 7,174 | 37,490 |
| 9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses) | 386,863 | (94,961) |
| 10. Total (Lines 5 through 9) | 141,717,162 | 153,072,229 |
| 11. Net cash from operations (Line 4 minus Line 10) | 1,810,417 | (2,728,813) |
| Cash from Investments | | |
| 12. Proceeds from investments sold, matured or repaid: | | |
| 12.1 Bonds | 81,498,781 | 127,352,501 |
| 12.2 Stocks | | |
| 12.3 Mortgage loans | | |
| 12.4 Real estate | | |
| 12.5 Other invested assets | | |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | | |
| 12.7 Miscellaneous proceeds | | |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) | 81,498,781 | 127,352,501 |
| 13. Cost of investments acquired (long-term only): | | |
| 13.1 Bonds | 70,121,536 | 126,706,958 |
| 13.2 Stocks | | |
| 13.3 Mortgage loans | | |
| 13.4 Real estate | | |
| 13.5 Other invested assets | | |
| 13.6 Miscellaneous applications | | 370,668 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) | 70,121,536 | 127,077,626 |
| 14. Net increase (decrease) in contract loans and premium notes | | |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) | 11,377,244 | 274,875 |
| Cash from Financing and Miscellaneous Sources | | |
| 16. Cash provided (applied): | | |
| 16.1 Surplus notes, capital notes | | |
| 16.2 Capital and paid in surplus, less treasury stock | | |
| 16.3 Borrowed funds | | |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | | |
| 16.5 Dividends to stockholders | | |
| 16.6 Other cash provided (applied) | 555,624 | 570,691 |
| 17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) | 555,624 | 570,691 |
| 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) | 13,743,285 | (1,883,247) |
| 19. Cash, cash equivalents and short-term investments: | | |
| 19.1 Beginning of year | 1,985,963 | 3,869,210 |
| 19.2 End of period (Line 18 plus Line 19.1) | 15,729,248 | 1,985,963 |

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

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| | | |
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ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

| Line of Business | 1 Net Premiums Written per Column 6, Part 1B | 2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1 | 3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A | 4 Premiums Earned During Year (Cols. 1 + 2 - 3) |
|---|---|---|---|--|
| 1. Fire | 3,652,662 | 2,390,572 | 2,465,305 | 3,577,929 |
| 2. Allied lines | 2,915,537 | 1,812,328 | 1,898,421 | 2,829,444 |
| 3. Farmowners multiple peril | | | | |
| 4. Homeowners multiple peril | .39,755,255 | 21,634,164 | 22,314,260 | .39,075,159 |
| 5. Commercial multiple peril | 10,925,764 | 5,179,047 | 5,401,229 | 10,703,581 |
| 6. Mortgage guaranty | | | | |
| 8. Ocean marine | .392,314 | 190,041 | 207,314 | .375,041 |
| 9. Inland marine | 390,080 | 203,167 | 203,398 | 389,848 |
| 10. Financial guaranty | | | | |
| 11.1 Medical professional liability - occurrence | | | | |
| 11.2 Medical professional liability - claims-made | | | | |
| 12. Earthquake | 231,420 | 118,741 | 121,518 | 228,643 |
| 13. Group accident and health | | | | |
| 14. Credit accident and health (group and individual) | | | | |
| 15. Other accident and health | | | | |
| 16. Workers' compensation | 2,559,351 | 1,141,178 | 1,086,880 | 2,613,650 |
| 17.1 Other liability - occurrence | .712,512 | 1,276,477 | 791,876 | 1,197,113 |
| 17.2 Other liability - claims-made | | | | |
| 17.3 Excess workers' compensation | | | | |
| 18.1 Products liability - occurrence | 892 | .349 | .280 | .961 |
| 18.2 Products liability - claims-made | | | | |
| 19.1, 19.2 Private passenger auto liability | .45,612,276 | 12,248,922 | 12,473,684 | .45,387,513 |
| 19.3, 19.4 Commercial auto liability | 2,500,015 | 809,003 | .961,366 | 2,347,653 |
| 21. Auto physical damage | 28,721,194 | 8,165,429 | 8,364,435 | 28,522,187 |
| 22. Aircraft (all perils) | | | | |
| 23. Fidelity | .6,224 | 48 | .36 | .6,236 |
| 24. Surety | | (2) | (1) | (1) |
| 26. Burglary and theft | .54 | .22 | .28 | .48 |
| 27. Boiler and machinery | (170) | 3,704 | 3,561 | (27) |
| 28. Credit | | | | |
| 29. International | | | | |
| 30. Warranty | | | | |
| 31. Reinsurance - nonproportional assumed property | | | | |
| 32. Reinsurance - nonproportional assumed liability | | | | |
| 33. Reinsurance - nonproportional assumed financial lines | | | | |
| 34. Aggregate write-ins for other lines of business | | | | |
| 35. TOTALS | 138,375,378 | 55,173,189 | 56,293,589 | 137,254,977 |
| DETAILS OF WRITE-INS | | | | |
| 3401. | | | | |
| 3402. | | | | |
| 3403. | | | | |
| 3498. Summary of remaining write-ins for Line 34 from overflow page | | | | |
| 3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) | | | | |

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

| Line of Business | 1 Amount Unearned (Running One Year or Less from Date of Policy) (a) | 2 Amount Unearned (Running More Than One Year from Date of Policy) (a) | 3 Earned But Unbilled Premium | 4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience | 5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4 |
|--|--|--|-------------------------------------|---|--|
| 1. Fire | 2,465,305 | | | | 2,465,305 |
| 2. Allied lines | 1,898,421 | | | | 1,898,421 |
| 3. Farmowners multiple peril | | | | | |
| 4. Homeowners multiple peril | 22,314,260 | | | | 22,314,260 |
| 5. Commercial multiple peril | 5,401,229 | | | | 5,401,229 |
| 6. Mortgage guaranty | | | | | |
| 8. Ocean marine | 207,314 | | | | 207,314 |
| 9. Inland marine | 203,398 | | | | 203,398 |
| 10. Financial guaranty | | | | | |
| 11.1 Medical professional liability - occurrence | | | | | |
| 11.2 Medical professional liability - claims-made | | | | | |
| 12. Earthquake | 121,518 | | | | 121,518 |
| 13. Group accident and health | | | | | |
| 14. Credit accident and health (group and individual) | | | | | |
| 15. Other accident and health | | | | | |
| 16. Workers' compensation | 1,086,880 | | | | 1,086,880 |
| 17.1 Other liability - occurrence | 791,756 | 120 | | | 791,876 |
| 17.2 Other liability - claims-made | | | | | |
| 17.3 Excess workers' compensation | | | | | |
| 18.1 Products liability - occurrence | 280 | | | | 280 |
| 18.2 Products liability - claims-made | | | | | |
| 19.1, 19.2 Private passenger auto liability | 12,473,684 | | | | 12,473,684 |
| 19.3, 19.4 Commercial auto liability | 961,366 | | | | 961,366 |
| 21. Auto physical damage | 8,362,886 | 1,549 | | | 8,364,435 |
| 22. Aircraft (all perils) | | | | | |
| 23. Fidelity | 36 | | | | 36 |
| 24. Surety | (1) | | | | (1) |
| 26. Burglary and theft | 28 | | | | 28 |
| 27. Boiler and machinery | 3,561 | | | | 3,561 |
| 28. Credit | | | | | |
| 29. International | | | | | |
| 30. Warranty | | | | | |
| 31. Reinsurance - nonproportional assumed property | | | | | |
| 32. Reinsurance - nonproportional assumed liability | | | | | |
| 33. Reinsurance - nonproportional assumed financial lines | | | | | |
| 34. Aggregate write-ins for other lines of business | | | | | |
| 35. TOTALS | 56,291,920 | 1,670 | | | 56,293,589 |
| 36. Accrued retrospective premiums based on experience | | | | | |
| 37. Earned but unbilled premiums | | | | | |
| 38. Balance (Sum of Line 35 through 37) | | | | | 56,293,589 |
| DETAILS OF WRITE-INS | | | | | |
| 3401. | | | | | |
| 3402. | | | | | |
| 3403. | | | | | |
| 3498. Summary of remaining write-ins for Line 34 from overflow page | | | | | |
| 3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) | | | | | |

(a) State here basis of computation used in each case Daily pro-rata

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

| Line of Business | 1 Direct Business (a) | Reinsurance Assumed | | Reinsurance Ceded | | 6 Net Premiums Written Cols. 1+2+3-4-5 |
|---|--------------------------|----------------------|--------------------------|--------------------|------------------------|---|
| | | 2 From Affiliates | 3 From Non-Affiliates | 4 To Affiliates | 5 To Non-Affiliates | |
| 1. Fire | | 3,652,662 | | | | 3,652,662 |
| 2. Allied lines | 539,807 | 2,915,537 | | .537,989 | .1,817 | 2,915,537 |
| 3. Farmowners multiple peril | | | | | | |
| 4. Homeowners multiple peril | 14,214,880 | 39,755,255 | | 14,214,880 | | 39,755,255 |
| 5. Commercial multiple peril | 1,488,055 | 10,925,764 | | 1,488,055 | | 10,925,764 |
| 6. Mortgage guaranty | | | | | | |
| 8. Ocean marine | | 392,314 | | | | 392,314 |
| 9. Inland marine | 187,021 | 390,080 | | 187,021 | | 390,080 |
| 10. Financial guaranty | | | | | | |
| 11.1 Medical professional liability - occurrence | | | | | | |
| 11.2 Medical professional liability - claims-made | | | | | | |
| 12. Earthquake | 43,042 | 231,420 | | 43,042 | | 231,420 |
| 13. Group accident and health | | | | | | |
| 14. Credit accident and health (group and individual) | | | | | | |
| 15. Other accident and health | | | | | | |
| 16. Workers' compensation | | 2,559,351 | | | | 2,559,351 |
| 17.1 Other liability - occurrence | | 712,512 | | | | 712,512 |
| 17.2 Other liability - claims-made | | | | | | |
| 17.3 Excess workers' compensation | | | | | | |
| 18.1 Products liability - occurrence | | .892 | | | | .892 |
| 18.2 Products liability - claims-made | | | | | | |
| 19.1, 19.2 Private passenger auto liability | 58,078,870 | 45,612,276 | | 58,078,870 | | 45,612,276 |
| 19.3, 19.4 Commercial auto liability | | 2,500,015 | | | | 2,500,015 |
| 21. Auto physical damage | 38,103,871 | 28,721,194 | | 38,103,871 | | 28,721,194 |
| 22. Aircraft (all perils) | | | | | | |
| 23. Fidelity | | .6,224 | | | | .6,224 |
| 24. Surety | | | | | | |
| 26. Burglary and theft | | .54 | | | | .54 |
| 27. Boiler and machinery | | (170) | | | | (170) |
| 28. Credit | | | | | | |
| 29. International | | | | | | |
| 30. Warranty | | | | | | |
| 31. Reinsurance - nonproportional assumed property | XXX | | | | | |
| 32. Reinsurance - nonproportional assumed liability | XXX | | | | | |
| 33. Reinsurance - nonproportional assumed financial lines | XXX | | | | | |
| 34. Aggregate write-ins for other lines of business | | | | | | |
| 35. TOTALS | 112,655,545 | 138,375,378 | | 112,653,728 | 1,817 | 138,375,378 |
| DETAILS OF WRITE-INS | | | | | | |
| 3401. | | | | | | |
| 3402. | | | | | | |
| 3403. | | | | | | |
| 3498. Summary of remaining write-ins for Line 34 from overflow page | | | | | | |
| 3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) | | | | | | |

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

| Line of Business | Losses Paid Less Salvage | | | | 5 | 6 | 7 | 8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1) |
|---|--------------------------|-----------------------------|-------------------------------|--|------------|------------|------------|---|
| | 1 Direct Business | 2 Reinsurance Assumed | 3 Reinsurance Recovered | 4 Net Payments (Cols. 1 + 2 - 3) | | | | |
| 1. Fire | 2,028,250 | | | 2,028,250 | 312,358 | 279,140 | 2,061,468 | 57.6 |
| 2. Allied lines | 18,193 | 517,341 | 18,193 | 517,341 | 58,908 | 71,490 | 504,759 | 17.8 |
| 3. Farmowners multiple peril | | | | | | | | |
| 4. Homeowners multiple peril | 4,644,148 | 21,419,888 | 4,644,148 | 21,419,888 | 8,047,354 | 7,279,494 | 22,187,748 | 56.8 |
| 5. Commercial multiple peril | 554,766 | 6,299,158 | 554,766 | 6,299,158 | 7,902,145 | 7,544,325 | 6,656,978 | 62.2 |
| 6. Mortgage guaranty | | | | | | | | |
| 8. Ocean marine | | 307,928 | | 307,928 | 174,839 | 186,036 | 296,731 | 79.1 |
| 9. Inland marine | 34,698 | 107,232 | 34,698 | 107,232 | 181,888 | 181,854 | 107,266 | 27.5 |
| 10. Financial guaranty | | | | | | | | |
| 11.1 Medical professional liability - occurrence | | | | | 854 | 1,034 | (180) | (900,500.0) |
| 11.2 Medical professional liability - claims-made | | | | | 30,782 | 28,059 | 2,723 | |
| 12. Earthquake | | 2,390 | | 2,390 | 9,019 | 11,640 | (231) | (0.1) |
| 13. Group accident and health | | | | | | | | |
| 14. Credit accident and health (group and individual) | | | | | | | | |
| 15. Other accident and health | | | | | | | | |
| 16. Workers' compensation | | 1,301,007 | | 1,301,007 | 8,652,368 | 9,198,001 | 755,374 | 28.9 |
| 17.1 Other liability - occurrence | | 1,316,588 | | 1,316,588 | 2,697,907 | 3,125,878 | 888,617 | 74.2 |
| 17.2 Other liability - claims-made | | | | | | | | |
| 17.3 Excess workers' compensation | | | | | | | | |
| 18.1 Products liability - occurrence | | 75 | | 75 | 2,680 | 2,934 | (179) | (18.6) |
| 18.2 Products liability - claims-made | | | | | | | | |
| 19.1, 19.2 Private passenger auto liability | 31,118,710 | 28,972,889 | 31,118,710 | 28,972,889 | 33,425,678 | 34,520,382 | 27,878,185 | 61.4 |
| 19.3, 19.4 Commercial auto liability | | 1,444,145 | | 1,444,145 | 2,545,925 | 2,370,051 | 1,620,019 | 69.0 |
| 21. Auto physical damage | 21,926,989 | 16,612,590 | 21,926,989 | 16,612,590 | 1,374,361 | 1,168,740 | 16,818,211 | 59.0 |
| 22. Aircraft (all perils) | | | | | | | | |
| 23. Fidelity | | | | | 7,048 | 7,060 | (12) | (0.2) |
| 24. Surety | | 5,769 | | 5,769 | (78) | 122 | 5,569 | (742,516.0) |
| 26. Burglary and theft | | 66 | | 66 | 14 | 14 | .66 | 135.6 |
| 27. Boiler and machinery | | (264) | | (264) | 1,227 | 1,502 | (599) | 1,989.0 |
| 28. Credit | | | | | | | | |
| 29. International | | | | | | | | |
| 30. Warranty | | | | | | | | |
| 31. Reinsurance - nonproportional assumed property | XXX | | | | | | | |
| 32. Reinsurance - nonproportional assumed liability | XXX | | | | | | | |
| 33. Reinsurance - nonproportional assumed financial lines | XXX | | | | | | | |
| 34. Aggregate write-ins for other lines of business | | | | | | | | |
| 35. TOTALS | 58,297,504 | 80,335,052 | 58,297,504 | 80,335,052 | 65,425,277 | 65,977,758 | 79,782,571 | 58.1 |
| DETAILS OF WRITE-INS | | | | | | | | |
| 3401. | | | | | | | | |
| 3402. | | | | | | | | |
| 3403. | | | | | | | | |
| 3498. Summary of remaining write-ins for Line 34 from overflow page | | | | | | | | |
| 3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) | | | | | | | | |

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

| Line of Business | Reported Losses | | | | Incurred But Not Reported | | | 8 | 9 |
|---|-----------------|-----------------------------|---|--|---------------------------|-----------------------------|---------------------------|------------|------------|
| | 1 Direct | 2 Reinsurance Assumed | 3 Deduct Reinsurance Recoverable | 4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3) | 5 Direct | 6 Reinsurance Assumed | 7 Reinsurance Ceded | | |
| 1. Fire | | 184,386 | | 184,386 | | 127,972 | | .312,358 | .88,430 |
| 2. Allied lines | | 23,384 | | 23,384 | | 35,524 | | 58,908 | 50,668 |
| 3. Farmowners multiple peril | | | | | | | | | 1 |
| 4. Homeowners multiple peril | 1,072,379 | 5,439,320 | 1,072,379 | 5,439,320 | 1,467,477 | 2,608,034 | 1,467,477 | 8,047,354 | 2,010,028 |
| 5. Commercial multiple peril | 58,452 | 3,701,838 | 58,452 | 3,701,838 | 132,717 | 4,200,307 | 132,717 | 7,902,145 | 3,230,103 |
| 6. Mortgage guaranty | | | | | | | | | |
| 8. Ocean marine | | 142,195 | | 142,195 | | 32,643 | | 174,839 | 12,846 |
| 9. Inland marine | | 160,966 | | 160,966 | | 20,922 | | 181,888 | 8,798 |
| 10. Financial guaranty | | | | | | | | | |
| 11.1 Medical professional liability - occurrence | | 6 | | 6 | | 848 | | 854 | 780 |
| 11.2 Medical professional liability - claims-made | | 2,640 | | 2,640 | | 28,141 | | 30,782 | 6,943 |
| 12. Earthquake | | 6,314 | | 6,314 | | 2,704 | | 9,019 | 204 |
| 13. Group accident and health | | | | | | | | (a) | |
| 14. Credit accident and health (group and individual) | | | | | | | | (a) | |
| 15. Other accident and health | | | | | | | | (a) | |
| 16. Workers' compensation | | 2,879,059 | | 2,879,059 | | 5,773,309 | | 8,652,368 | 1,945,856 |
| 17.1 Other liability - occurrence | | 1,083,047 | | 1,083,047 | | 1,614,860 | | 2,697,907 | 341,843 |
| 17.2 Other liability - claims-made | | | | | | | | | |
| 17.3 Excess workers' compensation | | | | | | | | | |
| 18.1 Products liability - occurrence | | 463 | | 463 | | 2,217 | | 2,680 | 1,605 |
| 18.2 Products liability - claims-made | | | | | | | | | |
| 19.1, 19.2 Private passenger auto liability | 20,039,818 | 15,082,153 | 20,039,818 | 15,082,153 | 13,009,662 | 18,343,525 | 13,009,662 | 33,425,678 | 8,840,915 |
| 19.3, 19.4 Commercial auto liability | | 1,127,684 | | 1,127,684 | | 1,418,241 | | 2,545,925 | 638,048 |
| 21. Auto physical damage | | 276,263 | | 276,263 | | 2,156,880 | | 1,098,097 | 1,374,361 |
| 22. Aircraft (all perils) | | | | | | | | | 551,245 |
| 23. Fidelity | | | | | | 7,048 | | 7,048 | .4,674 |
| 24. Surety | | | | | | (78) | | (78) | .27 |
| 26. Burglary and theft | | 5 | | 5 | | 9 | | 14 | .7 |
| 27. Boiler and machinery | | | | | | 1,227 | | 1,227 | .302 |
| 28. Credit | | | | | | | | | |
| 29. International | | | | | | | | | |
| 30. Warranty | | | | | | | | | |
| 31. Reinsurance - nonproportional assumed property | XXX | | | | XXX | | | | |
| 32. Reinsurance - nonproportional assumed liability | XXX | | | | XXX | | | | |
| 33. Reinsurance - nonproportional assumed financial lines | XXX | | | | XXX | | | | |
| 34. Aggregate write-ins for other lines of business | | | | | | | | | |
| 35. TOTALS | 21,170,649 | 30,109,725 | 21,170,649 | 30,109,725 | 17,298,123 | 35,315,552 | 17,298,123 | 65,425,277 | 17,733,320 |
| DETAILS OF WRITE-INS | | | | | | | | | |
| 3401. | | | | | | | | | |
| 3402. | | | | | | | | | |
| 3403. | | | | | | | | | |
| 3498. Summary of remaining write-ins for Line 34 from overflow page | | | | | | | | | |
| 3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) | | | | | | | | | |

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

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

| | 1 Loss Adjustment Expenses | 2 Other Underwriting Expenses | 3 Investment Expenses | 4 Total |
|---|----------------------------------|-------------------------------------|-----------------------------|----------------|
| 1. Claim adjustment services: | | | | |
| 1.1 Direct | 2,261,606 | | | 2,261,606 |
| 1.2 Reinsurance assumed | 13,443,239 | | | 13,443,239 |
| 1.3 Reinsurance ceded | 14,093,100 | | | 14,093,100 |
| 1.4 Net claim adjustment service (1.1 + 1.2 - 1.3) | 1,611,745 | | | 1,611,745 |
| 2. Commission and brokerage: | | | | |
| 2.1 Direct excluding contingent | | 12,564,065 | | 12,564,065 |
| 2.2 Reinsurance assumed, excluding contingent | | 9,534,686 | | 9,534,686 |
| 2.3 Reinsurance ceded, excluding contingent | | 14,062,325 | | 14,062,325 |
| 2.4 Contingent - direct | | 1,498,260 | | 1,498,260 |
| 2.5 Contingent - reinsurance assumed | | | | |
| 2.6 Contingent - reinsurance ceded | | | | |
| 2.7 Policy and membership fees | | | | |
| 2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) | | 9,534,686 | | 9,534,686 |
| 3. Allowances to managers and agents | | 350,744 | | 350,744 |
| 4. Advertising | | 2,760,794 | | 2,760,794 |
| 5. Boards, bureaus and associations | | 195,413 | | 195,413 |
| 6. Surveys and underwriting reports | | 1,245,854 | | 1,245,854 |
| 7. Audit of assureds' records | | 40,755 | | 40,755 |
| 8. Salary and related items: | | | | |
| 8.1 Salaries | 6,168,706 | 12,821,090 | 89,563 | 19,079,359 |
| 8.2 Payroll taxes | 566,118 | 925,284 | 6,347 | 1,497,749 |
| 9. Employee relations and welfare | 2,810,366 | 4,656,622 | 336 | 7,467,323 |
| 10. Insurance | 58,664 | 72,793 | | 131,457 |
| 11. Directors' fees | | 37,506 | | 37,506 |
| 12. Travel and travel items | 386,795 | 343,522 | 4,031 | .734,348 |
| 13. Rent and rent items | 352,475 | 1,263,313 | 45 | 1,615,833 |
| 14. Equipment | 350,769 | 2,726,372 | 96 | 3,077,237 |
| 15. Cost or depreciation of EDP equipment and software | 262,318 | 2,435,306 | | 2,697,624 |
| 16. Printing and stationery | 33,097 | 40,822 | 7,514 | .81,432 |
| 17. Postage, telephone and telegraph, exchange and express | 167,052 | 807,218 | 67 | .974,337 |
| 18. Legal and auditing | 75,168 | 65,124 | 4,199 | 144,491 |
| 19. Totals (Lines 3 to 18) | 11,231,528 | 30,788,533 | 112,197 | 42,132,258 |
| 20. Taxes, licenses and fees: | | | | |
| 20.1 State and local insurance taxes deducting guaranty association credits of \$ | | 4,457,023 | | 4,457,023 |
| 20.2 Insurance department licenses and fees | | 274,410 | | 274,410 |
| 20.3 Gross guaranty association assessments | | 24,901 | | 24,901 |
| 20.4 All other (excluding federal and foreign income and real estate) | 4,009 | 57,673 | | 61,682 |
| 20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) | 4,009 | 4,814,006 | | 4,818,015 |
| 21. Real estate expenses | | | | |
| 22. Real estate taxes | | | | |
| 23. Reimbursements by uninsured plans | | | | |
| 24. Aggregate write-ins for miscellaneous expenses | 595,957 | 737,625 | 7,354 | 1,340,936 |
| 25. Total expenses incurred | 13,443,239 | 45,874,851 | 119,551 | (a) 59,437,641 |
| 26. Less unpaid expenses - current year | 17,733,320 | 1,823,403 | | 19,556,723 |
| 27. Add unpaid expenses - prior year | 17,813,262 | 1,903,136 | | 19,716,398 |
| 28. Amounts receivable relating to uninsured plans, prior year | | | | |
| 29. Amounts receivable relating to uninsured plans, current year | | | | |
| 30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29) | 13,523,181 | 45,954,583 | 119,551 | 59,597,315 |
| DETAILS OF WRITE-INS | | | | |
| 2401. Miscellaneous IT-related ULAE expenses | 595,957 | | | .595,957 |
| 2402. Miscellaneous IT-related agent network expenses | | 708,897 | | .708,897 |
| 2403. Charitable contributions | | 28,728 | | .28,728 |
| 2498. Summary of remaining write-ins for Line 24 from overflow page | | | 7,354 | .7,354 |
| 2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above) | 595,957 | 737,625 | 7,354 | 1,340,936 |

(a) Includes management fees of \$ 27,975,474 to affiliates and \$ to non-affiliates.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.
EXHIBIT OF NET INVESTMENT INCOME

| | | 1 Collected During Year | 2 Earned During Year |
|---|-----------|----------------------------|-------------------------|
| 1. U.S. Government bonds | (a) | 2,141,759 | 2,278,370 |
| 1.1 Bonds exempt from U.S. tax | (a) | 1,367,921 | 1,161,887 |
| 1.2 Other bonds (unaffiliated) | (a) | 1,480,608 | 1,521,434 |
| 1.3 Bonds of affiliates | (a) | | |
| 2.1 Preferred stocks (unaffiliated) | (b) | | |
| 2.11 Preferred stocks of affiliates | (b) | | |
| 2.2 Common stocks (unaffiliated) | (c) | | |
| 2.21 Common stocks of affiliates | (d) | | |
| 3. Mortgage loans | (e) | 19,988 | 43,675 |
| 4. Real estate | (f) | | |
| 5. Contract loans | | | |
| 6. Cash, cash equivalents and short-term investments | | | |
| 7. Derivative instruments | | | |
| 8. Other invested assets | | | |
| 9. Aggregate write-ins for investment income | | 6,311 | 6,311 |
| 10. Total gross investment income | | 5,016,586 | 5,011,678 |
| 11. Investment expenses | (g) | 119,551 | |
| 12. Investment taxes, licenses and fees, excluding federal income taxes | (g) | | |
| 13. Interest expense | (h) | | |
| 14. Depreciation on real estate and other invested assets | (i) | | |
| 15. Aggregate write-ins for deductions from investment income | | | |
| 16. Total deductions (Lines 11 through 15) | | | .119,551 |
| 17. Net investment income (Line 10 minus Line 16) | | | 4,892,127 |
| DETAILS OF WRITE-INS | | | |
| 0901. Miscellaneous Income | | 6,311 | 6,311 |
| 0902. | | | |
| 0903. | | | |
| 0998. Summary of remaining write-ins for Line 9 from overflow page | | | |
| 0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) | | 6,311 | 6,311 |
| 1501. | | | |
| 1502. | | | |
| 1503. | | | |
| 1598. Summary of remaining write-ins for Line 15 from overflow page | | | |
| 1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above) | | | |

(a) Includes \$ 230,026 accrual of discount less \$ 968,692 amortization of premium and less \$ 91,762 paid for accrued interest on purchases.
 (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
 (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
 (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
 (e) Includes \$ 1,338 accrual of discount less \$ amortization of premium and less \$ 23,688 paid for accrued interest on purchases.
 (f) Includes \$ accrual of discount less \$ amortization of premium.
 (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
 (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
 (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

| | 1 Realized Gain (Loss) On Sales or Maturity | 2 Other Realized Adjustments | 3 Total Realized Capital Gain (Loss) (Columns 1 + 2) | 4 Change in Unrealized Capital Gain (Loss) | 5 Change in Unrealized Foreign Exchange Capital Gain (Loss) |
|--|---|------------------------------------|---|---|--|
| 1. U.S. Government bonds | (209,448) | | (209,448) | | |
| 1.1 Bonds exempt from U.S. tax | (185,934) | | (185,934) | | |
| 1.2 Other bonds (unaffiliated) | (105,376) | (11,601) | (116,977) | 10,471 | |
| 1.3 Bonds of affiliates | | | | | |
| 2.1 Preferred stocks (unaffiliated) | | | | | |
| 2.11 Preferred stocks of affiliates | | | | | |
| 2.2 Common stocks (unaffiliated) | | | | | |
| 2.21 Common stocks of affiliates | | | | | |
| 3. Mortgage loans | | | | | |
| 4. Real estate | | | | | |
| 5. Contract loans | | | | | |
| 6. Cash, cash equivalents and short-term investments | | | | | |
| 7. Derivative instruments | | | | | |
| 8. Other invested assets | | | | | |
| 9. Aggregate write-ins for capital gains (losses) | | | | | |
| 10. Total capital gains (losses) | (500,757) | (11,601) | (512,358) | 10,471 | |
| DETAILS OF WRITE-INS | | | | | |
| 0901. | | | | | |
| 0902. | | | | | |
| 0903. | | | | | |
| 0998. Summary of remaining write-ins for Line 9 from overflow page | | | | | |
| 0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) | | | | | |

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.
EXHIBIT OF NON-ADMITTED ASSETS

| | 1 Current Year Total Nonadmitted Assets | 2 Prior Year Total Nonadmitted Assets | 3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1) |
|--|---|---|---|
| 1. Bonds (Schedule D) | | | |
| 2. Stocks (Schedule D): | | | |
| 2.1 Preferred stocks | | | |
| 2.2 Common stocks | | | |
| 3. Mortgage loans on real estate (Schedule B): | | | |
| 3.1 First liens | | | |
| 3.2 Other than first liens | | | |
| 4. Real estate (Schedule A): | | | |
| 4.1 Properties occupied by the company | | | |
| 4.2 Properties held for the production of income | | | |
| 4.3 Properties held for sale | | | |
| 5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA) | | | |
| 6. Contract loans | | | |
| 7. Derivatives (Schedule DB) | | | |
| 8. Other invested assets (Schedule BA) | | | |
| 9. Receivables for securities | | | |
| 10. Securities lending reinvested collateral assets (Schedule DL) | | | |
| 11. Aggregate write-ins for invested assets | | | |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | | | |
| 13. Title plants (for Title insurers only) | | | |
| 14. Investment income due and accrued | | | |
| 15. Premiums and considerations: | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 589,992 | .686,668 | .96,676 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due | | | |
| 15.3 Accrued retrospective premiums and contracts subject to redetermination | | | |
| 16. Reinsurance: | | | |
| 16.1 Amounts recoverable from reinsurers | | | |
| 16.2 Funds held by or deposited with reinsured companies | | | |
| 16.3 Other amounts receivable under reinsurance contracts | | | |
| 17. Amounts receivable relating to uninsured plans | | | |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | | | |
| 18.2 Net deferred tax asset | 160,951 | .482,525 | .321,574 |
| 19. Guaranty funds receivable or on deposit | | | |
| 20. Electronic data processing equipment and software | | | |
| 21. Furniture and equipment, including health care delivery assets | | | |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | | | |
| 23. Receivables from parent, subsidiaries and affiliates | | | |
| 24. Health care and other amounts receivable | | | |
| 25. Aggregate write-ins for other than invested assets | | | |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 750,943 | .1,169,193 | .418,250 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | |
| 28. Total (Lines 26 and 27) | 750,943 | .1,169,193 | .418,250 |
| DETAILS OF WRITE-INS | | | |
| 1101. | | | |
| 1102. | | | |
| 1103. | | | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | | | |
| 1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) | | | |
| 2501. | | | |
| 2502. | | | |
| 2503. | | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | | | |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) | | | |

NOTES TO FINANCIAL STATEMENTS

| Note # | Description | Page # |
|--------|--|--------|
| 1 | Summary of Significant Accounting Policies and Going Concern | 14.1 |
| 2 | Accounting Changes and Corrections of Errors | 14.2 |
| 3 | Business Combinations and Goodwill | 14.3 |
| 4 | Discontinued Operations | 14.3 |
| 5 | Investments | 14.3 |
| 6 | Joint Ventures, Partnerships and Limited Liability Companies | 14.5 |
| 7 | Investment Income | 14.5 |
| 8 | Derivative Instruments | 14.6 |
| 9 | Income Taxes | 14.6 |
| 10 | Information Concerning Parent, Subsidiaries, Affiliates and other Related Parties | 14.12 |
| 11 | Debt | 14.12 |
| 12 | Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans | 14.13 |
| 13 | Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations | 14.17 |
| 14 | Liabilities, Contingencies and Assessments | 14.17 |
| 15 | Leases | 14.19 |
| 16 | Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk | 14.19 |
| 17 | Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities | 14.19 |
| 18 | Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans | 14.19 |
| 19 | Direct Premium Written/Produced by Managing General Agents/Third Party Administrators | 14.20 |
| 20 | Fair Value Measurements | 14.20 |
| 21 | Other Items | 14.21 |
| 22 | Events Subsequent | 14.30 |
| 23 | Reinsurance | 14.30 |
| 24 | Retrospectively Rated Contracts and Contracts Subject to Redetermination | 14.32 |
| 25 | Change in Incurred Losses and Loss Adjustment Expenses | 14.32 |
| 26 | Intercompany Pooling Arrangements | 14.32 |
| 27 | Structured Settlements | 14.33 |
| 28 | Health Care Receivables | 14.33 |
| 29 | Participating Policies | 14.33 |
| 30 | Premium Deficiency Reserves | 14.34 |
| 31 | High Deductibles | 14.34 |
| 32 | Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expense | 14.34 |
| 33 | Asbestos/Environmental Reserves | 14.34 |
| 34 | Subscriber Savings Accounts | 14.36 |
| 35 | Multiple Peril Crop Insurance | 14.36 |
| 36 | Financial Guaranty Insurance | 14.36 |

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN

A. Accounting Practices

The financial statements of Farmers Insurance of Columbus, Inc. ("the Company") are presented on the basis of accounting practices prescribed or permitted by the Insurance Department of the state of Ohio ("DOI").

The Company recognizes only statutory accounting practices prescribed or permitted by the state of Ohio (the "State") for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners ("NAIC") Accounting Practices and Procedures Manual (the "Codification"), version effective January 1, 2001 and subsequently amended ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the State. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices. The Company did not utilize any permitted practices during the years presented.

A reconciliation of the Company's net income and surplus between NAIC SAP and practices prescribed by the State of Ohio for year-to-date December 31, 2018 and the year ended December 31, 2017 is shown below:

| | | SSAP # | F/S Page | F/S Line # | 2018 | 2017 |
|--------------------------|---|---------------|---------------------|-----------------------|----------------|----------------|
| <u>NET INCOME</u> | | | | | | |
| (1) | California basis (Page 4, Line 20, Columns 1 & 2) | XXX | XXX | XXX | \$ 3,340,417 | \$ 1,830,896 |
| (2) | State Prescribed Practices that increase/(decrease) NAIC SAP: | | | | - | - |
| (3) | State Permitted Practices that increase/(decrease) NAIC SAP: | XXX | XXX | XXX | - | - |
| (4) | NAIC SAP (1-2-3=4) | | | | \$ 3,340,417 | \$ 1,830,896 |
| <u>SURPLUS</u> | | | | | | |
| (5) | California basis (Page 3, Line 37, Columns 1 & 2) | XXX | XXX | XXX | \$ 104,661,377 | \$ 100,974,926 |
| (6) | State Prescribed Practices that increase/(decrease) NAIC SAP: | | | | - | - |
| (7) | State Permitted Practices that increase/(decrease) NAIC SAP: | | | | - | - |
| (8) | NAIC SAP (5-6-7=8) | XXX | XXX | XXX | \$ 104,661,377 | \$ 100,974,926 |

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

The preparation of financial statements in conformity with statutory accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

C. Accounting Policy

Premiums are earned pro rata over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Ceded unearned premium reserves under the All Lines reinsurance agreements (see Note 21C) are calculated based on a quota share percentage of the underlying pro-rata direct unearned premium reserves.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments include all investments whose maturities, at the time of acquisition, are greater than three months and less than one year and are stated at amortized cost, which approximates fair value.
- (2-4) Bonds not backed by other loans are generally carried at amortized cost or the lower of amortized cost or fair value depending on their NAIC designation. Bond premium or discount is amortized using the interest method.

Unaffiliated common stocks are carried at NAIC market value. The change in the stated value is recorded as a change in net unrealized capital gains or losses, a component of unassigned funds.

Redeemable preferred stocks are carried at amortized cost or at the lower of amortized cost or fair value, depending on their NAIC designation. Redeemable preferred stock premium or discount is amortized using the interest method. Non-redeemable preferred stocks are carried at market value or the lower of cost or fair value based on their NAIC designation.

NOTES TO FINANCIAL STATEMENTS

The Company recognizes other-than-temporary impairment losses on investments when the decline in fair value specific to an issuer's fundamental credit difficulties, or a non-interest related decline, is deemed to be other than temporary. There are a number of assumptions and estimates inherent in evaluating impairments specific to an issuer's fundamental credit difficulties, or non-interest related decline, and determining if they are other than temporary, including: 1) The Company's ability and intent to retain the investment for a period of time sufficient to allow for an anticipated recovery in value; 2) the recoverability of principal and interest; 3) the length of time and extent to which the fair value has been less than amortized cost for bonds or cost for unaffiliated common and preferred stocks; 4) the financial condition, near-term and long-term prospects of the issue or issuer, including relevant industry conditions and trends, and implications of rating agency actions and offering prices; and 5) the specific reasons that a security is in a significant unrealized loss position, including market conditions which could affect access to liquidity. Interest rate related impairments are deemed other than temporary when the Company has the intent to sell an investment, at the reporting date, before recovery of the cost of the investment.

- (5) The Company has no mortgage loans.
- (6) Mortgage-backed bonds and structured securities are stated at either amortized cost or the lower of amortized cost or market value. Premiums and discounts on mortgage-backed securities and structured securities are amortized using the retrospective method, except for interest-only mortgage-backed securities, which are amortized using the prospective method.

Loan-backed securities with evidence of deterioration of credit quality for which it is probable that the company will be unable to collect all contractually required payments receivable, are written down to the present value of expected cash flows to be received.

- (7) The Company has no investments in subsidiaries, controlled, and affiliated ("SCA") companies.
- (8) The Company has no ownership interest in joint ventures, partnerships or limited liability companies.
- (9) Investments in derivative instruments, including warrants, are carried at fair value with the corresponding unrealized gain or loss flowing through unassigned funds. Realized gain or loss is reported in the net realized capital gain or loss line of the statement of operations. As of December 31, 2018 the Company did not have investments in derivatives.
- (10) The Company utilizes anticipated investment income in the calculation of premium deficiency reserves, in accordance with SSAP No. 53, Property-Casualty Contracts - Premiums. The Company evaluates the need for a premium deficiency reserve on a line of business level for all books. At December 31, 2018 and 2017, the Company had not established any premium deficiency reserves based on this calculation.
- (11) Reserves for losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported ("IBNR"). Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting reserves are continually reviewed and any adjustments are reflected in the period determined.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) Not applicable as the Company does not write any medical insurance with prescription drug coverage.

D. Going Concern

Management has evaluated the reporting entity's ability to continue as a going concern, and is satisfied that it has adequate resources to enable it to continue in business for the foreseeable future.

2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS

Effective January 1, 2018, "SSAP 26R - Bonds" was revised to allow for a new measurement alternative for bond exchange-traded funds ("ETFs") and bond mutual funds. This revision effectively removed Securities Valuation Office ("SVO") designated bond ETFs from the definition of a bond and also required the identification of instruments that will be measured using systematic value on January 1, 2018. In addition, these substantive changes made provisions for insurance companies to make a one-time election to record bond ETFs and bond mutual funds at either fair value or systematic value as of December 31, 2017. For insurers electing to use fair value, investments are to be recorded at market value immediately. However, if systematic value was elected, then insurers are required to use their existing method for 2017 but to then revert and use the systematic calculation beginning 2018. The adoption of these revisions had no material impact on FIE's 2018 statutory financial statements.

Effective January 1, 2018, the NAIC made substantive revisions to SSAP 100R "Fair Value" which allow for the use of net asset value ("NAV") as a practical expedient to fair value when specifically named in a Statement of Statutory Accounting Principles ("SSAP") or when specific conditions exist. The conditions include: 1) when the investment does not have a readily determinable fair value and 2) when the investment is in an investment company or real estate fund

NOTES TO FINANCIAL STATEMENTS

for which it is industry practice to measure investment assets at fair value on a recurring basis and to issue financials consistent with the principles of an investment company. Investments reported at NAV must be identified separately in the fair value hierarchy to permit reconciliations. Certain disclosures are required in instances when the asset may be sold below NAV, or if there are significant restrictions in the liquidation of an investment held at NAV. This revision and its adoption did not have any material impact on FIE's statutory financial statements.

3. BUSINESS COMBINATIONS AND GOODWILL

A. Statutory Purchase Method

Not applicable.

B. Statutory Merger

Not applicable.

C. Impairment Loss

Not applicable.

4. DISCONTINUED OPERATIONS

Not applicable.

5. INVESTMENTS

A. Mortgage Loans, including Mezzanine Real Estate Loans

Not applicable.

B. Debt Restructuring

Not applicable.

C. Reverse Mortgages

Not applicable.

D. Loan-Backed Securities

- (1) Prepayment assumptions were obtained from an external securities information service and are consistent with the current interest rate and economic environment.
- (2) Not applicable.
- (3) All loan backed other-than-temporary impairment securities were classified as such based on the fact that the present value of cash flows expected to be collected is less than the amortized cost basis of the security. See aggregate totals below.

| CUSIP | Book/Adj Carry Value Amortized Cost Before Current Period OTTI | Present Value of Projected Cash Flows | Recognized Other-Than- Temporary Impairment | Amortized cost After Other-Than- Temporary Impairment | Fair Value |
|---|--|---|--|--|------------------------|
| 12668AJB2 32051GZU2 | \$ 33,531 \$ 60,464 | \$ 33,057 \$ 49,337 | \$ (474) \$ (11,127) | \$ 33,057 \$ 49,337 | \$ 32,559 \$ 51,966 |
| Total Impaired in Quarter 2 2018 | \$ 93,995 | \$ 82,394 | \$ (11,602) | \$ 82,394 | \$ 84,526 |

NOTES TO FINANCIAL STATEMENTS

(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 | (\$50,543) |
| | 2. 12 months or Longer | (\$707,462) |
| b. The aggregate related fair value of securities with unrealized losses: | | |
| | 1. Less than 12 months | \$3,474,897 |
| | 2. 12 months or Longer | \$18,250,444 |

(5) All loan-backed and structured securities were reviewed to determine if there were any indications of potential other-than-temporary impairment. If any indication of other-than-temporary impairment existed, then a cash flow and credit support analysis were performed. If it was determined that the company was to receive less than 100% contractual cash flows, an other-than-temporary impairment was measured and taken in accordance with SSAP No. 43R.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

Not applicable.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

(1-11) Not Applicable.

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

(1-10) Not Applicable.

H. Repurchase Agreements Transactions Accounted for as a Sale

(1-9) Not Applicable.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

(1-8) Not Applicable.

J. Real Estate

Not applicable.

K. Low-Income Housing Tax Credits (LIHTC)

(1-7) None.

L. Restricted Assets

(1) Restricted Assets (Including Pledged)

NOTES TO FINANCIAL STATEMENTS

| Restricted Asset Category | Gross (Admitted & Nonadmitted) Restricted | | | | | Current Year | | | | | |
|--|---|--|--|---|---------|-----------------------|-------------------|------------------------------|---------------------------|--|--|
| | Current Year | | | | | 6 | 7 | 8 | 9 | Current Year | |
| | 1 | 2 | 3 | 4 | 5 | | | | | Percentage | |
| | Total General Account (G/A) | G/A Supporting Protected Cell Account Activity | Total Protected Cell Account Restricted Assets | Protected Cell Account Assets Supporting G/A Activity | Total | Total From Prior Year | Increase/Decrease | Total Nonadmitted Restricted | Total Admitted Restricted | Gross (Admitted & Nonadmitted) Restricted to Total Asset | Admitted Restricted to Total Admitted Assets |
| a. Subject to contractual obligation for which liability is not shown | | | | | | | | | | | |
| b. Collateral held under security lending agreements | | | | | | | | | | | |
| 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 | | | | | | | | | | | |
| j. On deposit with states | 636,157 | - | - | - | 636,157 | 638,634 | (2,477) | - | 636,157 | 0.24% | 0.24% |
| k. On deposit with other regulatory bodies | | | | | | | | | | | |
| l. Pledged as collateral to FHLB (including assets backing funding agreements) | | | | | | | | | | | |
| m. Pledged as collateral not captured in other categories | | | | | | | | | | | |
| n. Other restricted assets | | | | | | | | | | | |
| o. Total Restricted Assets | 636,157 | - | - | - | 636,157 | 638,634 | (2,477) | - | 636,157 | 0.24% | 0.24% |

(2) Details of Assets Pledged as Collateral Not Captured in Other Categories

None.

(3) Detail of Other Restricted Assets

None.

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

None.

M. Working Capital Finance Investments

Not Applicable.

N. Offsetting and Netting of Assets and Liabilities

Not Applicable.

O. Structured Notes

Not Applicable.

P. 5GI Securities

None.

Q. Short Sales

(1-2) None.

R. Prepayment Penalty and Acceleration Fees

None.

6. JOINT VENTURES, PARTNERSHIPS, AND LIMITED LIABILITY COMPANIES

A. Not applicable.

B. Not applicable.

7. INVESTMENT INCOME

A. Investment income due and accrued with amounts over 90 days past due is non-admitted.

NOTES TO FINANCIAL STATEMENTS

B. The Company had no investment income due and accrued excluded from surplus at both December 31, 2018 and 2017.

8. DERIVATIVE INSTRUMENTS

- A. Not Applicable.
- B. Not Applicable.
- C. Not Applicable.
- D. Not Applicable.
- E. Not Applicable.
- F. Not Applicable.
- G. Not Applicable.
- H. Not Applicable.

9. INCOME TAXES

A. Deferred Tax Asset/ (Liability)

1. The components of the net deferred tax assets/(liability) at December 31 are as follows:

| | 12/31/2018 | | | 12/31/2017 | | |
|--|-----------------|----------------|---------------------------|-----------------|----------------|---------------------------|
| | (1) Ordinary | (2) Capital | (3) (Col 1+2) Total | (4) Ordinary | (5) Capital | (6) (Col 4+5) Total |
| (a) Gross Deferred Tax Assets | \$ 4,503,579 | \$ 4,480 | \$ 4,508,059 | \$ 4,195,827 | \$ 40,572 | \$ 4,236,399 |
| (b) Statutory Valuation Allowance Adjustments | - | - | - | - | - | - |
| (c) Adjusted Gross Deferred Tax Assets (1a - 1b) | 4,503,579 | 4,480 | 4,508,059 | 4,195,827 | 40,572 | 4,236,399 |
| (d) Deferred Tax Assets Nonadmitted | 160,951 | - | 160,951 | 482,525 | - | 482,525 |
| (e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d) | 4,342,628 | 4,480 | 4,347,108 | 3,713,302 | 40,572 | 3,753,874 |
| (f) Deferred Tax Liabilities | 362,762 | 95,248 | 458,010 | 18,771 | 79,308 | 98,079 |
| (g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f) | \$ 3,979,866 | \$ (90,768) | \$ 3,889,098 | \$ 3,694,531 | \$ (38,736) | \$ 3,655,795 |

| Change | | |
|------------------------------|-----------------------------|---------------------------|
| (7) (Col 1-4) Ordinary | (8) (Col 2-5) Capital | (9) (Col 7+8) Total |

| | | | |
|--|------------|-------------|------------|
| (a) Gross Deferred Tax Assets | \$ 307,752 | \$ (36,092) | \$ 271,660 |
| (b) Statutory Valuation Allowance Adjustments | - | - | - |
| (c) Adjusted Gross Deferred Tax Assets (1a - 1b) | 307,752 | (36,092) | 271,660 |
| (d) Deferred Tax Assets Nonadmitted | (321,574) | - | (321,574) |
| (e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d) | 629,326 | (36,092) | 593,234 |
| (f) Deferred Tax Liabilities | 343,991 | 15,940 | 359,931 |
| (g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f) | \$ 285,335 | \$ (52,032) | \$ 233,303 |

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.

NOTES TO FINANCIAL STATEMENTS

2.

| 12/31/2018 | | | 12/31/2017 | | |
|-----------------|----------------|---------------------------|-----------------|----------------|---------------------------|
| (1) Ordinary | (2) Capital | (3) (Col 1+2) Total | (4) Ordinary | (5) Capital | (6) (Col 4+5) Total |

Admission Calculation Components SSAP No. 101

| | | | | | | |
|--|--------------|----------|--------------|--------------|-----------|--------------|
| (a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks. | \$ 888,045 | \$ 4,480 | \$ 892,525 | \$ 311,641 | \$ 6,808 | \$ 318,449 |
| (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) | 2,996,573 | - | 2,996,573 | 3,303,583 | 33,764 | 3,337,347 |
| 1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date. | 2,996,573 | - | 2,996,573 | 3,303,583 | 33,764 | 3,337,347 |
| 2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold. | --- | --- | 15,126,025 | --- | --- | 14,726,867 |
| (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 | 458,010 | - | 458,010 | 98,078 | - | 98,078 |
| (d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c)) | \$ 4,342,628 | \$ 4,480 | \$ 4,347,108 | \$ 3,713,302 | \$ 40,572 | \$ 3,753,874 |

| Change | | |
|------------------------------|-----------------------------|---------------------------|
| (7) (Col 1-4) Ordinary | (8) (Col 2-5) Capital | (9) (Col 7+8) Total |

Admission Calculation Components SSAP No. 101

| | | | |
|--|------------|-------------|------------|
| (a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks. | \$ 576,404 | \$ (2,328) | \$ 574,076 |
| (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) | (307,010) | (33,764) | (340,774) |
| 1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date. | (307,010) | (33,764) | (340,774) |
| 2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold. | --- | --- | 399,158 |
| (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 | 359,932 | - | 359,932 |
| (d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c)) | \$ 629,326 | \$ (36,092) | \$ 593,234 |

NOTES TO FINANCIAL STATEMENTS

3.

| | 2018 | 2017 |
|--|------|------|
|--|------|------|

| | | |
|--|----------------|---------------|
| (a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount | 926% | 838% |
| (b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above | \$ 100,772,279 | \$ 97,319,130 |

4.

| | 12/31/2018 | | 12/31/2017 | | Change | |
|--|-----------------|----------------|-----------------|----------------|------------------------------|-----------------------------|
| | (1) Ordinary | (2) Capital | (3) Ordinary | (4) Capital | (5) (Col 1-3) Ordinary | (6) (Col 2-4) Capital |

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

| | | | | | | |
|--|--------------|----------|--------------|-----------|------------|-------------|
| 1. Adjusted Gross DTAs Amount From Note 9A1(c) | \$ 4,503,579 | \$ 4,480 | \$ 4,195,827 | \$ 40,572 | \$ 307,752 | \$ (36,092) |
| 2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e) | \$ 4,342,628 | \$ 4,480 | \$ 3,713,302 | \$ 40,572 | \$ 629,326 | \$ (36,092) |
| 4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

(b) Does the company's tax-planning strategies include the use of reinsurance? Yes [] No [X]

B. Deferred Tax Liabilities Not Recognized

The Company is currently recognizing all deferred tax liabilities.

C. Current and Deferred Income Taxes

Current income taxes incurred consist of the following major components:

| (1) | (2) | (3) (Col 1-2) Change |
|------------|------------|----------------------------|
| 12/31/2018 | 12/31/2017 | |

| | | |
|--|------------|-------------|
| 1. Current income tax | | |
| (a) Federal | \$ 489,011 | \$ (92,464) |
| (b) Foreign | - | - |
| (c) Subtotal | 489,011 | (92,464) |
| (d) Federal income tax on net capital gains | (102,148) | (2,497) |
| (e) Utilization of capital loss carry-forwards | - | - |
| (f) Attorney-in-fact credit | - | - |
| (g) Other Tax Credits | - | - |
| (h) Federal and foreign income taxes incurred | \$ 386,863 | \$ (94,961) |
| | | |
| | | |

NOTES TO FINANCIAL STATEMENTS

2. Deferred Tax Assets:

(a) Ordinary

| | | | |
|---|------------------|------------------|----------------|
| (1) Discounting of unpaid losses | \$ 1,063,229 | \$ 755,590 | \$ 307,639 |
| (2) Unearned premium reserve | 2,429,380 | 2,378,173 | 51,207 |
| (3) Policyholder reserves | - | - | - |
| (4) Investments | 68,939 | 52,357 | 16,582 |
| (5) Deferred acquisition costs | - | - | - |
| (6) Policyholder dividends accrual | - | - | - |
| (7) Fixed assets | - | - | - |
| (8) Compensation and benefit accrual | 99,621 | 133,374 | (33,753) |
| (9) Pension accrual | 421 | - | 421 |
| (10) Receivables - nonadmitted | 123,898 | 144,200 | (20,302) |
| (11) Net Operating Loss Carryover | - | - | - |
| (12) Tax credit carry-forward | - | - | - |
| (13) Other (including items <5% of total ordinary tax assets) | 50,210 | 28,110 | 22,100 |
| (14) Other assets - non admitted | - | - | - |
| (15) Intangible Assets | - | - | - |
| (16) Accrued expenses | 254,319 | 243,442 | 10,877 |
| (17) Post retirement accrual | 320,763 | 336,933 | (16,170) |
| (18) Guarantee Fund Asset (Receivable) | - | - | - |
| (19) Guarantee Fund Assessment | - | - | - |
| (20) Litigation Accrual | 92,799 | 123,648 | (30,849) |
| (99) Subtotal | <u>4,503,579</u> | <u>4,195,827</u> | <u>307,752</u> |

(b) Statutory valuation allowance adjustment

| | | | |
|-----------------|----------------|----------------|------------------|
| (c) Nonadmitted | <u>160,951</u> | <u>482,525</u> | <u>(321,574)</u> |
|-----------------|----------------|----------------|------------------|

(d) Admitted ordinary deferred tax assets (2a99-2b-2c)

| | | | |
|--|---------------------|---------------------|-------------------|
| | <u>\$ 4,342,628</u> | <u>\$ 3,713,302</u> | <u>\$ 629,326</u> |
|--|---------------------|---------------------|-------------------|

(e) Capital:

| | | | |
|---|--------------|---------------|-----------------|
| (1) Investments | \$ - | \$ 2,199 | \$ (2,199) |
| (2) Net capital loss carry-forward | - | - | - |
| (3) Real estate | - | - | - |
| (4) Other (including items <5% of total capital tax assets) | - | - | - |
| (5) Investment write downs | 4,480 | 38,373 | (33,893) |
| (99) Subtotal | <u>4,480</u> | <u>40,572</u> | <u>(36,092)</u> |

(f) Statutory valuation allowance adjustment

| | | | |
|-----------------|----------|----------|----------|
| (g) Nonadmitted | <u>-</u> | <u>-</u> | <u>-</u> |
|-----------------|----------|----------|----------|

(h) Admitted capital deferred tax assets (2e99-2f-2g)

| | | | |
|--|--------------|---------------|-----------------|
| | <u>4,480</u> | <u>40,572</u> | <u>(36,092)</u> |
|--|--------------|---------------|-----------------|

(i) Admitted deferred tax assets (2d+2h)

| | | | |
|--|---------------------|---------------------|-------------------|
| | <u>\$ 4,347,108</u> | <u>\$ 3,753,874</u> | <u>\$ 593,234</u> |
|--|---------------------|---------------------|-------------------|

NOTES TO FINANCIAL STATEMENTS

| (1) 12/31/2018 | (2) 12/31/2017 | (3) (Col 1-2) Change |
|-------------------|-------------------|----------------------------|
|-------------------|-------------------|----------------------------|

3. Deferred tax liabilities:

(a) Ordinary

| | | | |
|---|-------------------|------------------|-------------------|
| (1) Investments | \$ - | \$ - | \$ - |
| (2) Fixed assets | - - | - - | - - |
| (3) Deferred and uncollected premium | - - | - - | - - |
| (4) Policyholder reserves | - - | - - | - - |
| (5) Other (including items <5% of total ordinary tax liabilities) | 19,013 | 18,380 | 633 |
| (6) Pension liabilities | - 391 | 391 | (391) |
| (7) BOLI / ICOLI | - - | - - | - - |
| (8) Guaranty Funds Receivable | - - | - - | - - |
| (10) Discounting of unpaid losses - Transition Adj. | 343,749 | - - | 343,749 |
| (99) Subtotal | \$ 362,762 | \$ 18,771 | \$ 343,991 |

(b) Capital:

| | | | |
|--|------------------|------------------|------------------|
| (1) Investments | \$ 95,248 | \$ 79,308 | \$ 15,940 |
| (2) Real estate | - - | - - | - - |
| (3) Other (including items <5% of total capital tax liabilities) | - - | - - | - - |
| (99) Subtotal | \$ 95,248 | \$ 79,308 | \$ 15,940 |

(c) Deferred tax liabilities (3a99 + 3b99)

4. Net deferred tax assets/liabilities (2i - 3c)

| (1) 12/31/2018 | (2) 12/31/2017 | (3) (Col 1-2) Change |
|--|-------------------|----------------------------|
| Adjusted gross deferred tax assets | \$ 4,508,059 | \$ 4,236,399 |
| Total deferred tax liabilities | 458,010 | 98,079 |
| Net deferred tax asset | 4,050,049 | 4,138,320 |
| Tax effect of unrealized (gains) losses | | (88,271) |
| Change in net deferred income tax (charge)/benefit | | (2,199) |
| | | \$ (86,072) |

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

Among the more significant book to tax adjustments were the following:

| (1) 12/31/2018 | Effective Tax Rate |
|---|--------------------------|
| Provision computed at statutory rate | \$ 782,725 21.00% |
| Tax-exempt interest | (243,996) (6.55%) |
| Dividend received deduction | - 0.00% |
| 25% exemption adjustment | 60,999 1.64% |
| Unallowable deductions | 27,086 0.73% |
| BOLI /ICOLI | 7,394 0.20% |
| Tax credits | - 0.00% |
| Net Interest Receivable | - 0.00% |
| Prior year under/(over) accrual of income taxes | (181,575) (4.87%) |
| Change in nonadmitted assets | 20,302 0.54% |
| Other | 0 0.00% |
| Total | \$ 472,935 12.69% |
| Federal income tax incurred/(benefit) | \$ 489,011 13.12% |
| Tax on capital gains/(losses) | (102,148) (2.74%) |
| Less: Change in net deferred income tax | 86,072 2.31% |
| Total statutory income taxes | \$ 472,935 12.69% |

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.

NOTES TO FINANCIAL STATEMENTS

E. Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits

- When available, the Company utilizes net operating loss carry forwards to offset taxable income under the terms of the tax sharing agreement. As of December 31, 2018, the Company did not have any net operating loss carry forwards. Certain net operating loss carry forwards, as well as tax goodwill amortization, are subject to an annual limitation under Internal Revenue Code section 382.

2. The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses as of December 31, 2018 and December 31, 2017 :

| | <u>Amount</u> |
|----------------------|---------------|
| Current year | \$ 885,717 |
| First preceding year | - |

F. Consolidated Federal Income Tax Return

1. The Company's federal income tax return is consolidated with the following entities, with Farmers Insurance Exchange as the parent company.

| | |
|---|---|
| Farmers Insurance Exchange | Hawaii Insurance Consultants Ltd. |
| American Pacific Insurance Company, Inc. | Mid-Century Insurance Company |
| Bristol West Casualty Insurance Company | Mid-Century Insurance Company of Texas |
| Bristol West Holdings, Inc. | Illinois Farmers Insurance Company |
| Bristol West Insurance Company | Security National Insurance Company |
| Bristol West Insurance Services of California, Inc. | Texas Farmers Insurance Company |
| Bristol West Insurance Services, Inc. of Florida | Western Star Insurance Services, Inc. |
| Bristol West Preferred Insurance Company | 21st Century Advantage Insurance Company |
| BWIS of Nevada, Inc. | 21st Century Assurance Company |
| Coast National General Agency, Inc. | 21st Century Auto Insurance Company of New Jersey |
| Coast National Holding Company | 21st Century Casualty Company |
| Coast National Insurance Company | 21st Century Centennial Insurance Company |
| Farmers Insurance Company of Idaho | 21st Century Indemnity Insurance Company |
| Farmers Insurance Company of Oregon | 21st Century Insurance & Financial Services |
| Farmers Insurance Company, Inc. | 21st Century Insurance Company |
| Farmers Insurance Hawaii, Inc. | 21st Century Insurance Company of the Southwest |
| Farmers Insurance of Columbus, Inc | 21st Century Insurance Group |
| Farmers New Century Insurance Company | 21st Century National Insurance Company |
| Farmers Specialty Insurance Company | 21st Century North America Insurance Company |
| Kraft Lake Insurance Agency Inc. | 21st Century Pacific Insurance Company |
| Foremost Express Insurance Agency, Inc. | 21st Century Pinnacle Insurance Company |
| Foremost Financial Services Corporation | 21st Century Preferred Insurance Company |
| Foremost Insurance Company Grand Rapids, Michigan | 21st Century Premier Insurance Company |
| Foremost Lloyds of Texas | 21st Century Security Insurance Company |
| Foremost Property and Casualty Insurance Company | 21st Century Superior Insurance Company |
| Foremost Signature Insurance Company | 50th State Risk Management Services, Inc. |

2. Farmers Insurance Exchange ("FIE") and its eligible affiliates have executed a tax-sharing agreement whereby FIE receives from its affiliates the tax they would pay if they had filed separate returns and pays to the affiliates amounts for any tax benefits reported. Any expense or benefit so derived is recognized in the respective affiliate's current year tax provision. Intercompany tax balances are settled monthly based on estimates with the final settlement made annually within 30 days after the return has been filed.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

Other.

Tax Cuts and Jobs Act

The Tax Cuts and Jobs Act (H.R.1) was enacted into law on December 22, 2017. The Act changes existing United States tax law and includes numerous provisions affecting businesses, including reducing the federal corporate tax rate from 35% to 21% and several base-broadening provisions. The Company re-valued the deferred tax assets and liabilities in the December 31, 2017 financial statements, but was awaiting additional guidance and information to determine the transition adjustment on the tax basis discounted unpaid loss reserves.

The NAIC issued INT 18-01: Updated Tax Estimates under the Tax Cuts and Jobs Act to address the application of statutory accounting principles when a reporting entity does not have the necessary information available, prepared, or analyzed (including computations) in reasonable detail to complete the accounting for certain income tax effects of the Act and provided that any subsequent adjustment to these amounts will be recorded in the period when the information necessary to update the estimate becomes available.

In the 2018 financial statements, the Company provisioned for the federal corporate tax rate reduction and the tax effect on the base-broadening provisions. Additionally, the Company refined the tax impact resulting from the Tax Cuts and Jobs Act, including the transition adjustment for the tax basis discounted unpaid loss reserves.

The tax effect of the transition adjustment is \$0.4 million and the adjustment will be taken into taxable income for tax years 2018-2025. The transition adjustment increased the net admitted deferred tax assets by \$0.3 million as of December 31, 2018.

NOTES TO FINANCIAL STATEMENTS

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES, AND OTHER RELATED PARTIES

A.B.C. The Company had no material related party transactions during 2018 and 2017 that would require disclosure.

D. At December 31, 2018 and 2017, the Company reported \$0.9 million and \$0.3 million due to affiliates, respectively. The terms of settlement require that these amounts be settled within 45 days.

E. There are no guarantees or undertakings, written or otherwise, for the benefit of an affiliate (see Note 14A).

F. Certain members of the Farmers Property and Casualty Companies (collectively, "Farmers") participate in an intercompany reinsurance agreement in which they share in the net premiums and ultimate losses of affiliates. With FIE as the lead company, Farmers' companies, except Farmers Reinsurance Company, and 21st affiliates (effective July 1, 2009), cede all of their direct and assumed personal business and business insurance to FIE, which then retrocedes a share of the business back to the participants according to their respective participation percentages (see Note 26). For the year ended December 31, 2018, the Company assumed \$138.4 million in net premiums written, \$137.3 million in net premiums earned, and \$79.8 million in net losses incurred, as result of its participation in the intercompany reinsurance agreement.

FIE has a service agreement with the Company. Under the terms of this agreement, FIE provides various services to the Company as are necessary and appropriate for the Company to discharge its obligations to its policyholders, shareholders and regulators. This agreement broadly encompasses, claims adjustment services, investment management services, preparation of insurance policies, billing and collections, and other administrative services.

G. At December 31, 2018 and 2017, all outstanding shares of the Company were owned by FIE.

The Company is one of the Farmers' companies, which is comprised of Farmers Insurance Exchange, Fire Insurance Exchange, Truck Insurance Exchange, Mid-Century Insurance Company, Farmers New Century Insurance Company, Mid-Century Insurance Company of Texas, Texas Farmers Insurance Company, Illinois Farmers Insurance Company, Farmers Insurance Company, Inc., Farmers Insurance Company of Arizona, Farmers Insurance Company of Idaho, Farmers Insurance Company of Oregon, Farmers Insurance Company of Washington, Farmers Insurance of Columbus, Inc., Civic Property and Casualty Company, Exact Property and Casualty Company, Neighborhood Spirit Property and Casualty Company, Farmers Texas County Mutual Insurance Company, Farmers Reinsurance Company, Foremost Insurance Company Grand Rapids, Michigan, Foremost Property and Casualty Insurance Company, Farmers Specialty Insurance Company, Foremost Signature Insurance Company, Foremost County Mutual Insurance Company, Foremost Lloyds of Texas, Bristol West Casualty Insurance Company, Bristol West Insurance Company, Bristol West Preferred Insurance Company, Coast National Insurance Company, and Security National Insurance Company. Others are: 21st Century North America Insurance Company, 21st Century Centennial Insurance Company, 21st Century Premier Insurance Company, Farmers Insurance Hawaii, Inc., 21st Century Superior Insurance Company, 21st Century Advantage Insurance Company, 21st Century Preferred Insurance Company, 21st Century Pinnacle Insurance Company, 21st Century Indemnity Insurance Company, 21st Century Auto Insurance Company of New Jersey, American Pacific Insurance Company, Inc., 21st Century Pacific Insurance Company, 21st Century Assurance Company, 21st Century Insurance Company, 21st Century Casualty Company, and 21st Century Insurance Company of the Southwest. For more details on ownership, see Schedule Y.

H. The Company does not own shares of an upstream intermediate or ultimate parent, which are applicable under Section 4(B)(b)(x) of the NAIC Valuation of Securities manual.

I. The Company had no investments in an individual Subsidiary, Controlled, or Affiliated entity ("SCA") that exceeded 10% of its admitted assets at both December 31, 2018 and 2017.

J. The Company did not recognize any impairment write down on investments in SCA's during the years ended December 31, 2018 and 2017.

K. The Company does not have any investments in foreign insurance companies.

L. The Company does not hold any investments in downstream noninsurance holding companies.

M. The Company has no investments in downstream non-insurance holding company that are valued using the look-through method.

N. Not applicable as the Company does not have any SCA's.

O. Not applicable.

11. DEBT

Not applicable.

NOTES TO FINANCIAL STATEMENTS

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

A. Defined Benefit Plans

Postretirement Benefits

The Company and certain members of Farmers provide certain postretirement benefits to retired employees. For retirees who retired before January 1, 2010, the Company's postretirement benefits plan provides a contributory defined dollar plan for pre-65 benefit and Premium Reimbursement Account ("PRA") for post-65 benefit. Participants retiring on or after January 1, 2010 are eligible to participate in the Health Retirement Account ("HRA") and the PRA. Under current plan provisions, health benefits are available for all employees who participated in the Company's group medical benefits plan immediately prior to retirement at age 55 or later with at least 5 years of service. The Company contributes to the plan only for those who retire with at least 10 years of service. The PRA is not available to those hired after December 31, 2010. Similar to pension obligations, the cost of such benefits is accrued over the service period of the employees based on the actuarially determined cost for the period. Employees who retired before January 1, 2010 are also eligible for a life insurance benefit. Obligations for the postretirement benefits plan are paid from Company assets. There were no assets separated and allocated to this plan.

A summary of assets, obligations and assumptions of the Postretirement Benefit Plans are as follows at December 31, 2018 and 2017:

(1) Change in benefit obligation

a. Pension Benefits

None.

b. Postretirement Benefits

| | | Underfunded | |
|----|---|--------------|-------------|
| | | 2018 | 2017 |
| 1 | Benefit obligation at beginning of year | 160,444,063 | 145,386,025 |
| | Adoption of SSAP #92 for 2013 | | |
| 2 | Service cost | 8,312,626 | 7,910,436 |
| 3 | Interest cost | 5,156,422 | 4,959,246 |
| 4 | Contribution by plan participants | 973,581 | 887,780 |
| 5 | Actuarial (gain) /loss | (17,270,754) | 8,848,781 |
| 6 | Foreign currency exchange rate changes | | |
| 7 | Benefits paid | (4,871,750) | (7,548,205) |
| 8 | Plan amendments | | |
| 9 | Business combinations, divestitures, curtailments, settlements and special termination benefits | | |
| 10 | Benefit obligation at end of year | 152,744,188 | 160,444,063 |

c. Postemployment & Compensated Absence Benefits

None

(2) Change in plan assets

| | | Postretirement Benefits | |
|----|---|----------------------------|-------------|
| | | 2018 | 2017 |
| a. | Fair value of plan assets at beginning of year | - | - |
| b. | Actual return on plan assets | - | - |
| c. | Foreign currency exchange rate changes | - | - |
| d. | Reporting entity Employer contribution | 3,898,169 | 6,660,425 |
| e. | Plan participants' contributions | 973,581 | 887,780 |
| f. | Benefits paid | (4,871,750) | (7,548,205) |
| g. | Business combinations, divestitures and settlements | - | - |
| h. | Fair value of plan assets at end of year | - | - |

NOTES TO FINANCIAL STATEMENTS

(3) Funded Status

| | Postretirement Benefits | |
|--------------------------------------|----------------------------|---------------|
| | 2018 | 2017 |
| a. Components: | | |
| 1. Prepaid benefit costs | - | - |
| 2. Overfunded plan assets | - | - |
| 3. Accrued benefit costs | (152,744,188) | (160,444,063) |
| 4. Liability for pension benefits | - | - |
| b. Assets and liabilities recognized | | |
| 1. Assets (nonadmitted) | - | - |
| 2. Liabilities recognized | (152,744,188) | (160,444,063) |
| c. Unrecognized liabilities | - | - |

(4) Components of net periodic cost

| | Postretirement Benefits | |
|---|----------------------------|------------|
| | 2018 | 2017 |
| a. Service cost | 8,312,626 | 7,910,436 |
| b. Interest cost | 5,156,422 | 4,959,246 |
| c. Expected return on plan assets | | |
| d. Transition asset or obligation | | |
| e. Gains and losses | | (620,871) |
| f. Prior service cost or credit | 4,216,332 | 4,216,332 |
| g. Gain or loss recognized due to a settlement or curtailment | - | - |
| h. Total net periodic benefit cost | 17,685,380 | 16,465,143 |

(5) Other amounts recognized in unassigned funds/(surplus).

| | Postretirement Benefits | |
|---|----------------------------|-------------|
| | 2018 | 2017 |
| a. Items not yet recognized as a component of net periodic cost – prior year | (3,936,629) | (9,189,949) |
| b. Net transition asset or obligation recognized | | |
| c. Net prior service cost or credit arising during the period | | |
| d. Net prior service cost or credit recognized | (4,216,332) | (4,216,332) |
| e. Net gain and loss arising during the period | | 620,871 |
| f. Net gain and loss recognized | (17,270,754) | 8,848,781 |
| g. Items not yet recognized as a component of net periodic cost – current year | (25,423,715) | (3,936,629) |

(6) Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit cost.

| | Postretirement Benefits | |
|---------------------------------------|----------------------------|-----------|
| | 2018 | 2017 |
| a. Net transition asset or obligation | - | - |
| b. Net prior service cost or credit | 4,007,086 | 4,216,332 |
| c. Net recognized gains and losses | (988,410) | - |

(7) Amounts not yet recognized in net periodic benefit cost.

| | Postretirement Benefits | |
|---------------------------------------|----------------------------|--------------|
| | 2018 | 2017 |
| a. Net transition asset or obligation | | - |
| b. Net prior service cost or credit | 1,987,385 | 6,203,717 |
| c. Net recognized gains and losses | (27,411,100) | (10,140,346) |

NOTES TO FINANCIAL STATEMENTS

(8) Weighted-average assumptions used to determine net periodic benefit cost as of Dec. 31

| | 2018 | 2017 |
|---|-------|-------|
| a. Weighted-average discount rate | 3.50% | 3.91% |
| b. Expected long-term rate of return on plan assets | N/A | N/A |
| c. Rate of compensation increase | N/A | N/A |

Weighted-average assumptions used to determine projected benefit obligations as of Dec. 31:

| | 2018 | 2017 |
|-----------------------------------|-------|-------|
| d. Weighted-average discount rate | 4.16% | 3.50% |
| e. Rate of compensation increase | N/A | N/A |

(9) The amount of the accumulated benefit obligation for postretirement benefit plans under statutory accounting was \$ 152.7 million for the current year and \$160.4 million for the prior year.

(10) In 2018 and 2017 there were no material changes to Farmers' companies Postretirement Welfare Plan. Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plan. The health care cost trend rate for participants who retired before January 1, 1991 was 6.75% during 2018, graded down to 5.0% in 2026.

(11) Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plan. A one point change in assumed health care cost trend rates would have the following effects:

| | 1% Increase | 1% Decrease |
|--|----------------|----------------|
| a. Effect on total of service and interest cost components | 4,088 | (7,889) |
| b. Effect on postretirement benefit obligation | 325,598 | (392,317) |

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

| | Year(s) | Amount |
|----|-------------|--------------|
| a. | 2019 | \$ 7,811,282 |
| b. | 2020 | 9,049,577 |
| c. | 2021 | 10,310,134 |
| d. | 2022 | 10,942,370 |
| e. | 2023 | 11,578,247 |
| f. | 2024 - 2028 | 65,395,400 |

(13) Farmers companies currently plans to make contributions to the postretirement benefits plan of \$7.8 million in 2019. The Company's share of this postretirement benefit contribution is \$78,000.

Farmers' companies total benefit obligation under statutory accounting at the end of 2018 and 2017 was \$152.7 million and \$160.4 million, respectively. The Company's share of this postretirement benefit obligation was \$1.5 million and \$1.6 million at December 31, 2018 and 2017, respectively. The total funded status for Farmers' companies was (\$152.7) million and (\$160.4) million, respectively. The Company's share was (\$1.5) million and (\$1.6) million at December 31, 2018 and 2017, respectively.

B. Description of Investment Policies

Not applicable.

C. Fair Value of Plan Assets

Not applicable.

D. Rate of Return Assumptions

Not applicable

E. Defined Contribution Plans

Not applicable.

NOTES TO FINANCIAL STATEMENTS

F. Multi-employer Plans

Not applicable.

G. Consolidated/Holding Company Plans

Pension Plan

FIE and certain members of Farmers participate in noncontributory defined benefit pension plans (the qualified Employees' Pension Plan and the non-qualified Employee Benefits Restoration Plan ("EBRP")), all sponsored by Farmers Group, Inc. ("FGI"). As a result, Farmers has no legal obligation for benefits under these Plans.

The Employees' Pension Plan covers substantially all employees of FGI, Farmers Services, LLC ("FS") and the Farmers Exchanges. Prior to January 1, 2009, the plan provided defined benefits based on years of service and the employee's compensation during the last five years of employment. In April 2008, the plan was amended to include cash balance provisions for certain employees, whereas the benefits for the balance of the employees were unchanged. The employees covered under the cash balance provisions are those who, as of December 31, 2008, were non-vested in their pension benefits, those who were under age 40 with less than 10 years of service and those employees hired on or after January 1, 2009. Farmers Group, Inc. Employees' Pension Plan was amended on June 23, 2015 to provide a temporary distribution option for vested terminated participants who were already in pay status in the plan. Eligible participants were notified in July 2015 and were extended the option to receive his or her benefits in the form of a lump-sum payment, a single life annuity, a 50% qualified joint and survivor annuity or a 75% qualified joint and survivor annuity. Lump-sum payments were made as soon as reasonably practicable on or after October 1, 2015 to participants who elected the lump sum payment under the Farmers Pension Payment Offer. The Pension Plan was comprehensively amended and restated in November 2015. The restatement included additional plan distribution options for participants who experience a termination of employment on or after December 31, 2015. Such individuals may elect within 180 days of the participant's termination of employment or at any time after the participant's attaining his or her Early Retirement Date or Normal Retirement Date elect to have his benefit paid in a single lump sum. Additionally, participants who experience a termination of employment on or after December 31, 2015 will have the opportunity to elect to have the actuarial equivalent of such participant's vested benefit at his or her Normal Retirement or Early Retirement Date, if greater, paid to him or her in the form of substantially equal installment payments over a 10-year certain term. On the making of such lump sum or final payment for the 10-year certain installments, neither the participant nor the participant's spouse or beneficiary shall have any further benefit under the Pension Plan.

The Pension Plan was amended on May 20, 2016 to provide a temporary early distribution option for vested terminated participants. Eligible participants were notified in June 2016 and were extended the option to receive his or her benefits in the form of a lump-sum payment, single life annuity, a 50% qualified joint and survivor annuity or a 75% qualified joint and survivor annuity. Lump-sum payments were made starting on August 9, 2016 to participants who elected the lump-sum payment under the Farmers Pension Payment Offer. The Pension Plan was amended on August 17, 2016, under which lump-sum payments may be made or the benefits liability may be increased. On October 20, 2016, FGI announced that all pension plan benefits will be frozen effective December 31, 2018. Participants will retain all accrued benefits, including any benefits accrued through December 31, 2018 and will earn only defined contribution retirement benefits starting January 1, 2019. The Pension Plan was amended on November 29, 2016, to remove FS as a participating employer of the Pension Plan effective January 1, 2017.

Farmers Group, Inc. Employees' Pension Plan and the EBRP were amended on October 6, 2016, to modify the provisions to provide for the cessation of benefit accruals in these Plans as of December 31, 2018. As part of this change, beginning January 1, 2019, Farmers will automatically contribute an additional 4% of eligible base pay to the employees' 401(k) Plan, regardless of the amount contributed by each employee to the 401(k). This new base contribution is in addition to the 6% company match now available.

FGI's funding policy for the Employees' Pension Plan is to contribute an amount at least equal to the minimum required contribution under ERISA/PPA. FGI's policy is to allocate to the Farmers Exchanges their share of the plan cost. The Farmers Exchanges have regularly contributed to the pension plan for their share of the pension cost and the Company expects future contributions to fully satisfy the Farmers Exchanges' portion of the pension liability.

For fiscal year 2018 and 2017 plan years, the minimum required pension contribution for FGI did not exceed the full funding limitation under the Internal Revenue Code. As a result, for the year ended December 31, 2018, Farmers, FGI and its subsidiaries made total contributions to the Plans of \$441.3 million, of which \$113.3 million came from Farmers. In 2017, Farmers and FGI and its subsidiaries made total contributions to the Plans of \$225.0 million, of which \$108.4 million came from Farmers. The company's share of the contributions made in 2019 to the Employees' Pension Plan are currently expected to be \$0.7 million.

Assets of the Employees' Pension Plan are held by an independent trustee primarily in fixed maturity and equity investments. The principal liability is for annuity benefit payments of current and future retirees. Assets of the EBRP are considered FGI's corporate assets and are held in a grantor trust.

The Employee Benefits Restoration Plan provides supplemental retirement benefits for employees whose salary is in excess of the maximum recognizable pay under IRS code 401(a)(17) and excess maximum benefit limitation under IRS code 415. The company's share of the EBRP was \$4.0 thousand and \$4.1 thousand for the years ended December 2018 and 2017, respectively.

NOTES TO FINANCIAL STATEMENTS

Short Term Incentive Program

Effective January 1, 2009, FIE and certain of Farmers' companies, participate in a new Term Incentive Program ("STIP") and a 401(k) Savings Plan sponsored by FGI. These two plans replaced the previous Farmers P&C Companies' Deferred Profit Sharing and Cash Profit Sharing plans that were discontinued effective January 1, 2009. The STIP is a performance-based plan that provides employees an annual incentive pay based on the achievement of certain goals and individual employee performance. The Company's share of expense under this plan was \$1.1 million and \$1.1 million as of December 31, 2018 and 2017, respectively.

401(k) Savings Plan

Effective January 1, 2009, FIE and certain members of Farmers' companies, participate in a 401(k) Savings Program. Contributions are made by eligible employees up to the yearly maximums allowable as defined by the Internal Revenue Service. FIE and the Farmers companies match eligible employees' contributions up to 6.0% of earned base pay. All eligible employees are 100% vested in the 401(k) Savings Plan immediately. The Company's share of expense under this plan was \$0.4 million and \$0.4 million as of December 31, 2018 and 2017, respectively.

H. Postemployment Benefits and Compensated Absences

Compensated Absences

The Company does not accrue for compensated absences due to immateriality.

I. Impact of Medicare Modernization Act on Postretirement Benefits

Not applicable

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

- (1) The Company had 10,000 shares of \$100 par value common stock authorized, and 10,000 shares issued and outstanding at December 31, 2018 and 2017.
- (2) The Company has no preferred stock outstanding.
- (3) Dividends are to be paid only from "earned surplus", which is defined under Ohio law as "unassigned funds, as required to be reported in the insurer's annual statement." Dividends that can be paid in a year are equal to the greater of prior year net income or 10% of prior year surplus, limited to earned surplus, net of unrealized capital gains. At December 31, 2018, the Company could pay approximately \$10,097,493 in dividends without prior approval.
- (4) The Company did not declare nor pay any dividends during 2018 and 2017.
- (5) Within the limitations of (3) above, there are no restrictions placed on the portion of the Company's profits that may be paid as ordinary dividends to stockholders.
- (6) No restrictions have been placed on unassigned funds.
- (7) The Company does not have advances to surplus.
- (8) The Company does not hold stock for special purposes.
- (9) The Company does not have any special surplus funds balances.
- (10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and (losses) were \$0.0 thousand and (\$6.8) thousand at December 31, 2018 and 2017, respectively.
- (11) The Company has not issued any surplus notes.
- (12-13) The Company has not undergone any quasi-reorganizations.

14. LIABILITIES, CONTINGENCIES AND ASSESSMENTS

A. Contingent Commitments

Not applicable.

NOTES TO FINANCIAL STATEMENTS

B. Assessments

(1) The Company receives periodic assessments from certain states to reimburse policyholders and claimants of insolvent carriers. Depending on the guidelines established by each state, these assessments are expensed, recouped from policyholders, or utilized as credits against premium taxes. Premium tax credits are realized between 3 to 10 years depending on the guidelines established by each state.

The Company had no material guaranty fund assessment accrued in 2018 and 2017.

(2) Not applicable.

(3) Not applicable.

C. Gain Contingencies

None.

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Law Suits

The Company paid the following amounts during the reporting period in settlement of lawsuits alleging extra-contractual causes of action:

| | Direct |
|--|----------|
| Claims related ECO and bad faith losses paid | \$38,500 |

Number of lawsuits alleging extra-contractual causes of action during the reporting period:

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

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

(f) Per Claim

(g) Per Claimant

E. Product Warranties

None.

F. Joint and Several Liabilities

None.

G. All Other Contingencies

Litigation

Certain of the Farmers companies are defendants in certain lawsuits arising in the normal course of business, which are in various stages of development. Some of these matters seek punitive as well as compensatory damages. While it is not possible to predict the outcome of these matters with certainty, management believes that their ultimate disposition will not have a material effect on the Company's financial position or results of operations. In addition, certain of the Farmers companies are, from time to time, involved as parties in various governmental and administrative proceedings.

NOTES TO FINANCIAL STATEMENTS

California Earthquake Authority

Fire is a participant in the California Earthquake Authority (“CEA”) on behalf of the Farmers P&C Companies. The CEA was established by the California Legislature to provide earthquake insurance to the owners of residential property in the state of California. Insurers who elect to participate in the program are liable for a portion of aggregate losses up to \$1.7 billion, contingent on losses exceeding a specified limit. Effective March 15, 2018, the latest date for which information was available, the Farmers companies’ residential earthquake insurance market share was 13.77%, and its respective share of this contingent liability was \$228.0 million at December 31, 2018. In the case of a triggering event, and based on its intercompany reinsurance participation of 1.00%, the Company’s share of this contingent liability before external reinsurance would be \$2.3 million. As of December 31, 2018, a triggering event has not occurred, and, therefore, no provision has been made in the accompanying financial statements for any liability or loss that may result from a catastrophic earthquake event.

Revolving Credit Facility Framework Agreement

FIE and certain of the Farmers’ companies entered into a Revolving Credit Facility Framework Agreement for the purposes of eliminating the need to maintain large cash balances or unnecessarily liquidating investments during the monthly reinsurance cash settlement process among participating affiliates. The revolving credit framework allows participating affiliates to make short term loans to each other to cover debt arising from the monthly reinsurance settlement process. The loans, executed on an as-needed basis, mature in ninety (90) days and cannot exceed in the cumulative aggregate three percent (3%) of a borrower’s or lender’s admitted assets. Loans may be collateralized with a pledge of securities at lender’s option, and in any event, must be collateralized if the loan crosses from one calendar year into the next calendar year such that the loan is secured and perfected as of December 31 of the year the loan was made. Parties to the agreement will renegotiate the terms of the agreement at least once every three (3) years. The agreement has been non-disapproved by the California Department of Insurance as well as by the regulators of the domiciliary states of FIE affiliates outside of California. At December 31, 2018 there was no outstanding loan balance on this revolving credit facility.

15. LEASES

A. Lessee Operating Leases

Not applicable.

B. Lessor Leases

Not applicable.

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

Not applicable.

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

A. Transfers of Receivables Reported as Sales

Not applicable.

B. Transfer and Servicing of Financial Assets

Not applicable.

C. Wash Sales

The Company had no wash sale transactions in the periods presented that require disclosure.

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

A. ASO Plans

Not applicable.

B. ASC Plans

Not applicable.

NOTES TO FINANCIAL STATEMENTS

C. Medicare or Similarly Structured Cost Based Reimbursement Contract

Not applicable.

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

Not applicable.

20. FAIR VALUE MEASUREMENTS

A. Inputs Used For Assets Measured At Fair Value

1. Fair Value Measurements by Levels 1, 2 and 3

The Company has categorized its assets that are measured at fair value into the three-level fair value hierarchy as reflected in the table below.

Level 1 - are liquid investments traded in active markets and valued based on unadjusted quoted prices. Assets in this category are preferred and common stock securities.

Level 2 - The securities that fall into this category are bonds, preferred stocks, common stocks and call options which are not exchange traded. These securities are valued based upon models with observable inputs - for example market interest rates, credit spreads etc. They may have been determined by independent pricing services using observable inputs.

Level 3 - are investments valued based upon models with "significant" non-observable inputs (assumptions). Such assumptions can be about loss severities, prepayment speed, interest rate volatilities, earnings forecast, comparables sales etc.

None.

2. Rollforward of Level 3

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (12) |
|--|---------------------|------------------------|--------------------------|---|--|-----------|-----------|-------------|-------------|---------------------|
| | Balance at 01/01/18 | Transfers into Level 3 | Transfers out of Level 3 | Total Gains / (Losses) included in Net Income | Total Gains / (Losses) included in Surplus | Purchases | Issuances | Sales | Settlements | Balance at 12/31/18 |
| Residential mortgage backed securities | \$ 92,564 | \$ - | \$ (46,215) | \$ (12,228) | \$ 10,471 | \$ - | \$ - | \$ (44,592) | - | \$ - |
| Commercial mortgage backed securities | - | - | - | - | - | - | - | - | - | - |
| Asset backed securities | - | - | - | - | - | - | - | - | - | - |
| Other Bonds | - | - | - | - | - | - | - | - | - | - |
| Preferred Stock | - | - | - | - | - | - | - | - | - | - |
| Common Stock | - | - | - | - | - | - | - | - | - | - |
| Joint Venture Interest Other | - | - | - | - | - | - | - | - | - | - |
| Total | \$ 92,564 | \$ - | \$ (46,215) | \$ (12,228) | \$ 10,471 | \$ - | \$ - | \$ (44,592) | \$ - | \$ - |

3. Policy on Transfers In and Out of Level 3

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

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

None.

5. Derivative Fair Values

None.

B. Other Fair Value Disclosures

None.

NOTES TO FINANCIAL STATEMENTS

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

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

All Investment Assets at Fair Value as of December 31, 2018:

| Type of Financial Instrument | (1) Aggregate Fair Value | (2) Admitted Assets | (4) Level 1 | (5) Level 2 | (6) Level 3 | (7) Net Asset Value (NAV) | (8) Not Practicable (Carrying Value) |
|---|-----------------------------|------------------------|---------------------|-----------------------|----------------------|------------------------------|---|
| a. Assets At Fair Value | | | | | | | |
| Bonds | \$ 208,373,609 | \$ 209,227,348 | \$ - | \$ 197,450,036 | \$ 10,923,573 | \$ - | \$ - |
| Preferred Stock | - | - | - | - | - | - | - |
| Common Stock | - | - | - | - | - | - | - |
| Real Estate | - | - | - | - | - | - | - |
| Cash, Cash Equivalents and Short-Term Receivable for Securities | 15,729,248 | 15,729,248 | 4,846,670 | 10,882,578 | - | - | - |
| Derivative Instruments | - | - | - | - | - | - | - |
| Securities Lending | - | - | - | - | - | - | - |
| Mortgage Loans - Unaffiliated | - | - | - | - | - | - | - |
| Mortgage Loan Joint Venture Interest-Unaffiliated | - | - | - | - | - | - | - |
| Other Joint-Venture Interest Unaffiliated | - | - | - | - | - | - | - |
| Surplus Debentures, etc - Affiliated | - | - | - | - | - | - | - |
| Other Class Unaffiliated | - | - | - | - | - | - | - |
| Fixed or Variable Rate - Bonds - Unaffiliated | - | - | - | - | - | - | - |
| Total Assets at Fair Value | \$ 224,102,857 | \$ 224,956,596 | \$ 4,846,670 | \$ 208,332,615 | \$ 10,923,573 | \$ - | \$ - |
| b. Liabilities At Fair Value | | | | | | | |
| Payable for securities | - | - | - | - | - | - | - |
| Total Liabilities at Fair Value | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

D. Reasons Not Practical to Estimate Fair Values

None.

E. Investments Measured at Net Asset Value ("NAV")

None.

21. OTHER ITEMS

A. Unusual or Infrequent Items

None.

B. Troubled Debt Restructuring: Debtors

Not applicable.

C. Other Disclosures

All Lines Quota Share Reinsurance Agreement

Effective December 31, 2002, certain members of Farmers began participating in an All Lines Quota Share reinsurance agreement ("All Lines agreement") with Farmers Reinsurance Company ("Farmers Re") and Zurich Insurance Company ("Zurich") which has been amended over the years.

Effective December 31, 2017, the All Lines agreement was amended and the participation ratio was increased from 24% to 29%. In addition to this change, Zurich was removed as a participant in the agreement while Farmers Re was added back as a participant to the treaty. Additionally, Munich Reinsurance America, Inc., ("Munich Re") was added as a new participant to the treaty, prospectively, on the same terms as Swiss Reinsurance Company Ltd ("Swiss Zurich Re"), Transatlantic Reinsurance Company ("Trans Re"), Ariel Re Bermuda Limited ("Ariel Re"), Hannover Rück SE ("Hannover Re") and Catlin Reinsurance Switzerland Limited ("Catlin Re"). Under the All Lines agreement, which amended the 24.0% All Lines agreement in effect since December 31, 2016, Farmers Re, Swiss Zurich Re, Trans Re, Ariel Re, Hannover Re, Catlin Re, and Munich Re now assume a 1.0%, 7.0%, 4%, 1%, 7%, 4%, and 5% respective quota share of the premiums written and the ultimate net losses sustained in all lines of business written by the Farmers. In addition, under the All Lines agreement, which can be terminated after 90 days notice by any of the parties, Farmers' catastrophe losses are subject to a provisional maximum of \$1.3 billion annually, adjusted and limited to 6.5% of the subject net earned premiums, and measured 60 days after the calendar year depending on subject premium volume. Unearned premiums totaling \$629.4 million, were transferred from Zurich to Farmers as a result of its discontinued participation in the All Lines agreement effective December 31, 2017. In return, Farmers remitted \$168.1 million, of

NOTES TO FINANCIAL STATEMENTS

reinsurance commissions to Zurich, for acquisition expenses due to its decreased participation in the All Lines agreement. Effective simultaneously with the reduction of Zurich's quota share participation, Farmers, in turn, transferred unearned premiums totaling \$78.7 million, \$393.4 million, \$157.4 million, and \$393.4 million to Farmers Re, Hannover Re, Catlin Re, and Munich Re, respectively, as a result of their increased participation in the agreement. In return, Farmers Re remitted \$21.0 million of reinsurance commissions to Farmers, while Catlin Re deposited \$42.0 million into a Multi- Beneficiary Trust, of reinsurance commissions to Farmers, for acquisition expenses as a result of the change in the All Lines quota share effective December 31, 2017. The remaining participating reinsurers in the treaty are all on a fund withheld basis and therefore no additional deposits were required as a result of their increased participation in the All Lines agreement.

Effective December 31, 2018, the All Lines agreement was amended with Trans Re decreasing its participation percentage from 4% to 3.5%, and Catlin Re increasing its participation percentages from 4% to 4.5%. In addition, the catastrophe losses subject to this reinsurance agreement are limited to a provision maximum of \$1.3 billion annually, adjusted and limited to a pro rata share of 6.75% of the subject net earned premiums, and measured 60 days after the calendar year depending on subject premium volume. The overall participation remains at 29.0% with all other participating reinsurers' percentages remaining the same. In addition, the ceding commission for acquisition expenses, ceding commission for other expenses, and ceding commission for unallocated loss adjustment expenses remained unchanged at 26.7%, 5.3% and 8.1%, respectively.

Based on the results for 2018 and 2017, the Company's share of recoveries were \$37.5 million and \$31.3million, respectively. For the years ended December 31, 2018 and 2017, the Company's share of ceded premiums earned were \$56.1 million and \$46.2 million, respectively. The Company's share of ceding commissions was \$18.00 million and \$15.9 million for the years ended December 31, 2018 and 2017, respectively.

Personal Umbrella Quota Share and Excess of Loss Reinsurance Agreement

On January 1, 2018, FIE and certain of the Farmers Property and Casualty Companies ("Farmers") entered into a two-year personal umbrella quota share and excess of loss reinsurance agreement with certain third party reinsurers, with General Reinsurance, as the lead reinsurer. The other subscribing reinsurers are Hannover Rück SE, Swiss America Reinsurance Corporation, and Everest Reinsurance (Bermuda) Limited, each with varying participating ratios. Under this agreement, Farmers cedes 100.0% of the personal umbrella exposure above \$500,000 for each and every loss, with all losses in excess of \$500,000 fully reinsured up to \$21.0 million. In addition, the agreement provides for the cession of 75.0% of all losses within the first \$500,000 and below. This agreement also provides for Farmers to receive a ceding commission of 41.55%. Unearned premiums totaling \$77.8 million were transferred from the Farmers Exchanges to the participating reinsurers as a result of this personal umbrella quota share reinsurance contract. In return, the subscribing reinsurers remitted \$32.3 million of reinsurance commissions to Farmers, for acquisition expenses due to this reinsurance agreement.

Based on results for 2018, the Company's share of ceded premiums earned, recoveries, and ceding commissions were \$1.6 million, \$1.3 million, and \$1.1 million, respectively

Sale of Farmers Small Business Insurance Independent Agent Book

On February 19, 2018, the Farmers' companies sold the accessible premium renewal rights to its small business insurance independent agent book to the Hartford Fire Insurance Company. The book of business sold includes business owners, workers' compensation and commercial auto policies for small business owners across 50 states, and this one-time transaction provided Farmers an opportunity to invest in initiatives designed to help drive long-term growth through the exclusive Agents. The amount received on the sale of the accessible rights to premium attributable to in-force contracts produced by op-in producers under the program totaled \$46.1 million, less \$1.6 million of expenses for the Farmers' companies and was reported as a debit to cash with offset to other underwriting expenses incurred.

Uber Business

On March 1, 2018, FIE entered into an "insurance program agreement" with Rasier, LLC ("Uber"), to provide commercial auto insurance protection for Uber and their independent contractor drivers while engaging in official company ridesharing activities in the states of Georgia and Pennsylvania. Insurance coverage provided by FIE includes commercial automobile liability, commercial automobile physical damage and related coverages for Uber, its affiliates and independent contractors utilizing digital networks operated by Uber. This Uber insurance program agreement provides for an initial estimated annual premiums of \$170.4 million based on mile driven estimates, which was ultimately adjusted to actual miles driven and \$149.8 million in actual or annual premium for the period ended December 31, 2018, in accordance with article 2.1 of the underlying insurance program agreement. This agreement also provides for Uber to deposit with FIE, two twelfths of the estimated annual premium, with the purpose of securing collateral in the event of default in premium payments pursuant to article 2.2 of the insurance program agreement and the amount received was accounted for as a liability payable to third party in the accompanying financial statements.

Concurrent with this Uber insurance program agreement, also effective March 1, 2018, FIE entered into a Quota Share agreement with Aleka Insurance, Inc. ("Aleka") to cede 30% of the underwritten policies issued to Uber. Ceding commission under this uber business ceded to Aleka ranged from 15% to 16.75% depending on direct premium written volume.

NOTES TO FINANCIAL STATEMENTS

Based on results for 2018, the Company's share of ceded premiums earned \$1.0 million, recoveries \$0.3 million, and ceding commissions were \$0.1 million

Commercial Independent Agency Quota Share Reinsurance Contract

On July 1, 2016, FIE and certain Farmers' companies entered into a quota share reinsurance agreement with Hannover Rück SE ("Hannover Re"), a third party reinsurer domiciled in Switzerland. This agreement provided for a cession of the quota share of the premiums written and the ultimate net losses sustained in all of the commercial independent agency block of business written by Farmers P&C Companies after the All lines quota share reinsurance agreement has been applied

The Hannover Re agreement was terminated effective January 1, 2018. Upon termination of the agreement, unearned premiums totaling \$70.1 million were transferred by Hannover Re to Farmers. In addition, Farmers remitted \$34.4 million of reinsurance commissions to Hannover Re, for acquisition expenses due to the cancellation of this commercial independent quota share reinsurance contract.

For the year ended December 31, 2017, the Company's share of ceded premiums earned, recoveries, and ceding commissions were \$1.5 million, \$0.7 million, and \$0.7 million, respectively.

Uninsured and Underinsured Election Forms

Farmers Insurance Company of Arizona is a defendant in a putative class action filed in New Mexico. Plaintiffs allege that UM/UIM rejection and election forms used in New Mexico do not comply with New Mexico law. Plaintiffs seek unspecified damages, or otherwise seek to require defendant to reopen and readjust the claims of the plaintiff class members. A class was certified for settlement purposes only that included all Farmers-related entities writing in New Mexico; the settlement has received preliminary and final approval and will be on a claims-made basis. The settlement amounts are being paid out to class members. Management has established a provision based on applicable accounting procedures.

Short Rate Premium case

Farmers Insurance Exchange and Mid Century Insurance Company are defendants in this class action in California that alleges that Farmers improperly returned unearned premium on a short rate basis (rather than a pro rata basis) to insureds who cancelled their insurance coverage prior to expiration of their policies. The trial court granted plaintiff's motion for summary judgment, and entered a judgment against defendants. The parties filed cross appeals-- Defendants seeking to reverse the summary judgment, and requesting judgment in their favor; the plaintiffs seeking more damages than was awarded to them by the trial court. After briefing and oral argument the Court of Appeal issued an unpublished decision reversing the summary judgment granted to plaintiffs and remanding the case back to the trial court. (The Appeal Court denied defendants request that summary judgment be entered in defendants favor). Management has established a provision based on applicable accounting procedures.

Actual Cash Value ("ACV") Payment cases

Farmers Insurance Exchange are defendants in a class action cases in the states of Arizona, Arkansas, and Missouri, alleging that FIE improperly depreciated labor when calculating ACV payment to insureds on property claims. These cases are in various stages of development and an agreed settlement has been reached on some of these cases while others are in settlement discussions. Settlement needs preliminary and final court approval. Settlement payout not expected to exceed reserved amount. Management has established a provision based on applicable accounting procedures.

Repair Shop Case

Farmers Ins. Co. of Oregon is a defendant in this Oregon class action case concerning what type of notice need be given to insureds as regards their right to have their car repaired by the shop of their choice. Plaintiffs allege that a notice sent by Farmers, although approved by the Oregon department of insurance, does not comply with Oregon statute. Class has been certified. The court has issued a preliminary ruling that the subject notice did not comply with statute, but has not ruled as to the appropriate penalty, if any, that may be imposed under the statute. The court has not yet entered any final order or judgment. Regardless of the trial court's ruling, an appeal is likely. Management has established a provision based on applicable accounting procedures.

Diminished earning capacity case

Farmers Insurance Exchange and Truck Insurance Exchange are defendants in a California case that arises out of an automobile accident in which the insured rear-ended the plaintiff's vehicle, pushing the plaintiff's vehicle into the vehicle in front of it. The Plaintiff alleged that the injury resulted in neuro-cognitive issues and claimed past loss of earnings related to business loss and future diminished earning capacity. Our experts disputed the presence of a traumatic brain injury and testified that plaintiff's affect was the result of anxiety and stress due to other life stressors, not a traumatic brain injury. The case is in litigation. Management had established a provision based on applicable accounting procedures.

NOTES TO FINANCIAL STATEMENTS

Anti-Steering Notice case

Farmers Ins. Co. of Washington is a defendant in this Washington class action case. Plaintiffs allege that a notice sent by Farmers, although approved by the Washington Dept. of Insurance, does not comply with Washington statute. Class has been certified. On cross motions for summary judgment, the trial court ruled that the Farmers notice does not comply with the statute. The court asked for further briefing, and has not yet entered any order or judgment. Regardless of the trial court's ruling, an appeal is likely. Management has established a provision based on applicable accounting procedures.

Special Investigations Unit Employment case

Farmers Insurance Exchange is a defendant in this California case seeking a nationwide class of Special Investigations Unit ("SIU") investigators. Plaintiffs allege that the SIU investigators are misclassified as exempt (rather than non-exempt) employees under Federal and State wage and hour laws. The class has not been certified. Plaintiffs' motion for class certification has been filed, and opposed, and oral argument held before the Court. The court has not yet ruled on the class certification motion. Management has established a provision based on applicable accounting procedures.

Uninsured and Underinsured Premium case

Farmers Ins. Co. of Columbus is a defendant in this Ohio class action that alleges that Farmers committed fraud and misrepresentation by failing to affirmatively inform insureds when purchasing UM/ UIM coverage, that such coverage was personal in nature, and not required to be purchased on every vehicle. The trial court granted class certification, and defendant appealed. The appeal has been briefed and argued, but the court has not yet issued its decision. Management has established a provision based on applicable accounting procedures.

Farmers Agency Force Deferred Compensation Plan

FIE and certain of the Farmers' companies have established tax-deferred savings plan for their agents and district managers which allowed eligible participants to defer up to 50% of their auto commissions into a deferred compensation program. The program was expanded in recent years to include other agent related initiatives as well as to other books of business such as homeowners, small business insurance, Bristol West auto, Foremost specialty, among others, all at varying deferral rates. To be eligible to participate in the plan, a full-time agent must have completed six months of service and qualifying participants are vested 100% on their accrued benefit at all times. This Plan is not subject to ERISA and is not intended to be a qualified plan.

The program is administered by TBG Financial, a third party administrator, and the maximum qualifying deferred amount allowed in any plan year per each participating Sponsor is \$5.0 million. Fund balances are monitored monthly and investment earnings in the deferred compensation liability account are credited (or debited) to the account balances. At December 31, 2018, the investment earnings was \$35,306. At December 31, 2017, the investment loss was \$89,314.

Business Owned Life Insurance

In conjunction with the Farmers Agency Force Deferred Compensation Plan, FIE and certain of Farmers' companies purchased a Variable Group Life insurance policy for certain employees, with FIE named as beneficiary. The policy provides a life insurance benefit of \$50,000 at no cost to those qualifying officers and employees who voluntarily chose to become insured. There are no cash surrender values for the participating employees. The cash surrender value of the policy was reported as an asset on the balance sheet of FIE. At December 31, 2018, the investment loss and insurance expenses were \$31,040 and \$5,223, respectively. At December 31, 2017, the investment earning and insurance expenses were \$87,268 and \$4,870, respectively.

There are no policyholders' funds allocated to the premiums of this group insurance policy.

NOTES TO FINANCIAL STATEMENTS

Additional Schedule P Data

The following summary, as reported in columns 13 through 24 in the Company's 2018 Schedule P- Part I, presents net unpaid losses, defense and cost containment expense ("DCC") and adjusting and other expense ("AO") reserves for accident years 2008, 2007, 2006, 2005, 2004, 2003 and prior for each line of business reported (in thousands):

| Schedule P Part 1 - Summary | | | | | | |
|-----------------------------|------------------------|------------------------|--------------------|----------------------|----------------------|-----------------------------------|
| Accident Year | Net Losses Unpaid | | Net DCC Unpaid | | AO Unpaid | Total Net Losses, DCC & AO Unpaid |
| | Case | Bulk & IBNR | Case | Bulk & IBNR | | |
| 2003 & prior | \$ 520 | \$ 682 | \$ 1 | \$ 107 | \$ 101 | \$ 1,411 |
| 2004 | 74 | 500 | 0 | 51 | 21 | 646 |
| 2005 | 147 | 161 | 1 | 39 | 28 | 375 |
| 2006 | 84 | 171 | 0 | 33 | 24 | 313 |
| 2007 | 164 | 204 | 0 | 46 | 34 | 449 |
| 2008 | <u>146</u> | <u>352</u> | <u>1</u> | <u>70</u> | <u>46</u> | <u>614</u> |
| Total | <u><u>\$ 1,135</u></u> | <u><u>\$ 2,070</u></u> | <u><u>\$ 3</u></u> | <u><u>\$ 347</u></u> | <u><u>\$ 254</u></u> | <u><u>\$ 3,809</u></u> |

| Schedule P Part 1A - Homeowners/Farmowners | | | | | | |
|--|---------------------|--------------------|--------------------|--------------------|--------------------|-----------------------------------|
| Accident Year | Net Losses Unpaid | | Net DCC Unpaid | | AO Unpaid | Total Net Losses, DCC & AO Unpaid |
| | Case | Bulk & IBNR | Case | Bulk & IBNR | | |
| 2003 & prior | \$ 45 | \$ 0 | \$ 0 | \$ 9 | \$ 0 | \$ 54 |
| 2004 | 1 | 0 | | 0 | | 1 |
| 2005 | 2 | 0 | | 0 | | 2 |
| 2006 | 8 | 0 | 0 | 0 | 0 | 8 |
| 2007 | 33 | 0 | 0 | 0 | 3 | 36 |
| 2008 | <u>9</u> | <u>1</u> | <u>0</u> | <u>0</u> | <u>1</u> | <u>11</u> |
| Total | <u><u>\$ 96</u></u> | <u><u>\$ 1</u></u> | <u><u>\$ 0</u></u> | <u><u>\$ 9</u></u> | <u><u>\$ 4</u></u> | <u><u>\$ 111</u></u> |

| Schedule P Part 1B - Private Passenger Auto Liability/Medical | | | | | | |
|---|------------------------|----------------------|--------------------|---------------------|---------------------|-----------------------------------|
| Accident Year | Net Losses Unpaid | | Net DCC Unpaid | | AO Unpaid | Total Net Losses, DCC & AO Unpaid |
| | Case | Bulk & IBNR | Case | Bulk & IBNR | | |
| 2003 & prior | \$ (260) | \$ (3) | \$ 0 | \$ 0 | \$ 0 | \$ (263) |
| 2004 | 13 | 370 | | 29 | 2 | 414 |
| 2005 | 6 | 14 | | 1 | 3 | 24 |
| 2006 | 4 | 17 | | 2 | 2 | 25 |
| 2007 | 15 | 22 | 0 | 2 | 3 | 41 |
| 2008 | <u>16</u> | <u>25</u> | | <u>2</u> | <u>3</u> | <u>46</u> |
| Total | <u><u>\$ (206)</u></u> | <u><u>\$ 444</u></u> | <u><u>\$ 0</u></u> | <u><u>\$ 37</u></u> | <u><u>\$ 13</u></u> | <u><u>\$ 288</u></u> |

NOTES TO FINANCIAL STATEMENTS

| Schedule P Part 1C - Commercial Auto/Truck Liability/Medical | | | | | | |
|--|-------------------|-------------|----------------|-------------|-----------|-----------------------------------|
| Accident Year | Net Losses Unpaid | | Net DCC Unpaid | | AO Unpaid | Total Net Losses, DCC & AO Unpaid |
| | Case | Bulk & IBNR | Case | Bulk & IBNR | | |
| 2003 & prior | \$ 0 | \$ 0 | \$ (0) | \$ 3 | \$ 0 | \$ 4 |
| 2004 | 0 | 0 | | 0 | 0 | 0 |
| 2005 | (0) | 0 | | 1 | 0 | 1 |
| 2006 | | 0 | 0 | 1 | 0 | 1 |
| 2007 | | 0 | | 1 | 0 | 2 |
| 2008 | 0 | 7 | 0 | 2 | 0 | 9 |
| Total | \$ 0 | \$ 8 | \$ 0 | \$ 8 | \$ 1 | \$ 18 |

| Schedule P Part 1D - Workers' Compensation | | | | | | |
|--|-------------------|-------------|----------------|-------------|-----------|-----------------------------------|
| Accident Year | Net Losses Unpaid | | Net DCC Unpaid | | AO Unpaid | Total Net Losses, DCC & AO Unpaid |
| | Case | Bulk & IBNR | Case | Bulk & IBNR | | |
| 2003 & prior | \$ 438 | \$ 640 | \$ 1 | \$ 77 | \$ 95 | \$ 1,252 |
| 2004 | 57 | 114 | | 13 | 16 | 201 |
| 2005 | 138 | 117 | 1 | 12 | 20 | 288 |
| 2006 | 56 | 129 | | 13 | 17 | 214 |
| 2007 | 116 | 149 | 0 | 17 | 23 | 305 |
| 2008 | 116 | 248 | 0 | 25 | 31 | 420 |
| Total | \$ 922 | \$ 1,398 | \$ 2 | \$ 156 | \$ 202 | \$ 2,680 |

| Schedule P Part 1E - Commercial Multiple Peril | | | | | | |
|--|-------------------|-------------|----------------|-------------|-----------|-----------------------------------|
| Accident Year | Net Losses Unpaid | | Net DCC Unpaid | | AO Unpaid | Total Net Losses, DCC & AO Unpaid |
| | Case | Bulk & IBNR | Case | Bulk & IBNR | | |
| 2003 & prior | \$ 7 | \$ 51 | \$ 0 | \$ 41 | \$ 3 | \$ 102 |
| 2004 | 0 | 3 | | 8 | 2 | 14 |
| 2005 | 0 | 29 | | 25 | 5 | 59 |
| 2006 | 17 | 25 | | 17 | 5 | 63 |
| 2007 | 0 | 32 | | 26 | 5 | 63 |
| 2008 | 5 | 71 | 0 | 39 | 11 | 126 |
| Total | \$ 30 | \$ 210 | \$ 0 | \$ 156 | \$ 30 | \$ 426 |

NOTES TO FINANCIAL STATEMENTS

| Schedule P Part 1F - Section 1 - Medical Malpractice - Occurrence | | | | | | |
|---|-------------------|-------------|----------------|-------------|-----------|-----------------------------------|
| Accident Year | Net Losses Unpaid | | Net DCC Unpaid | | AO Unpaid | Total Net Losses, DCC & AO Unpaid |
| | Case | Bulk & IBNR | Case | Bulk & IBNR | | |
| 2003 & prior | \$ 0 | \$ 1 | \$ 0 | \$ 0 | \$ 0 | \$ 1 |
| 2004 | | 0 | | 0 | 0 | 0 |
| 2005 | | | | 0 | 0 | 0 |
| 2006 | | | | | | |
| 2007 | | | | | | |
| 2008 | | | | | | |
| Total | \$ 0 | \$ 1 | \$ 0 | \$ 0 | \$ 0 | \$ 1 |

| Schedule P Part 1F - Section 2 - Medical Malpractice - Claims Made | | | | | | |
|--|-------------------|-------------|----------------|-------------|-----------|-----------------------------------|
| Accident Year | Net Losses Unpaid | | Net DCC Unpaid | | AO Unpaid | Total Net Losses, DCC & AO Unpaid |
| | Case | Bulk & IBNR | Case | Bulk & IBNR | | |
| 2003 & prior | \$ 3 | \$ 28 | \$ 0 | \$ 3 | \$ 2 | \$ 36 |
| 2004 | | 0 | | 0 | 0 | 0 |
| 2005 | | | | 0 | 0 | 0 |
| 2006 | | | | | | |
| 2007 | | | | | | |
| 2008 | | | | | | |
| Total | \$ 3 | \$ 28 | \$ 0 | \$ 3 | \$ 3 | \$ 36 |

| Schedule P Part G - Special Liability | | | | | | |
|---------------------------------------|-------------------|-------------|----------------|-------------|-----------|-----------------------------------|
| Accident Year | Net Losses Unpaid | | Net DCC Unpaid | | AO Unpaid | Total Net Losses, DCC & AO Unpaid |
| | Case | Bulk & IBNR | Case | Bulk & IBNR | | |
| 2003 & prior | \$ 129 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 129 |
| 2004 | | 0 | | 0 | 0 | 0 |
| 2005 | (0) | 0 | | 0 | 0 | 0 |
| 2006 | 0 | 0 | | 0 | 0 | 0 |
| 2007 | | 0 | | 0 | 0 | 0 |
| 2008 | | 0 | | 0 | 0 | 0 |
| Total | \$ 129 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 129 |

NOTES TO FINANCIAL STATEMENTS

| Schedule P Part 1H - Section 1 - Other Liability | | | | | | |
|--|-------------------|----------------|----------------|----------------|-------------|-----------------------------------|
| Accident Year | Net Losses Unpaid | | Net DCC Unpaid | | AO Unpaid | Total Net Losses, DCC & AO Unpaid |
| | Case | Bulk & IBNR | Case | Bulk & IBNR | | |
| 2003 & prior | \$ 2 | \$ (38) | \$ 0 | \$ (27) | \$ 0 | \$ (63) |
| 2004 | 3 | 13 | 0 | 1 | 0 | 16 |
| 2005 | 1 | 0 | 0 | 0 | 0 | 2 |
| 2006 | 1 | 1 | | 0 | 0 | 2 |
| 2007 | 0 | 1 | | 1 | 0 | 2 |
| 2008 | 0 | 1 | | 0 | 0 | 2 |
| Total | <u>\$ 7</u> | <u>\$ (23)</u> | <u>\$ 0</u> | <u>\$ (24)</u> | <u>\$ 0</u> | <u>\$ (40)</u> |

| Schedule P Part 1I - Special Property | | | | | | |
|---------------------------------------|-------------------|-------------|----------------|-------------|-------------|-----------------------------------|
| Accident Year | Net Losses Unpaid | | Net DCC Unpaid | | AO Unpaid | Total Net Losses, DCC & AO Unpaid |
| | Case | Bulk & IBNR | Case | Bulk & IBNR | | |
| 2003 & prior | \$ 156 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 156 |
| 2004 | (0) | 0 | | 0 | 0 | 0 |
| 2005 | (1) | 0 | | 0 | 0 | (1) |
| 2006 | | 0 | | 0 | 0 | 0 |
| 2007 | (0) | 0 | | 0 | 0 | (0) |
| 2008 | (0) | 0 | | 0 | 0 | 0 |
| Total | <u>\$ 155</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 155</u> |

| Schedule P - Part 1J - Auto Physical Damage | | | | | | |
|---|-------------------|-------------|----------------|-------------|-------------|-----------------------------------|
| Accident Year | Net Losses Unpaid | | Net DCC Unpaid | | AO Unpaid | Total Net Losses, DCC & AO Unpaid |
| | Case | Bulk & IBNR | Case | Bulk & IBNR | | |
| 2003 & prior | \$ 0 | \$ 3 | \$ 0 | \$ 1 | \$ 0 | \$ 4 |
| 2004 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2005 | 0 | (0) | | 0 | 0 | 0 |
| 2006 | (0) | (0) | | 0 | 0 | (0) |
| 2007 | | (0) | | 0 | 0 | (0) |
| 2008 | (0) | (0) | | 0 | 0 | (0) |
| Total | <u>\$ 0</u> | <u>\$ 2</u> | <u>\$ 0</u> | <u>\$ 2</u> | <u>\$ 0</u> | <u>\$ 4</u> |

NOTES TO FINANCIAL STATEMENTS

| Schedule P - Part 1K - Section 1 - Fidelity/Surety | | | | | | |
|--|-------------------|-------------|----------------|-------------|-------------|-----------------------------------|
| Accident Year | Net Losses Unpaid | | Net DCC Unpaid | | AO Unpaid | Total Net Losses, DCC & AO Unpaid |
| | Case | Bulk & IBNR | Case | Bulk & IBNR | | |
| 2003 & prior | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 2004 | | | | | | |
| 2005 | | | | | | |
| 2006 | | | | | | |
| 2007 | | | | | | |
| 2008 | | | | | | |
| Total | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |

| Schedule P - Part 1L - Other (Including Credit, Accident and Health) | | | | | | |
|--|-------------------|-------------|----------------|-------------|-------------|-----------------------------------|
| Accident Year | Net Losses Unpaid | | Net DCC Unpaid | | AO Unpaid | Total Net Losses, DCC & AO Unpaid |
| | Case | Bulk & IBNR | Case | Bulk & IBNR | | |
| 2003 & prior | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 2004 | | | | | | |
| 2005 | | | | | | |
| 2006 | | | | | | |
| 2007 | | | | | | |
| 2008 | | | | | | |
| Total | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |

| Schedule P - Part 1R - Section 1 - Products Liability - Occurrence | | | | | | |
|--|-------------------|-------------|----------------|-------------|-------------|-----------------------------------|
| Accident Year | Net Losses Unpaid | | Net DCC Unpaid | | AO Unpaid | Total Net Losses, DCC & AO Unpaid |
| | Case | Bulk & IBNR | Case | Bulk & IBNR | | |
| 2003 & prior | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 2004 | | | | | | |
| 2005 | | | | | | |
| 2006 | | | | | | |
| 2007 | | | | | | |
| 2008 | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Total | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 1</u> |

D. Business Interruption Insurance Recoveries

None.

NOTES TO FINANCIAL STATEMENTS

E. State Transferable and Non-Transferable Tax Credits

None.

F. Subprime Mortgage Related Risk Exposure

None.

(

G. Insurance-Linked Securities (ILS) Contracts

None.

22. EVENTS SUBSEQUENT

Subsequent events have been considered through February 18, 2019 for these statutory financial statements, which were issued on February 18, 2019. There were no events occurring subsequent to the end of the year that merited recognition or disclosure in these statements.

23. REINSURANCE

A. Unsecured Reinsurance Recoverables

The Company had unsecured aggregate recoverables for losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premium with the following reinsurers, authorized or unauthorized, that exceeded 3% of the Company's policyholder surplus at December 31, 2018 (in thousands):

| NAIC Group Code | Federal Identification Number | Reinsurer | 2018 | 2017 |
|-----------------|-------------------------------|----------------------------|--------|--------|
| 0069 | 95-2575893 | Farmers Insurance Exchange | 91,580 | 94,861 |

B. Reinsurance Recoverable in Dispute

None.

NOTES TO FINANCIAL STATEMENTS

C. Reinsurance Assumed and Ceded

(1) The maximum amount of return commission which would have been due reinsurers if they, or the Company, or a receiver, had canceled all insurance assumed as of the end of the periods covered by this annual statement with the return of the unearned premiums is as follows:

| 2018 | Assumed Reinsurance | | Ceded Reinsurance | | Net | |
|---------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| | Premium Reserve | Commission Equity | Premium Reserve | Commission Equity | Premium Reserve | Commission Equity |
| Affiliates | \$ 56,293,589 | \$ 18,195,777 | \$ 34,723,858 | \$ 11,101,217 | \$ 21,569,731 | \$ 7,094,559 |
| All other | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | <u>\$ 56,293,589</u> | <u>\$ 18,195,777</u> | <u>\$ 34,723,858</u> | <u>\$ 11,101,217</u> | <u>\$ 21,569,731</u> | <u>\$ 7,094,559</u> |
| Direct unearned premium reserve | | | <u>\$ 34,723,858</u> | | | |
| 2017 | Assumed Reinsurance | | Ceded Reinsurance | | Net | |
| | Premium Reserve | Commission Equity | Premium Reserve | Commission Equity | Premium Reserve | Commission Equity |
| Affiliates | \$ 55,173,189 | \$ 18,136,531 | \$ 36,821,232 | \$ 11,202,860 | \$ 18,351,956 | \$ 6,933,671 |
| All other | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | <u>\$ 55,173,189</u> | <u>\$ 18,136,531</u> | <u>\$ 36,821,232</u> | <u>\$ 11,202,860</u> | <u>\$ 18,351,956</u> | <u>\$ 6,933,671</u> |
| Direct unearned premium reserve | | | <u>\$ 36,821,232</u> | | | |

(2) The Company has no additional or return commissions, predicated on loss experience or any other form of profit sharing arrangements, in this annual statement as a result of existing contractual arrangements.

(3) The Company does not have protected cells.

D. Uncollectible Reinsurance

None.

E. Commutation of Ceded Reinsurance

None.

F. Retroactive Reinsurance

None.

G. Reinsurance Accounted for as a Deposit

None.

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

None.

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

None.

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

Not applicable.

NOTES TO FINANCIAL STATEMENTS

24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

- A. Mid Century Insurance Company ("Mid Century"), one of the Farmers' companies, has one workers' compensation policy with Farmers Group Inc. ("FGI"), which is subject to retrospective rating features. Mid Century estimates the accrued retrospective premium adjustment through the review of the individual retrospectively rated risk and by comparing case basis loss development with that anticipated in the policy contract to arrive at the best estimate of return or additional retrospective premium. The total accrued retrospective premiums receivable was recorded at \$1.2 million and \$1.1 million for the years ended December 31, 2018 and 2017, respectively. The Company's share of the accrued retrospective premiums receivable totaled \$0.0 million and \$0.0 million for the years ended December 31, 2018 and 2017, respectively. This policy was cancelled effective January 1, 2011 and is in run-off.
- B. The Company records accrued retrospective premium as an adjustment to written premium.
- C. The amount of net premiums written subject to retrospective rating features for the years ended December 31, 2018 and 2017 for Mid Century was (\$2.8) million and (\$2.1) million, respectively. As of December 31, 2018, the Company's share of the premiums written subject to retrospective rating features was (\$0.0) million, which was (0.0%) of the Farmers' companies' total net workers' compensation premiums written of \$255.9 million.. As of December 31, 2017, the Company's share of the premiums written subject to retrospective rating features was (\$0.0) million, which was (0.0%) of the Farmers' companies' total net workers' compensation premiums written of \$285.8 million.
- D. The Company had no medical loss ratio rebates at both December 31, 2018 and 2017.
- E. The Company had no non-admitted retrospective premiums at both December 31, 2018 and 2017.
- F. Not Applicable

25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

- A. Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years have decreased by \$0.4 million as of December 31, 2018, as a result of re-estimation of unpaid losses and loss adjustment expenses principally on the workers compensation, homeowners and auto physical damage lines of insurance. This was partially offset by an increase in other liability, private passenger auto and commercial auto lines of insurance. This decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased and decreased as additional information becomes known regarding individual claims.
- B. The Company made no significant changes in methodology or assumptions used in calculating liabilities for unpaid losses and loss adjustment expenses in 2018.

26. INTERCOMPANY POOLING ARRANGEMENTS

Certain members of Farmers participate in an intercompany reinsurance program (the "Intercompany Program"), with FIE as the lead company, pursuant to which each participant assumes a proportionate share of the Farmers Companies' results from FIE based on their respective participation percentages (see table below). FIE is also a participant in various other reinsurance contracts with affiliates, which occur prior to the Intercompany Program.

First, FIE under 100% quota share reinsurance agreements assumes the business written, net of non-affiliated reinsurance, by all of the Farmers companies, excluding Farmers Re. Next, FIE cedes 29.0% of all lines of business to Zurich and seven other reinsurers under the All Lines agreement. Finally, FIE retrocedes the remaining business of the Farmers companies to the insurers participating in the Intercompany Program according to their respective participation percentages.

The reinsurance participants and their respective participation percentages are as follows:

NOTES TO FINANCIAL STATEMENTS

| Participant | NAIC Company Code | State of Domicile | Participation Percentage | |
|---|-------------------------|----------------------|-----------------------------|--------|
| | | | 2018 | 2017 |
| Farmers Insurance Exchange | 21652 | California | 51.75% | 51.75% |
| Fire Insurance Exchange | 21660 | California | 7.50% | 7.50% |
| Mid-Century Insurance Company | 21687 | California | 16.00% | 16.00% |
| Truck Insurance Exchange | 21709 | California | 7.75% | 7.75% |
| Farmers New Century Insurance Company | 10806 | Illinois | 0.75% | 0.75% |
| Texas Farmers Insurance Company | 21695 | Texas | 1.00% | 1.00% |
| Illinois Farmers Insurance Company | 21679 | Illinois | 0.75% | 0.75% |
| Farmers Insurance Company, Inc. | 21628 | Kansas | 0.75% | 0.75% |
| Farmers Insurance Company of Idaho | 21601 | Idaho | 0.75% | 0.75% |
| Farmers Insurance Company of Oregon | 21636 | Oregon | 7.00% | 7.00% |
| Farmers Insurance Company of Washington | 21644 | Washington | 2.00% | 2.00% |
| Farmers Insurance of Columbus, Inc. | 36889 | Ohio | 1.00% | 1.00% |
| Civic Property and Casualty Company | 10315 | California | 1.00% | 1.00% |
| Exact Property and Casualty Company | 10318 | California | 1.00% | 1.00% |
| Neighborhood Spirit Property and Casualty Company | 10317 | California | 1.00% | 1.00% |

In addition, there are certain Farmers' companies that cede their business to FIE but do not participate in the Intercompany Program. These companies consist of: Farmers Insurance Company of Arizona, Mid-Century Insurance Company of Texas, and Farmers Texas County Mutual Insurance Company. Others are: Bristol West Casualty Insurance Company, Bristol West Insurance Company, Bristol West Preferred Insurance Company, Coast National Insurance Company, and Security National Insurance Company. The subsidiaries of FIC, Grand Rapids: Foremost Property and Casualty Insurance Company, Farmers Specialty Insurance Company, Foremost Signature Insurance Company; and FIC, Grand Rapids' affiliates: Foremost County Mutual Insurance Company and Foremost Lloyds of Texas cede their business to FIC, Grand Rapids prior to FIC, Grand Rapids' cession to FIE. Finally, the affiliates of 21st Century North America Insurance Company ("21CNAI") cede their business to 21CNAI prior to 21CNAI's cession to FIE and entities involved are: 21st Century Centennial Insurance Company, 21st Century Premier Insurance Company, Farmers Insurance Hawaii, Inc., 21st Century Superior Insurance Company, 21st Century Advantage Insurance Company, 21st Century Preferred Insurance Company, 21st Century Pinnacle Insurance Company, 21st Century Indemnity Insurance Company, 21st Century Auto Insurance Company of New Jersey, American Pacific Insurance Company, Inc., 21st Century Pacific Insurance Company, 21st Century Assurance Company, 21st Century Insurance Company, 21st Century Casualty Company, and 21st Century Insurance Company of the Southwest.

The Company reported \$4.4 million and \$6.5 million due to affiliates at December 31, 2018 and 2017, respectively, resulting from its participation in the intercompany reinsurance pooling agreement.

27. STRUCTURED SETTLEMENTS

Not applicable.

28. HEALTH CARE RECEIVABLES

Not applicable.

29. PARTICIPATING POLICIES

Not applicable.

NOTES TO FINANCIAL STATEMENTS

30. PREMIUM DEFICIENCY RESERVES

The Company utilizes anticipated investment income in the calculation of premium deficiency reserves, in accordance with SSAP No. 53, Property-Casualty Contracts - Premiums. The Company evaluates the need for a premium deficiency reserve on a line of business level for all books. The Company evaluated the need to record a premium deficiency reserve as of the end of the current year and determined that no additional reserve was required. This evaluation was completed on February 07, 2019. As of December 31, 2018 and 2017, the Company had not established any premium deficiency reserves based on this calculation.

| | 2018 | 2017 |
|---|---|-----------------------------|
| 1. Liability carried for premium deficiency reserves | \$ 0 | \$ 0 |
| 2. Date of the most recent evaluation of this liability | 02/07/2019 | 02/15/2018 |
| 3. Was anticipated investment income utilized in the calculation? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

31. HIGH DEDUCTIBLES

Not applicable.

32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES

Liabilities for unpaid losses and loss adjustment expenses are not discounted.

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? Yes (X) No ()

The Company has exposure to environmental, asbestos, and other toxic claims that losses arises from the sale of general liability insurance. The Company estimates the full impact of the asbestos exposures by establishing full case reserves on all known losses and computing incurred but not reported ("IBNR") losses based on previous experience.

The Company's asbestos-related losses (including coverage dispute costs) for each of the five most recent years were as follows:

(1) Direct:

| | 2014 | 2015 | 2016 | 2017 | 2018 |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| a. Beginning reserves: | \$ 22,970 | \$ 22,500 | \$ 13,033 | \$ 20,243 | \$ 17,705 |
| b. Incurred losses and loss adjustment expenses: | \$ (434) | \$ (9,290) | \$ 7,610 | \$ (929) | \$ (5,628) |
| c. Calendar year payments for losses and loss adjustment expenses: | \$ 37 | \$ 177 | \$ 400 | \$ 1,609 | \$ 288 |
| d. Ending reserves: | <u><u>\$ 22,970</u></u> | <u><u>\$ 22,500</u></u> | <u><u>\$ 20,243</u></u> | <u><u>\$ 17,705</u></u> | <u><u>\$ 11,790</u></u> |
| Amounts represent the Company's pooled share of the total Farmers P&C Companies' exposure as per the terms of the intercompany reinsurance program. | | | | | |

(2) Assumed Reinsurance:

The Company has no asbestos-related exposure resulting from the assumption of unaffiliated reinsurance.

NOTES TO FINANCIAL STATEMENTS

(3) Net of Ceded Reinsurance:

| | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|------------------|------------------|------------------|------------------|------------------|
| a. Beginning reserves: | \$ 22,970 | \$ 22,500 | \$ 13,033 | \$ 20,243 | \$ 17,705 |
| b. Incurred losses and loss adjustment expenses: | \$ (434) | \$ (9,290) | \$ 7,610 | \$ (929) | \$ (5,628) |
| c. Calendar year payments for losses and loss adjustment expenses: | \$ 37 | \$ 177 | \$ 400 | \$ 1,609 | \$ 288 |
| d. Ending reserves: | <u>\$ 22,970</u> | <u>\$ 22,500</u> | <u>\$ 20,243</u> | <u>\$ 17,705</u> | <u>\$ 11,790</u> |

B. The Company recorded the following amounts for IBNR and/or bulk reserves related to asbestos claims at December 31, 2018:

| | 2018 | 2017 |
|-------------------------------|-------------|-------------|
| (1) Direct: | \$ 11,276 | \$ 15,927 |
| (2) Assumed Reinsurance: | None | None |
| (3) Net of Ceded Reinsurance: | \$ 11,276 | \$ 15,927 |

C. The Company recorded the following amounts for loss adjustment expenses for case, IBNR and/or bulk reserves related to asbestos claims at December 31, 2018:

| | 2018 | 2017 |
|-------------------------------|-------------|-------------|
| (1) Direct: | \$ 4,227 | \$ 7,143 |
| (2) Assumed Reinsurance: | None | None |
| (3) Net of Ceded Reinsurance: | \$ 4,227 | \$ 7,143 |

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

The company's environmental-related losses (including coverage dispute costs) for each of the five most recent years were as follows:

(1) Direct:

| | 2014 | 2015 | 2016 | 2017 | 2018 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| a. Beginning reserves: | \$ 362,089 | \$ 239,887 | \$ 288,512 | \$ 229,361 | \$ 163,589 |
| b. Incurred losses and loss adjustment expenses: | \$ (47,217) | \$ 107,836 | \$ (27,495) | \$ (65,772) | \$ (8,214) |
| c. Calendar year payments for losses and loss adjustment expenses: | <u>\$ 74,984</u> | <u>\$ 59,211</u> | <u>\$ 31,657</u> | <u>\$ 0</u> | <u>\$ 0</u> |
| d. Ending reserves: | <u>\$ 362,089</u> | <u>\$ 239,887</u> | <u>\$ 229,361</u> | <u>\$ 163,589</u> | <u>\$ 155,375</u> |
| Amounts represent the Company's pooled share of the total Farmers P&C Companies' exposure as per the terms of the intercompany reinsurance program. | | | | | |

NOTES TO FINANCIAL STATEMENTS

(2) Assumed Reinsurance:

The Company has no environmental-related exposure resulting from the assumption of unaffiliated reinsurance.

(3) Net of Ceded Reinsurance:

| | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| a. Beginning reserves: | \$ 362,089 | \$ 239,887 | \$ 288,492 | \$ 229,361 | \$ 163,589 |
| b. Incurred losses and loss adjustment expenses: | \$ (44,237) | \$ 107,796 | \$ (27,475) | \$ (65,772) | \$ (8,214) |
| c. Calendar year payments for losses and loss adjustment expenses: | \$ 77,965 | \$ 59,191 | \$ 31,657 | \$ 0 | \$ 0 |
| d. Ending reserves: | <u>\$ 362,089</u> | <u>\$ 239,887</u> | <u>\$ 229,361</u> | <u>\$ 163,589</u> | <u>\$ 155,375</u> |

E. The Company recorded the following amounts for IBNR and/or bulk reserves related to environmental claims at December 31, 2018:

| | 2018 | 2017 |
|-------------------------------|------------|------------|
| (1) Direct: | \$ 155,120 | \$ 163,339 |
| (2) Assumed Reinsurance: | None | None |
| (3) Net of Ceded Reinsurance: | \$ 155,120 | \$ 163,339 |

F. The Company recorded the following amounts for loss adjustment expenses for case, IBNR and/or bulk reserves related to environmental claims at December 31, 2018:

| | 2018 | 2017 |
|-------------------------------|-----------|-----------|
| (1) Direct: | \$ 78,379 | \$ 78,222 |
| (2) Assumed Reinsurance: | None | None |
| (3) Net of Ceded Reinsurance: | \$ 78,379 | \$ 78,222 |

34. SUBSCRIBER SAVINGS ACCOUNTS

Not applicable.

35. MULTIPLE PERIL CROP INSURANCE

Not applicable.

36. FINANCIAL GUARANTY INSURANCE

Not applicable.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.
GENERAL INTERROGATORIES

**PART 1 - COMMON INTERROGATORIES
 GENERAL**

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

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

1.3 State Regulating? OHIO

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

2.2 If yes, date of change: 12/05/2018

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2017

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). 06/17/2015

3.4 By what department or departments?
 OHIO

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

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

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

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

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

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

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

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

6.2 If yes, give full information:

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

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

| 1 Nationality | 2 Type of Entity |
|------------------|---------------------|
|------------------|---------------------|

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.
GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [X] No []
 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

| 1 Affiliate Name | 2 Location (City, State) | 3 FRB | 4 OCC | 5 FDIC | 6 SEC |
|--|--------------------------------|----------|----------|-----------|----------|
| BFP Securities, LLC | St. Louis, Missouri | | | | YES..... |
| Farmers Financial Solutions, LLC | Agoura Hills, California | | | | YES..... |

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
 Price Waterhouse Cooper LLP, 350 S. Grand Ave., Los Angeles, CA 90071

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

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

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

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

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

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

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
 James Nutting, FCAS, MAAA, 6301 Owensmouth Ave., Woodland Hills, Ca. 91367, Actuary of Farmers 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 [X]

12.11 Name of real estate holding company
 12.12 Number of parcels involved
 12.13 Total book/adjusted carrying value \$

12.2 If, yes provide explanation:

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

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
 Not Applicable

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

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

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

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 [X]

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.
GENERAL INTERROGATORIES

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

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

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

BOARD OF DIRECTORS

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

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

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

FINANCIAL

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

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

| | |
|--|----------|
| 20.11 To directors or other officers..... | \$ |
| 20.12 To stockholders not officers..... | \$ |
| 20.13 Trustees, supreme or grand (Fraternal Only) | \$ |

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

| | |
|--|----------|
| 20.21 To directors or other officers..... | \$ |
| 20.22 To stockholders not officers..... | \$ |
| 20.23 Trustees, supreme or grand (Fraternal Only) | \$ |

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

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

| | |
|---------------------------------|----------|
| 21.21 Rented from others..... | \$ |
| 21.22 Borrowed from others..... | \$ |
| 21.23 Leased from others | \$ |
| 21.24 Other | \$ |

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

22.2 If answer is yes:

| | |
|---|----------|
| 22.21 Amount paid as losses or risk adjustment \$ | |
| 22.22 Amount paid as expenses | \$ |
| 22.23 Other amounts paid | \$ |

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

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

INVESTMENT

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

24.02 If no, give full and complete information relating thereto

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

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

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

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.
GENERAL INTERROGATORIES

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

| | |
|--|----------|
| 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$ |
| 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$ |
| 24.103 Total payable for securities lending reported on the liability page | \$ |

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

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

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

25.3 For category (25.26) provide the following:

| 1 Nature of Restriction | 2 Description | 3 Amount |
|----------------------------|------------------|-------------|
| | | |

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

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

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

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

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

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

| 1 Name of Custodian(s) | 2 Custodian's Address |
|---------------------------------|---|
| JP Morgan Chase Bank N.A. | 4 MetroTech Center, 4th Floor, Mail Code NY1-C543, Brooklyn, NY 11245 |

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

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.
GENERAL INTERROGATORIES

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

| 1 Name of Firm or Individual | 2 Affiliation |
|---|------------------|
| DWS Investment Management Americas, Inc. | U..... |

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

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

| 1 Central Registration Depository Number | 2 Name of Firm or Individual | 3 Legal Entity Identifier (LEI) | 4 Registered With | 5 Investment Management Agreement (IMA) Filed |
|--|---|------------------------------------|--|---|
| 104518 | DWS Investment Management Americas, Inc. | CZ83K4EEEX8QVCT3B128 | U.S. Securities and Exchange Commission | NO..... |

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

29.2 If yes, complete the following schedule:

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

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

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

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

| | 1 Statement (Admitted) Value | 2 Fair Value | 3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+) |
|-----------------------------|------------------------------------|-----------------|---|
| 30.1 Bonds | 209,227,348 | 208,373,609 | (853,739) |
| 30.2 Preferred stocks | | | |
| 30.3 Totals | 209,227,348 | 208,373,609 | (853,739) |

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

For the majority of securities, in determining fair market value, quotes were obtained from third party sources. If quotes from these sources were not available, a broker estimate was utilized. Any few instances where a broker estimate was not available, the market value was analytically determined.

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 [] No [X]

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

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:

.....

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.
GENERAL INTERROGATORIES

33. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:

- 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.
- Issuer or obligor is current on all contracted interest and principal payments.
- The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 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:

- The security was purchased prior to January 1, 2018.
- The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- 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? \$ 59,786

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 |
|--------------------------------------|------------------|
| INSURANCE SERVICES OFFICE, INC. | 38,976 |
| A.M. BEST COMPANY, INC. | 16,000 |

36.1 Amount of payments for legal expenses, if any? \$

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? \$

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 |
|-----------|------------------|
| | |

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.
GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

| | | |
|------|--|--|
| 1.1 | Does the reporting entity have any direct Medicare Supplement Insurance in force? | Yes [] No [X] |
| 1.2 | If yes, indicate premium earned on U. S. business only. | \$ |
| 1.3 | What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? | \$ |
| 1.31 | Reason for excluding | |
| 1.4 | Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. | \$ |
| 1.5 | Indicate total incurred claims on all Medicare Supplement Insurance. | \$ |
| 1.6 | Individual policies: | Most current three years: 1.61 Total premium earned \$ 1.62 Total incurred claims \$ 1.63 Number of covered lives |
| | | All years prior to most current three years 1.64 Total premium earned \$ 1.65 Total incurred claims \$ 1.66 Number of covered lives |
| 1.7 | Group policies: | Most current three years: 1.71 Total premium earned \$ 1.72 Total incurred claims \$ 1.73 Number of covered lives |
| | | All years prior to most current three years 1.74 Total premium earned \$ 1.75 Total incurred claims \$ 1.76 Number of covered lives |
| 2. | Health Test: | 1 Current Year 2 Prior Year |
| 2.1 | Premium Numerator | |
| 2.2 | Premium Denominator | |
| 2.3 | Premium Ratio (2.1/2.2) | |
| 2.4 | Reserve Numerator | |
| 2.5 | Reserve Denominator | |
| 2.6 | Reserve Ratio (2.4/2.5) | |
| 3.1 | Does the reporting entity issue both participating and non-participating policies? | Yes [] No [X] |
| 3.2 | If yes, state the amount of calendar year premiums written on: 3.21 Participating policies \$ 3.22 Non-participating policies \$ | |
| 4. | For mutual reporting Entities and Reciprocal Exchanges Only: | |
| 4.1 | Does the reporting entity issue assessable policies? | Yes [] No [] |
| 4.2 | Does the reporting entity issue non-assessable policies? | Yes [] No [] |
| 4.3 | If assessable policies are issued, what is the extent of the contingent liability of the policyholders? | % |
| 4.4 | Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. | \$ |
| 5. | For Reciprocal Exchanges Only: | |
| 5.1 | Does the Exchange appoint local agents? | Yes [] No [] |
| 5.2 | If yes, is the commission paid: 5.21 Out of Attorney's-in-fact compensation..... Yes [] No [] N/A [] 5.22 As a direct expense of the exchange..... Yes [] No [] N/A [] | |
| 5.3 | What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact? | |
| 5.4 | Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? | Yes [] No [] |
| 5.5 | If yes, give full information | |

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.
GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
We purchase reinsurance to protect our workers compensation exposure.

6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process.
The company licenses catastrophe modeling software from outside vendors specializing in these products. Based on these models, California Earthquake and Texas Hurricane have been identified as having the most significant potential for large losses.

6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
Through various catastrophe mitigation actions including but not limited to joining the California Earthquake Authority (CEA) and the company buys catastrophe reinsurance protection.

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

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

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

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

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

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

8.2 If yes, give full information
.....

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

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

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

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.
GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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

11.2 If yes, give full information
.....

12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
 12.11 Unpaid losses \$ 10,848
 12.12 Unpaid underwriting expenses (including loss adjustment expenses) \$ 298

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

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

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

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

12.6 If yes, state the amount thereof at December 31 of the current year:
 12.61 Letters of credit \$
 12.62 Collateral and other funds \$
\$ 75,000

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$ _____

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

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. 3

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

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

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

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

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

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

15.2 If yes, give full information
.....

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

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

* Disclose type of coverage:
.....

GENERAL INTERROGATORIES**PART 2 - PROPERTY AND CASUALTY INTERROGATORIES**

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

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

| | |
|--|----------|
| 17.11 Gross amount of unauthorized reinsurance in Schedule F - Part 3 exempt from the statutory provision for unauthorized reinsurance | \$ |
| 17.12 Unfunded portion of Interrogatory 17.11 | \$ |
| 17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11 | \$ |
| 17.14 Case reserves portion of Interrogatory 17.11 | \$ |
| 17.15 Incurred but not reported portion of Interrogatory 17.11 | \$ |
| 17.16 Unearned premium portion of Interrogatory 17.11 | \$ |
| 17.17 Contingent commission portion of Interrogatory 17.11 | \$ |

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

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

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

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

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

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

FIVE-YEAR HISTORICAL DATA

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

| | 1 2018 | 2 2017 | 3 2016 | 4 2015 | 5 2014 |
|---|-------------|-------------|-------------|-------------|-------------|
| Gross Premiums Written (Page 8, Part 1B Cols. 1, 2 & 3) | | | | | |
| 1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) | 109,463,916 | 113,145,784 | 111,834,566 | 111,168,931 | 107,683,436 |
| 2. Property lines (Lines 1, 2, 9, 12, 21 & 26) | 74,784,686 | 78,159,759 | 81,443,438 | 75,906,809 | 70,190,917 |
| 3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) | 66,776,097 | 67,708,439 | 72,136,470 | 76,844,782 | 76,048,696 |
| 4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) | 6,224 | 7,086 | 7,257 | 7,730 | 6,912 |
| 5. Nonproportional reinsurance lines (Lines 31, 32 & 33) | | | | | 3 |
| 6. Total (Line 35) | 251,030,923 | 259,021,068 | 265,421,730 | 263,928,252 | 253,929,964 |
| Net Premiums Written (Page 8, Part 1B, Col. 6) | | | | | |
| 7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) | 51,385,047 | 54,556,833 | 55,673,996 | 58,114,641 | 55,877,658 |
| 8. Property lines (Lines 1, 2, 9, 12, 21 & 26) | 35,910,945 | 37,003,776 | 38,834,402 | 34,898,551 | 29,999,230 |
| 9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) | 51,073,162 | 50,279,701 | 53,102,713 | 56,286,023 | 54,739,164 |
| 10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) | 6,224 | 7,086 | 7,257 | 7,730 | 6,912 |
| 11. Nonproportional reinsurance lines (Lines 31, 32 & 33) | | | | | 3 |
| 12. Total (Line 35) | 138,375,378 | 141,847,396 | 147,618,367 | 149,306,946 | 140,622,968 |
| Statement of Income (Page 4) | | | | | |
| 13. Net underwriting gain (loss) (Line 8) | (1,737,714) | (3,485,998) | (5,552,084) | (3,370,395) | (2,057,179) |
| 14. Net investment gain or (loss) (Line 11) | 4,481,917 | 4,114,289 | 3,417,916 | 6,063,484 | 5,223,335 |
| 15. Total other income (Line 15) | 1,092,398 | 1,116,866 | 1,378,545 | 1,024,453 | 862,479 |
| 16. Dividends to policyholders (Line 17) | 7,174 | 6,725 | 8,014 | 4,699 | 5,752 |
| 17. Federal and foreign income taxes incurred (Line 19) | 489,011 | (92,464) | (1,003,104) | 101,405 | 1,398,015 |
| 18. Net income (Line 20) | 3,340,417 | 1,830,896 | 239,466 | 3,611,438 | 2,624,868 |
| Balance Sheet Lines (Pages 2 and 3) | | | | | |
| 19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3) | 264,000,511 | 260,219,477 | 268,468,939 | 269,215,721 | 258,896,616 |
| 20. Premiums and considerations (Page 2, Col. 3) | | | | | |
| 20.1 In course of collection (Line 15.1) | 1,779,296 | 1,654,948 | 1,927,213 | 1,492,565 | 2,296,749 |
| 20.2 Deferred and not yet due (Line 15.2) | 24,580,650 | 22,718,371 | 24,914,200 | 22,975,721 | 25,201,331 |
| 20.3 Accrued retrospective premiums (Line 15.3) | 12,231 | 11,000 | 12,358 | 16,394 | 24,128 |
| 21. Total liabilities excluding protected cell business (Page 3, Line 26) | 159,339,135 | 159,244,552 | 166,653,149 | 167,287,419 | 160,557,213 |
| 22. Losses (Page 3, Line 1) | 65,425,277 | 65,977,758 | 70,404,729 | 68,490,096 | 62,017,868 |
| 23. Loss adjustment expenses (Page 3, Line 3) | 17,733,320 | 17,813,262 | 18,130,960 | 17,561,901 | 17,243,925 |
| 24. Unearned premiums (Page 3, Line 9) | 56,293,589 | 55,173,189 | 58,535,067 | 62,241,592 | 64,768,593 |
| 25. Capital paid up (Page 3, Lines 30 & 31) | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| 26. Surplus as regards policyholders (Page 3, Line 37) | 104,661,377 | 100,974,926 | 101,815,791 | 101,928,302 | 98,339,403 |
| Cash Flow (Page 5) | | | | | |
| 27. Net cash from operations (Line 11) | 1,810,417 | (2,728,813) | (2,275,765) | 9,948,516 | 4,626,686 |
| Risk-Based Capital Analysis | | | | | |
| 28. Total adjusted capital | 104,661,377 | 100,974,926 | 101,815,791 | 101,928,302 | 98,339,403 |
| 29. Authorized control level risk-based capital | 10,878,701 | 11,611,468 | 12,441,299 | 12,897,559 | 12,222,151 |
| Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0 | | | | | |
| 30. Bonds (Line 1) | 93.0 | 99.1 | 98.3 | 98.8 | 99.8 |
| 31. Stocks (Lines 2.1 & 2.2) | | | | | |
| 32. Mortgage loans on real estate (Lines 3.1 and 3.2) | | | | | |
| 33. Real estate (Lines 4.1, 4.2 & 4.3) | | | | | |
| 34. Cash, cash equivalents and short-term investments (Line 5) | 7.0 | 0.9 | 1.7 | 1.2 | 0.2 |
| 35. Contract loans (Line 6) | | | | | |
| 36. Derivatives (Line 7) | | | | | |
| 37. Other invested assets (Line 8) | | | | | |
| 38. Receivables for securities (Line 9) | | | | | |
| 39. Securities lending reinvested collateral assets (Line 10) | | | | | |
| 40. Aggregate write-ins for invested assets (Line 11) | | | | | |
| 41. Cash, cash equivalents and invested assets (Line 12) | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Investments in Parent, Subsidiaries and Affiliates | | | | | |
| 42. Affiliated bonds (Schedule D, Summary, Line 12, Col. 1) | | | | | |
| 43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1) | | | | | |
| 44. Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1) | | | | | |
| 45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10) | | | | | |
| 46. Affiliated mortgage loans on real estate | | | | | |
| 47. All other affiliated | | | | | |
| 48. Total of above Lines 42 to 47 | | | | | |
| 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) | | | | | |

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.

FIVE-YEAR HISTORICAL DATA

(Continued)

| | 1 2018 | 2 2017 | 3 2016 | 4 2015 | 5 2014 |
|--|-------------|-------------|-------------|-------------|-------------|
| Capital and Surplus Accounts (Page 4) | | | | | |
| 51. Net unrealized capital gains (losses) (Line 24) | 8,272 | 41 | 695 | 677 | 1,313 |
| 52. Dividends to stockholders (Line 35) | | | | | |
| 53. Change in surplus as regards policyholders for the year (Line 38) | 3,686,451 | (840,864) | (112,512) | 3,588,899 | 2,921,847 |
| Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2) | | | | | |
| 54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) | 64,153,414 | 68,421,679 | 66,092,041 | 66,324,391 | 66,065,318 |
| 55. Property lines (Lines 1, 2, 9, 12, 21 & 26) | 41,247,749 | 46,187,529 | 47,404,442 | 42,378,402 | 40,349,079 |
| 56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) | 33,225,624 | 38,679,196 | 36,544,632 | 34,794,917 | 35,788,425 |
| 57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) | 5,769 | 621 | 2,469 | 1,373 | 5,452 |
| 58. Nonproportional reinsurance lines (Lines 31, 32 & 33) | | | | | |
| 59. Total (Line 35) | 138,632,556 | 153,289,024 | 150,043,584 | 143,499,083 | 142,208,275 |
| Net Losses Paid (Page 9, Part 2, Col. 4) | | | | | |
| 60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) | 33,034,704 | 34,727,842 | 35,162,753 | 34,466,640 | 32,181,859 |
| 61. Property lines (Lines 1, 2, 9, 12, 21 & 26) | 19,267,869 | 23,276,741 | 24,578,671 | 19,825,618 | 16,104,930 |
| 62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) | 28,026,710 | 32,572,477 | 30,485,030 | 28,045,721 | 26,996,351 |
| 63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) | 5,769 | 621 | 2,469 | 1,373 | 5,452 |
| 64. Nonproportional reinsurance lines (Lines 31, 32 & 33) | | | | | |
| 65. Total (Line 35) | 80,335,052 | 90,577,680 | 90,228,924 | 82,339,352 | 75,288,591 |
| Operating Percentages (Page 4) (Line divided by Page 4, Line 1) x 100.0 | | | | | |
| 66. Premiums earned (Line 1) | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 67. Losses incurred (Line 2) | 58.1 | 59.3 | 60.9 | 58.5 | 55.3 |
| 68. Loss expenses incurred (Line 3) | 9.8 | 10.1 | 10.3 | 10.0 | 10.2 |
| 69. Other underwriting expenses incurred (Line 4) | 33.4 | 33.0 | 32.5 | 33.8 | 36.0 |
| 70. Net underwriting gain (loss) (Line 8) | (1.3) | (2.4) | (3.7) | (2.2) | (1.5) |
| Other Percentages | | | | | |
| 71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0) | 32.3 | 32.9 | 32.4 | 33.7 | 34.2 |
| 72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0) | 67.9 | 69.4 | 71.2 | 68.4 | 65.5 |
| 73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0) | 132.2 | 140.5 | 145.0 | 146.5 | 143.0 |
| One Year Loss Development (\$000 omitted) | | | | | |
| 74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P - Part 2 - Summary, Line 12, Col. 11) | 609 | (377) | 1,315 | 1,490 | 409 |
| 75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0) | 0.6 | (0.4) | 1.3 | 1.5 | 0.4 |
| Two Year Loss Development (\$000 omitted) | | | | | |
| 76. Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12) | 341 | 1,569 | 2,578 | 1,679 | 603 |
| 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) | 0.3 | 1.5 | 2.6 | 1.8 | 0.7 |

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

Yes No

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES**SCHEDULE P - PART 1 - SUMMARY**

(\$000 OMITTED)

| Years in Which Premiums Were Earned and Losses Were Incurred | Premiums Earned | | | Loss and Loss Expense Payments | | | | | | | | 12 Number of Claims Reported Direct and Assumed | |
|--|-------------------------|------------|------------------|--------------------------------|------------|---------------------------------------|------------|------------------------------|------------|--|---|--|--|
| | 1 Direct and Assumed | 2 Ceded | 3 Net (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 | 324 | .118 | .41 | .2 | .19 | | 31 | 264 | XXX | |
| 2. 2009 | 163,520 | 61,851 | 101,669 | .89,807 | 33,921 | 3,863 | 1,395 | 14,037 | .5,008 | 4,898 | 67,384 | XXX | |
| 3. 2010 | 167,595 | 61,010 | 106,584 | .92,585 | 32,755 | 3,892 | 1,328 | 15,860 | .4,937 | 6,125 | 73,316 | XXX | |
| 4. 2011 | 181,228 | 35,794 | 145,434 | 109,432 | 19,221 | 4,259 | 604 | 17,569 | 2,605 | 6,798 | 108,829 | XXX | |
| 5. 2012 | 186,735 | 50,006 | 136,729 | 109,743 | 27,467 | 4,451 | 927 | 16,116 | .4,084 | 6,875 | 97,833 | XXX | |
| 6. 2013 | 187,015 | 49,771 | 137,244 | 103,561 | 26,104 | 3,770 | 793 | 14,831 | .4,097 | 6,001 | 91,169 | XXX | |
| 7. 2014 | 185,275 | 49,449 | 135,826 | .98,268 | 24,842 | 3,500 | 725 | 14,175 | .3,860 | 6,073 | 86,516 | XXX | |
| 8. 2015 | 188,699 | 36,865 | 151,834 | 102,897 | 18,979 | 3,249 | 497 | 15,158 | .2,787 | 6,793 | 99,041 | XXX | |
| 9. 2016 | 195,177 | 43,852 | 151,325 | 107,039 | 23,482 | 2,642 | 647 | 14,613 | .3,128 | 7,154 | 97,037 | XXX | |
| 10. 2017 | 198,353 | 53,144 | 145,209 | 117,565 | .44,932 | 1,925 | 1,172 | 14,385 | .3,800 | 6,701 | 83,971 | XXX | |
| 11. 2018 | 201,643 | 64,388 | 137,255 | 83,199 | 34,324 | 686 | 899 | 10,469 | 4,555 | 4,138 | 54,576 | XXX | |
| 12. Totals | XXX | XXX | XXX | 1,014,420 | 286,146 | 32,278 | 8,987 | 147,230 | 38,859 | 61,584 | 859,935 | 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 | | | | | | | | | |
| | 13 Direct and Assumed | 14 Ceded | 15 Direct and Assumed | 16 Ceded | 17 Direct and Assumed | 18 Ceded | 19 Direct and Assumed | 20 Ceded | 21 Direct and Assumed | 22 Ceded | | | | | | |
| 1. Prior. | 1,212 | 76 | 4,584 | 2,514 | 3 | | 348 | 1 | 254 | | 28 | 3,809 | XXX | | | |
| 2. 2009 | 261 | 2 | .670 | .253 | (1) | | .103 | 2 | .60 | | .6 | .836 | XXX | | | |
| 3. 2010 | 270 | 28 | .749 | .254 | 2 | | .124 | 4 | .65 | | 10 | .924 | XXX | | | |
| 4. 2011 | 431 | 2 | .893 | .292 | 4 | | .194 | 6 | .82 | | 17 | .1,305 | XXX | | | |
| 5. 2012 | 554 | .118 | 1,036 | .417 | 4 | .1 | .246 | .50 | .106 | | 26 | .1,360 | XXX | | | |
| 6. 2013 | 677 | .141 | .1,104 | .438 | 3 | .1 | .322 | .67 | .131 | | 43 | .1,591 | XXX | | | |
| 7. 2014 | 1,123 | 229 | 1,598 | .579 | 2 | 0 | .481 | 102 | .230 | | 78 | .2,524 | XXX | | | |
| 8. 2015 | 2,711 | 392 | 2,533 | .648 | 3 | 0 | .848 | .125 | .447 | | 236 | .5,378 | XXX | | | |
| 9. 2016 | 5,105 | 1,073 | 5,257 | 1,776 | 6 | 3 | 1,532 | .376 | .895 | | 355 | .9,568 | XXX | | | |
| 10. 2017 | 10,687 | 2,685 | 11,893 | .6,525 | 12 | 3 | 2,444 | .781 | .1,812 | | 903 | .16,853 | XXX | | | |
| 11. 2018 | 17,084 | 5,259 | 35,655 | 16,963 | 22 | 6 | 3,428 | 1,292 | .6,341 | | 3,281 | .39,011 | XXX | | | |
| 12. Totals | 40,115 | 10,005 | 65,974 | 30,658 | 59 | 15 | 10,071 | 2,806 | 10,424 | | 4,984 | 83,159 | 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 |
| | Direct and Assumed | Ceded | Net | Direct and Assumed | Ceded | Net | Loss | Loss Expense | | Losses Unpaid | Loss Expenses Unpaid |
| 1. Prior. | XXX | XXX | XXX | XXX | XXX | XXX | | | XXX | 3,205 | .604 |
| 2. 2009 | 108,801 | 40,581 | .68,220 | .66.5 | .65.6 | .67.1 | | | 1.0 | .676 | .161 |
| 3. 2010 | 113,546 | 39,306 | .74,241 | .67.8 | .64.4 | .69.7 | | | 1.0 | .737 | .187 |
| 4. 2011 | 132,864 | 22,730 | .110,134 | .73.3 | .63.5 | .75.7 | | | 1.0 | .1,031 | .274 |
| 5. 2012 | 132,256 | 33,064 | .99,192 | .70.8 | .66.1 | .72.5 | | | 1.0 | .1,055 | .305 |
| 6. 2013 | 124,400 | 31,641 | .92,760 | .66.5 | .63.6 | .67.6 | | | 1.0 | .1,201 | .389 |
| 7. 2014 | 119,376 | 30,336 | .89,040 | .64.4 | .61.3 | .65.6 | | | 1.0 | .1,913 | .610 |
| 8. 2015 | 127,848 | 23,428 | .104,419 | .67.8 | .63.6 | .68.8 | | | 1.0 | .4,205 | .1,173 |
| 9. 2016 | 137,089 | 30,485 | .106,604 | .70.2 | .69.5 | .70.4 | | | 1.0 | .7,514 | .2,054 |
| 10. 2017 | 160,722 | 59,899 | .100,824 | .81.0 | .112.7 | .69.4 | | | 1.0 | .13,370 | .3,483 |
| 11. 2018 | 156,884 | 63,297 | .93,587 | .77.8 | .98.3 | .68.2 | | | 1.0 | .30,518 | .8,493 |
| 12. Totals | XXX | XXX | XXX | XXX | XXX | XXX | | | XXX | 65,425 | 17,733 |

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.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.

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 2009 | 2 2010 | 3 2011 | 4 2012 | 5 2013 | 6 2014 | 7 2015 | 8 2016 | 9 2017 | 10 2018 | 11 One Year | 12 Two Year |
| 1. Prior | 35,699 | 32,632 | 31,926 | 31,128 | 31,558 | 31,350 | 31,133 | 31,139 | 30,733 | 30,694 | (39) | (445) |
| 2. 2009 | 62,169 | 59,726 | 59,035 | 59,060 | 59,081 | 59,014 | 59,157 | 59,170 | 59,168 | 59,130 | (38) | (40) |
| 3. 2010 | XXX | 64,522 | 63,390 | 63,192 | 63,293 | 63,318 | 63,364 | 63,366 | 63,283 | 63,253 | (30) | (113) |
| 4. 2011 | XXX | XXX | 94,842 | 94,860 | 94,474 | 94,526 | 94,942 | 95,087 | 95,145 | 95,088 | (58) | 1 |
| 5. 2012 | XXX | XXX | XXX | 86,247 | 86,294 | 86,881 | 87,020 | 87,265 | 87,248 | 87,055 | (193) | (210) |
| 6. 2013 | XXX | XXX | XXX | XXX | 80,859 | 80,878 | 81,623 | 81,894 | 81,938 | 81,894 | (44) | 0 |
| 7. 2014 | XXX | XXX | XXX | XXX | XXX | 77,583 | 77,803 | 78,209 | 78,510 | 78,494 | (15) | 286 |
| 8. 2015 | XXX | XXX | XXX | XXX | XXX | XXX | 90,570 | 90,796 | 91,155 | 91,601 | 446 | 804 |
| 9. 2016 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 94,167 | 93,536 | 94,225 | 689 | 58 |
| 10. 2017 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 88,536 | 88,427 | (109) | XXX |
| 11. 2018 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 81,332 | XXX | XXX |
| | | | | | | | | | | 12. Totals | 609 | 341 |

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 Number of Claims Closed With Loss Payment | 12 Number of Claims Closed Without Loss Payment |
|-------------------------------------|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|---|--|
| | 1 2009 | 2 2010 | 3 2011 | 4 2012 | 5 2013 | 6 2014 | 7 2015 | 8 2016 | 9 2017 | 10 2018 | | |
| 1. Prior | 000 | 12,211 | 18,915 | 22,202 | 24,404 | 25,229 | 26,013 | 26,564 | 26,894 | 27,139 | XXX | XXX |
| 2. 2009 | 34,479 | 47,707 | 52,237 | 54,942 | 57,100 | 57,712 | 57,686 | 58,022 | 58,247 | 58,354 | XXX | XXX |
| 3. 2010 | XXX | 33,190 | 49,669 | 55,775 | 59,547 | 61,154 | 61,410 | 61,948 | 62,205 | 62,394 | XXX | XXX |
| 4. 2011 | XXX | XXX | 55,850 | 77,794 | 85,606 | 89,743 | 91,638 | 92,772 | 93,482 | 93,865 | XXX | XXX |
| 5. 2012 | XXX | XXX | XXX | 49,970 | 70,175 | 77,653 | 82,068 | 84,327 | 85,407 | 85,801 | XXX | XXX |
| 6. 2013 | XXX | XXX | XXX | XXX | 47,884 | 66,212 | 73,425 | 77,300 | 79,561 | 80,435 | XXX | XXX |
| 7. 2014 | XXX | XXX | XXX | XXX | XXX | 45,487 | 63,664 | 70,297 | 74,233 | 76,201 | XXX | XXX |
| 8. 2015 | XXX | XXX | XXX | XXX | XXX | XXX | 52,621 | 74,096 | 81,839 | 86,670 | XXX | XXX |
| 9. 2016 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 56,762 | 77,998 | 85,552 | XXX | XXX |
| 10. 2017 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 55,859 | 73,386 | XXX | XXX |
| 11. 2018 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 48,662 | 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) | | | | | | | | | | 10 2018 |
|-------------------------------------|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|
| | 1 2009 | 2 2010 | 3 2011 | 4 2012 | 5 2013 | 6 2014 | 7 2015 | 8 2016 | 9 2017 | 10 2018 | |
| 1. Prior | 22,379 | 12,363 | 8,147 | 5,666 | 4,756 | 4,198 | 3,487 | 3,140 | 2,566 | 2,417 | |
| 2. 2009 | 18,293 | 6,587 | 3,581 | 2,097 | 1,184 | 791 | 976 | 731 | 608 | 518 | |
| 3. 2010 | XXX | 19,768 | 7,250 | 3,875 | 1,956 | 1,231 | 1,197 | 942 | 734 | 615 | |
| 4. 2011 | XXX | XXX | 24,771 | 8,941 | 4,727 | 2,317 | 1,703 | 1,350 | 972 | 789 | |
| 5. 2012 | XXX | XXX | XXX | 22,940 | 8,018 | 4,897 | 2,480 | 1,673 | 1,186 | 815 | |
| 6. 2013 | XXX | XXX | XXX | XXX | 20,398 | 7,390 | 4,192 | 2,462 | 1,353 | 922 | |
| 7. 2014 | XXX | XXX | XXX | XXX | XXX | 21,972 | 7,712 | 4,211 | 2,247 | 1,398 | |
| 8. 2015 | XXX | XXX | XXX | XXX | XXX | XXX | 26,103 | 8,983 | 4,855 | 2,609 | |
| 9. 2016 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 26,009 | 8,212 | 4,638 | |
| 10. 2017 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 18,969 | 7,030 | |
| 11. 2018 | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | XXX | 20,829 | |

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

| States, Etc. | Active Status (a) | Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken | | 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 | 9 Direct Premiums Written for Federal Purchasing Groups (Included in Column 2) |
|--|-------------------|---|--------------------------|--|--|------------------------|----------------------|--|--|
| | | 2 Direct Premiums Written | 3 Direct Premiums Earned | | | | | | |
| | | | | | | | | | |
| 1. Alabama | AL | N | | | | | | | |
| 2. Alaska | AK | N | | | | | | | |
| 3. Arizona | AZ | N | | | | | | | |
| 4. Arkansas | AR | N | | | | | | | |
| 5. California | CA | Q | | | | | | | |
| 6. Colorado | CO | N | | | | | | | |
| 7. Connecticut | CT | N | | | | | | | |
| 8. Delaware | DE | N | | | | | | | |
| 9. District of Columbia | DC | N | | | | | | | |
| 10. Florida | FL | N | | | | | | | |
| 11. Georgia | GA | N | | | | | | | |
| 12. Hawaii | HI | N | | | | | | | |
| 13. Idaho | ID | N | | | | | | | |
| 14. Illinois | IL | N | | | | | | | |
| 15. Indiana | IN | N | | | | | | | |
| 16. Iowa | IA | N | | | | | | | |
| 17. Kansas | KS | N | | | | | | | |
| 18. Kentucky | KY | N | | | | | | | |
| 19. Louisiana | LA | N | | | | | | | |
| 20. Maine | ME | N | | | | | | | |
| 21. Maryland | MD | N | | | | | | | |
| 22. Massachusetts | MA | N | | | | | | | |
| 23. Michigan | MI | L | | | | | | | |
| 24. Minnesota | MN | N | | | | | | | |
| 25. Mississippi | MS | N | | | | | | | |
| 26. Missouri | MO | N | | | | | | | |
| 27. Montana | MT | N | | | | | | | |
| 28. Nebraska | NE | N | | | | | | | |
| 29. Nevada | NV | N | | | | | | | |
| 30. New Hampshire | NH | N | | | | | | | |
| 31. New Jersey | NJ | N | | | | | | | |
| 32. New Mexico | NM | N | | | | | | | |
| 33. New York | NY | N | | | | | | | |
| 34. North Carolina | NC | N | | | | | | | |
| 35. North Dakota | ND | N | | | | | | | |
| 36. Ohio | OH | L | 112,655,545 | 114,752,919 | | 58,297,504 | 56,559,366 | 38,468,772 | 978,212 |
| 37. Oklahoma | OK | N | | | | | | | |
| 38. Oregon | OR | N | | | | | | | |
| 39. Pennsylvania | PA | N | | | | | | | |
| 40. Rhode Island | RI | N | | | | | | | |
| 41. South Carolina | SC | N | | | | | | | |
| 42. South Dakota | SD | N | | | | | | | |
| 43. Tennessee | TN | N | | | | | | | |
| 44. Texas | TX | N | | | | | | | |
| 45. Utah | UT | N | | | | | | | |
| 46. Vermont | VT | N | | | | | | | |
| 47. Virginia | VA | N | | | | | | | |
| 48. Washington | WA | N | | | | | | | |
| 49. West Virginia | WV | N | | | | | | | |
| 50. Wisconsin | WI | N | | | | | | | |
| 51. Wyoming | WY | N | | | | | | | |
| 52. American Samoa | AS | N | | | | | | | |
| 53. Guam | GU | N | | | | | | | |
| 54. Puerto Rico | PR | N | | | | | | | |
| 55. U.S. Virgin Islands | VI | N | | | | | | | |
| 56. Northern Mariana Islands | MP | N | | | | | | | |
| 57. Canada | CAN | N | | | | | | | |
| 58. Aggregate other alien .. | OT | XXX | | | | | | | |
| 59. Totals | | XXX | 112,655,545 | 114,752,919 | | 58,297,504 | 56,559,366 | 38,468,772 | 978,212 |
| DETAILS OF WRITE-INS | | | | | | | | | |
| 58001. | | XXX | | | | | | | |
| 58002. | | XXX | | | | | | | |
| 58003. | | XXX | | | | | | | |
| 58998. Summary of remaining write-ins for Line 58 from overflow page | | XXX | | | | | | | |
| 58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above) | | XXX | | | | | | | |

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....2
 E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - see DSLI).....
 D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile.....
 R - Registered - Non-domiciled RRGs.....
 Q - Qualified - Qualified or accredited reinsurer.....1
 N - None of the above - Not allowed to write business in the state54

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

Premiums are assigned to the states in which the risk is located

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF FARMERS INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|---|------------|-------|-----------|--|-----------|
| 11930 Narcoossee Road, LLC | 82-3606914 | N/A | DE | Mid-Century Insurance Company | 100.00000 |
| 145 Great Road, LLC | 81-4674724 | N/A | DE | Mid-Century Insurance Company | 100.00000 |
| 17885 Von Karman, LLC | 47-3820947 | N/A | CA | Farmers Insurance Exchange | 100.00000 |
| 201 Railroad Ave, LLC | 82-2860816 | N/A | DE | Farmers Insurance Exchange | 100.00000 |
| 21st Century Advantage Insurance Company | 22-3398993 | 25232 | MN | 21st Century North America Insurance Company | 100.00000 |
| 21st Century Assurance Company | 13-3551577 | 44245 | DE | Mid-Century Insurance Company | 100.00000 |
| 21st Century Auto Insurance Company of New Jersey | 22-3337475 | 10184 | NJ | 21st Century Centennial Insurance Company | 100.00000 |
| 21st Century Casualty Company | 95-4136306 | 36404 | CA | 21st Century Insurance Group | 100.00000 |
| 21st Century Centennial Insurance Company | 23-2044095 | 34789 | PA | Mid-Century Insurance Company | 100.00000 |
| 21st Century Indemnity Insurance Company | 13-1967524 | 43974 | PA | 21st Century Premier Insurance Company | 100.00000 |
| 21st Century Insurance and Financial Services, Inc. | 51-0283170 | N/A | DE | Mid-Century Insurance Company | 100.00000 |
| 21st Century Insurance Company | 95-2565072 | 12963 | CA | 21st Century Insurance Group | 100.00000 |
| 21st Century Insurance Company of the Southwest | 86-0812982 | 10245 | TX | 21st Century Insurance Group | 100.00000 |
| 21st Century Insurance Group | 95-1935264 | N/A | DE | Mid-Century Insurance Company | 100.00000 |
| 21st Century North America Insurance Company | 13-3333609 | 32220 | NY | Mid-Century Insurance Company | 100.00000 |
| 21st Century Pacific Insurance Company | 02-0226203 | 23795 | CO | Mid-Century Insurance Company | 100.00000 |
| 21st Century Pinnacle Insurance Company | 13-3922232 | 10710 | NJ | 21st Century North America Insurance Company | 100.00000 |
| 21st Century Preferred Insurance Company | 95-2743473 | 22225 | PA | 21st Century Centennial Insurance Company | 100.00000 |
| 21st Century Premier Insurance Company | 22-1721971 | 20796 | PA | 21st Century Centennial Insurance Company | 100.00000 |
| 21st Century Superior Insurance Company | 95-4232263 | 43761 | CA | 21st Century North America Insurance Company | 100.00000 |
| 2501 East Valley Road, LLC | 82-2666461 | N/A | DE | Fire Insurance Exchange | 100.00000 |
| 2720 Fourth Ave, LLC | 47-4944225 | N/A | DE | Farmers Insurance Exchange | 100.00000 |
| 384 Santa Trinita Ave LLC | 81-0741455 | N/A | DE | Fire Insurance Exchange | 100.00000 |
| 3900 Indian Avenue, LLC | 81-2487862 | N/A | DE | Farmers Insurance Exchange | 100.00000 |
| 460 Gibraltar Drive, LLC | 81-4365602 | N/A | DE | Truck Insurance Exchange | 100.00000 |
| 50th State Risk Management Services, Inc. | 99-0215429 | N/A | HI | Hawaii Insurance Consultants, Ltd. | 100.00000 |
| 5401 Wiles Road LLC | 47-2591947 | N/A | FL | Mid-Century Insurance Company | 100.00000 |
| 600 Riverside Parkway, LLC | 81-1746692 | N/A | DE | Farmers Insurance Exchange | 100.00000 |
| 6671-6675 North Macarthur Blvd, LLC | 82-4386531 | N/A | DE | Mid-Century Insurance Company | 100.00000 |
| 922 W. Washington Blvd, LLC | 47-3968324 | N/A | IL | Farmers Insurance Exchange | 100.00000 |
| American Pacific Insurance Company, Inc. | 13-3953213 | 10805 | HI | Farmers Insurance Hawaii, Inc. | 100.00000 |
| Bristol West Casualty Insurance Company | 34-1893500 | 11034 | OH | Coast National Insurance Company | 100.00000 |
| Bristol West Holdings, Inc. | 13-3994449 | N/A | DE | Farmers Insurance Exchange | 42.00000 |
| Bristol West Holdings, Inc. | 13-3994449 | N/A | DE | Fire Insurance Exchange | 3.75000 |
| Bristol West Holdings, Inc. | 13-3994449 | N/A | DE | Truck Insurance Exchange | 6.75000 |
| Bristol West Holdings, Inc. | 13-3994449 | N/A | DE | Mid-Century Insurance Company | 47.50000 |
| Bristol West Insurance Company | 38-1865162 | 19658 | OH | Coast National Insurance Company | 100.00000 |
| Bristol West Insurance Services of California, Inc. | 65-0880876 | N/A | CA | Bristol West Holdings, Inc. | 100.00000 |
| Bristol West Insurance Services, Inc. of Florida | 65-0616769 | N/A | FL | Bristol West Holdings, Inc. | 100.00000 |
| Bristol West Preferred Insurance Company | 86-1174452 | 12774 | MI | Bristol West Holdings, Inc. | 100.00000 |
| BWIS of Nevada, Inc. | 65-0919338 | N/A | NV | Bristol West Holdings, Inc. | 100.00000 |
| Civic Property and Casualty Company | 95-4528269 | 10315 | CA | Fire Insurance Exchange | 80.00000 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF FARMERS INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|---|------------|-------|-----------|---|-----------|
| Civic Property and Casualty Company | 95-4528269 | 10315 | CA | Truck Insurance Exchange | 20.00000 |
| Coast National General Agency, Inc. | 76-0543593 | N/A | TX | Bristol West Holdings, Inc. | 100.00000 |
| Coast National Holding Company | 33-0246699 | N/A | CA | Bristol West Holdings, Inc. | 100.00000 |
| Coast National Insurance Company | 33-0246701 | 25089 | CA | Coast National Holding Company | 100.00000 |
| Exact Property and Casualty Company | 95-4528266 | 10318 | CA | Fire Insurance Exchange | 80.00000 |
| Exact Property and Casualty Company | 95-4528266 | 10318 | CA | Truck Insurance Exchange | 20.00000 |
| Farmers Financial Solutions, LLC | 77-0530616 | N/A | NV | FFS Holding, LLC | 100.00000 |
| Farmers Insurance Company of Arizona | 95-2626387 | 21598 | AZ | Farmers Insurance Exchange | 70.00000 |
| Farmers Insurance Company of Arizona | 95-2626387 | 21598 | AZ | Truck Insurance Exchange | 20.00000 |
| Farmers Insurance Company of Arizona | 95-2626387 | 21598 | AZ | Fire Insurance Exchange | 10.00000 |
| Farmers Insurance Company of Idaho | 95-2626385 | 21601 | ID | Farmers Insurance Exchange | 80.00000 |
| Farmers Insurance Company of Idaho | 95-2626385 | 21601 | ID | Fire Insurance Exchange | 6.70000 |
| Farmers Insurance Company of Idaho | 95-2626385 | 21601 | ID | Truck Insurance Exchange | 13.30000 |
| Farmers Insurance Company of Oregon | 95-2655893 | 21636 | OR | Farmers Insurance Exchange | 80.00000 |
| Farmers Insurance Company of Oregon | 95-2655893 | 21636 | OR | Truck Insurance Exchange | 20.00000 |
| Farmers Insurance Company of Washington | 95-2655894 | 21644 | WA | Fire Insurance Exchange | 80.00000 |
| Farmers Insurance Company of Washington | 95-2655894 | 21644 | WA | Truck Insurance Exchange | 20.00000 |
| Farmers Insurance Company, Inc. | 48-0609012 | 21628 | KS | Farmers Insurance Exchange | 90.00000 |
| Farmers Insurance Company, Inc. | 48-0609012 | 21628 | KS | Fire Insurance Exchange | 10.00000 |
| Farmers Insurance Exchange | 95-2575893 | 21652 | CA | Interinsurance Exchange (See Note 1) | |
| Farmers Insurance Hawaii, Inc. | 22-2640040 | 28487 | HI | Mid-Century Insurance Company | 100.00000 |
| Farmers Insurance of Columbus, Inc. | 31-0956373 | 36889 | OH | Farmers Insurance Exchange | 100.00000 |
| Farmers New Century Insurance Company | 36-4165395 | 10806 | IL | Illinois Farmers Insurance Company | 100.00000 |
| Farmers Services Insurance Agency | 95-6048990 | N/A | CA | Truck Insurance Exchange | 100.00000 |
| Farmers Specialty Insurance Company | 59-2326047 | 43699 | MI | Foremost Insurance Company Grand Rapids, Michigan | 100.00000 |
| Farmers Texas County Mutual Insurance Company | 74-1067657 | 24392 | TX | County Mutual Company (See Note 2) | |
| FCOA, LLC | 27-0342907 | N/A | DE | Foremost Insurance Company Grand Rapids, Michigan | 100.00000 |
| FFS Holding, LLC | 77-0530617 | N/A | NV | Mid-Century Insurance Company | 100.00000 |
| Fire Insurance Exchange | 95-6235715 | 21660 | CA | Interinsurance Exchange (See Note 3) | |
| Foremost County Mutual Insurance Company | 38-1721730 | 29254 | TX | County Mutual Company (See Note 4) | |
| Foremost Express Insurance Agency, Inc. | 38-2505922 | N/A | MI | FCOA, LLC | 100.00000 |
| Foremost Insurance Company Grand Rapids, Michigan | 38-1407533 | 11185 | MI | Farmers Insurance Exchange | 80.00000 |
| Foremost Insurance Company Grand Rapids, Michigan | 38-1407533 | 11185 | MI | Fire Insurance Exchange | 10.00000 |
| Foremost Insurance Company Grand Rapids, Michigan | 38-1407533 | 11185 | MI | Truck Insurance Exchange | 10.00000 |
| Foremost Lloyds of Texas | 75-1779175 | 41688 | TX | Lloyds Company (See Note 5) | |
| Foremost Property and Casualty Insurance Company | 35-1604635 | 11800 | MI | Foremost Insurance Company Grand Rapids, Michigan | 100.00000 |
| Foremost Signature Insurance Company | 38-2430150 | 41513 | MI | Foremost Insurance Company Grand Rapids, Michigan | 100.00000 |
| GP, LLC | 65-1142050 | N/A | DE | Bristol West Holdings, Inc. | 100.00000 |
| Hawaii Insurance Consultants, Ltd. | 99-0083322 | N/A | HI | Mid-Century Insurance Company | 100.00000 |
| Illinois Farmers Insurance Company | 36-2661515 | 21679 | IL | Farmers Insurance Exchange | 100.00000 |
| Insurance Data Systems, G.P. | 65-0881673 | N/A | FL | Bristol West Holdings, Inc. | 99.90000 |
| Insurance Data Systems, G.P. | 65-0881673 | N/A | FL | GP, LLC | 0.10000 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF FARMERS INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|---|------------|-------|-----------|--|-----------|
| Kraft Lake Insurance Agency, Inc. | 38-2336672 | N/A | MI | FCOA, LLC | 100.00000 |
| Mid-Century Insurance Company | 95-6016640 | 21687 | CA | Farmers Insurance Exchange | 80.00000 |
| Mid-Century Insurance Company | 95-6016640 | 21687 | CA | Fire Insurance Exchange | 10.00000 |
| Mid-Century Insurance Company | 95-6016640 | 21687 | CA | Truck Insurance Exchange | 10.00000 |
| Mid-Century Insurance Company of Texas | 74-2448744 | 28673 | TX | Farmers Insurance Exchange | 100.00000 |
| Neighborhood Spirit Property and Casualty Company | 95-4528264 | 10317 | CA | Fire Insurance Exchange | 80.00000 |
| Neighborhood Spirit Property and Casualty Company | 95-4528264 | 10317 | CA | Truck Insurance Exchange | 20.00000 |
| Security National Insurance Company | 65-0109120 | 33120 | FL | Bristol West Holdings, Inc. (See Note 6) | 100.00000 |
| Texas Farmers Insurance Company | 94-1663548 | 21695 | TX | Farmers Insurance Exchange | 86.28000 |
| Texas Farmers Insurance Company | 94-1663548 | 21695 | TX | Mid Century Insurance Company | 13.72000 |
| Truck Insurance Exchange | 95-2575892 | 21709 | CA | Interinsurance Exchange (See Note 7) | |
| Western Star Insurance Services, Inc. | 74-1593853 | N/A | TX | FCOA, LLC | 100.00000 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|--|------------|-------|-----------|--|-----------|
| Access Franchise Management Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| ACN 000 141 051 Ltd. | | N/A | AUS | Zurich Financial Services Australia Limited | 100.00000 |
| ADAC Autoversicherung AG | | N/A | DEU | Zürich Beteiligungs-Aktiengesellschaft (Deutschland) | 51.00000 |
| Afterland Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| AG Haus der Wirtschaft | | N/A | CHE | Zurich Versicherungs-Gesellschaft AG | 8.16327 |
| Allied Dunbar Assurance plc | | N/A | GBR | Zurich Financial Services (UKISA) Nominees Limited | 100.00000 |
| Allied Dunbar Financial Services Limited | | N/A | GBR | Allied Dunbar Assurance plc | 100.00000 |
| Allied Dunbar Healthcare Marketing Limited | | N/A | GBR | Allied Dunbar Assurance plc | 100.00000 |
| Allied Dunbar Property Services Limited | | N/A | GBR | Allied Dunbar Assurance plc | 100.00000 |
| Allied Dunbar Provident plc | | N/A | GBR | Allied Dunbar Assurance plc | 100.00000 |
| Allied Zurich Holdings Limited | | N/A | JEY | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Allied Zurich Limited | | N/A | GBR | Zurich Insurance Group Ltd. | 100.00000 |
| American Guarantee and Liability Insurance Company | 36-6071400 | 26247 | NY | Zurich American Insurance Company | 100.00000 |
| American Zurich Insurance Company | 36-3141762 | 40142 | IL | Steadfast Insurance Company | 100.00000 |
| Applyhere Pty Ltd | | N/A | AUS | Davidson Trahair Holding Pty Ltd | 100.00000 |
| Ashdale Land and Property Company Limited | | N/A | GBR | Zurich Insurance plc | 100.00000 |
| Asistbras S/A Assistência ao Viajante | | N/A | BRA | Travel Ace Internacional de Servicios S.A. | 65.00000 |
| Assistance Online (China) Co Ltd | | N/A | CHN | Assistancee Online Pte. Ltd | 100.00000 |
| Assistancee Online HK Ltd | | N/A | HKG | Assistancee Online HK Ltd | 0.00000 |
| Assistancee Online HK Ltd | | N/A | HKG | Assistancee Online Pte. Ltd | 100.00000 |
| Assistancee Online Pte. Ltd | | N/A | SGP | Customer Care Assistance Pty Ltd | 100.00000 |
| Associated Marine Insurers Agents Pty. Limited | | N/A | AUS | Zurich Financial Services Australia Limited | 100.00000 |
| ASTIS Holdings Limited | | N/A | AUS | Cover-More Finance Pty Limited | 100.00000 |
| Aust Office 1, LLC | 36-4851720 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| Ballykilliane Holdings Limited | | N/A | IRL | Zurich Insurance plc | 100.00000 |
| Bansabadell Pensiones, E.G.F.P, S.A. | | N/A | ESP | Zurich Vida, Compañía de Seguros y Reaseguros, S.A. - Socied | 50.00000 |
| Bansabadell Seguros Generales, S.A. de Seguros y Reaseguros | | N/A | ESP | Zurich Versicherungs-Gesellschaft AG | 50.00000 |
| Bansabadell Servicios Auxiliares De Seguros, S.L. | | N/A | ESP | Bansabadell Seguros Generales, S.A. de Seguros y Reaseguros | 100.00000 |
| Bansabadell Vida S.A. de Seguros y Reaseguros | | N/A | ESP | Zurich Vida, Compañía de Seguros y Reaseguros, S.A. - Socied | 50.00000 |
| Benefit Finance Partners, L.L.C. | | N/A | DE | Zurich Benefit Finance LLC | 50.00000 |
| BFP Securities LLC | 13-4097988 | N/A | DE | Benefit Finance Partners, L.L.C. | 100.00000 |
| Bloomington Office LP | | N/A | DE | Zurich Structured Finance, Inc. | 99.00000 |
| Bloomington Office MGP Manager, Inc | | N/A | DE | Zurich Structured Finance, Inc. | 100.00000 |
| Bloomington Office MGP, LLC | | N/A | DE | Zurich Structured Finance, Inc. | 99.00000 |
| Bloomington Office MGP, LLC | | N/A | DE | Bloomington Office MGP Manager, Inc | 1.00000 |
| Blue Insurance Australia Pty Ltd | | N/A | AUS | Blue Insurance Limited | 100.00000 |
| Blue Insurance Limited | | N/A | IRL | Cover-More Australia Pty Ltd | 97.61000 |
| Blue Marble Capital L.P. | | N/A | BMU | Blue Marble Micro Limited | 100.00000 |
| Blue Marble Micro Limited | | N/A | GBR | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Blue Marble Microinsurance, Inc. | | N/A | DE | Blue Marble Micro Limited | 100.00000 |
| Bonnfinanz Aktiengesellschaft fur Vermogensberatung und Verm | | N/A | DEU | Deutscher Herold Aktiengesellschaft | 100.00000 |
| Bonus Pensionskassen Aktiengesellschaft | | N/A | AUT | Zurich Versicherungs-Aktiengesellschaft | 87.50000 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|---|------------|-------|-----------|--|-----------|
| BONUS Vorsorgekasse AG | | N/A | AUT | Zurich Versicherungs-Aktiengesellschaft | 50.00000 |
| BOS Apt 1, LLC | 47-2289489 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| BOS Apt 2, LLC | 47-2445859 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| BOS Office 2 LLC | 47-1046245 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| BOS Office 3, LLC | 47-2483669 | N/A | DE | Farmers New World Life Insurance Company | 100.00000 |
| BOS Office 4, LLC | 37-1849541 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| BOS Retail 1, LLC | 47-4684158 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| Bright Box Europe S.A. | | N/A | CHE | Bright Box HK Limited | 100.00000 |
| Bright Box HK Limited | | N/A | CHN | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Bright Box Hungary KFT | | N/A | HUN | Bright Box HK Limited | 100.00000 |
| Bright Box Middle East FZCO | | N/A | ARE | Bright Box HK Limited | 100.00000 |
| Brinker Retail MGP, LLC | | N/A | DE | Zurich Structured Finance, Inc. | 99.00000 |
| Bristlecourt Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| Cayley Aviation Ltd. | | N/A | BMU | Zurich Insurance Company Ltd, Bermuda Branch | 100.00000 |
| Celta Assistance SL | | N/A | ESP | Universal Assistance S.A. | 100.00000 |
| Centre Group Holdings (U.S.) Limited | 13-4038482 | N/A | DE | Zurich Finance Company Ltd | 100.00000 |
| Centre Insurance Company | 13-2653231 | 34649 | DE | Centre Solutions (U.S.) Limited | 100.00000 |
| Centre Life Insurance Company | 04-1589940 | 80896 | MA | Centre Solutions (U.S.) Limited | 100.00000 |
| Centre Reinsurance (U.S.) Limited | AA-3190673 | N/A | BMU | Centre Group Holdings (U.S.) Limited | 100.00000 |
| Centre Solutions (Bermuda) Limited | | N/A | BMU | Zurich Finance Company Ltd | 100.00000 |
| Centre Solutions (U.S.) Limited | AA-3190822 | N/A | BMU | Centre Group Holdings (U.S.) Limited | 100.00000 |
| Charlotte Office 1, LLC | 30-1113235 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| CHI APT 1, LLC | 38-3988749 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| CHI IND 1, LLC | 47-4429730 | N/A | DE | Farmers New World Life Insurance Company | 100.00000 |
| Chilena Consolidada Seguros de Vida S.A. | | N/A | CHL | Inversiones Suizo Chilena S.A. | 98.97703 |
| Chilena Consolidada Seguros Generales S.A. | AA-2280100 | N/A | CHL | Chilena Consolidada Seguros de Vida S.A. | 7.40525 |
| Chilena Consolidada Seguros Generales S.A. | AA-2280100 | N/A | CHL | Inversiones Suizo Chilena S.A. | 82.73165 |
| City of London Insurance Company Limited | | N/A | GBR | Eagle Star Insurance Company Limited | 100.00000 |
| COFITEM-COFIMUR | | N/A | FRA | Zurich Versicherungs-Gesellschaft AG | 12.40521 |
| Collierville Center, LP | | N/A | DE | Zurich Structured Finance, Inc. | 99.00000 |
| Collierville MGP Manager, Inc. | | N/A | DE | Zurich Structured Finance, Inc. | 100.00000 |
| Collierville Office MGP, LLC | | N/A | DE | Zurich Structured Finance, Inc. | 99.00000 |
| Collierville Office MGP, LLC | | N/A | DE | Collierville MGP Manager, Inc. | 1.00000 |
| Colonial American Casualty and Surety Company | 52-1096670 | 34347 | MD | Fidelity and Deposit Company of Maryland | 100.00000 |
| Community Trust Services Limited | | N/A | GBR | Zurich Community Trust (UK) Limited | 99.00000 |
| Community Trust Services Limited | | N/A | GBR | Zurich Financial Services (UKISA) Nominees Limited | 1.00000 |
| Concisa Vorsorgeberatung und Management AG | | N/A | AUT | Bonus Pensionskassen Aktiengesellschaft | 100.00000 |
| Concourse Skelmersdale Limited | | N/A | GBR | Zurich Financial Services (UKISA) Limited | 100.00000 |
| Cover-More (NZ) Limited | | N/A | NZL | Cover-More Australia Pty Ltd | 100.00000 |
| Cover-More Asia Pte. Ltd | | N/A | SGP | Travel Assist Pty Limited | 100.00000 |
| Cover-More Australia Pty Ltd | | N/A | AUS | Cover-More Holdings Pty Ltd | 100.00000 |
| Cover-More Finance Pty Limited | | N/A | AUS | Cover-More Group Limited | 100.00000 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|--|------------|------|-----------|--|-----------|
| Cover-More Group Limited | | N/A | AUS | Zurich Travel Solutions Pty Limited | 100.00000 |
| Cover-More Holdings Pty Ltd | | N/A | AUS | Travel Assist Pty Limited | 100.00000 |
| Cover-More Holdings USA Inc. | | N/A | DE | Travel Assist Pty Limited | 100.00000 |
| Cover-More Inc. | | N/A | DE | Cover-More Holdings USA Inc. | 100.00000 |
| Cover-More Insurance Services Limited | | N/A | GBR | Cover-More Australia Pty Ltd | 100.00000 |
| Cover-More Insurance Services Pty Ltd | | N/A | AUS | Travel Assist Pty Limited | 100.00000 |
| CP Holding Limited | | N/A | VGB | Zurich Insurance Company Ltd, Bermuda Branch | 100.00000 |
| CREC (Birmingham), LLC | | N/A | DE | Zurich Structured Finance, Inc. | 100.00000 |
| CREC (COLLIERVILLE), LLC | 83-2914126 | N/A | DE | Zurich Structured Finance, Inc. | 100.00000 |
| CREC (Durham), LLC | | N/A | DE | Zurich Structured Finance, Inc. | 100.00000 |
| CREC (Sacramento), LLC | | N/A | DE | Zurich Structured Finance, Inc. | 100.00000 |
| CTH Affordable Housing Corporation | | N/A | DE | Zurich Structured Finance, Inc. | 100.00000 |
| CTH Affordable Housing Investor, Inc. | | N/A | DE | CTH Affordable Housing Corporation | 100.00000 |
| CTH/Landmark SLP, Inc. | | N/A | IL | CTH Affordable Housing Corporation | 100.00000 |
| Cursud N.V. | | N/A | ANT | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Customer Care Assistance Pty Ltd | | N/A | AUS | Customer Care Holdings Pty Ltd | 100.00000 |
| Customer Care Holdings Pty Ltd | | N/A | AUS | Travel Assist Pty Limited | 100.00000 |
| Customer Care Pty Ltd | | N/A | AUS | Customer Care Holdings Pty Ltd | 100.00000 |
| DA Deutsche Allgemeine Versicherung Aktiengesellschaft | | N/A | DEU | Zürich Beteiligungs-Aktiengesellschaft (Deutschland) | 100.00000 |
| Dallas Office MGP Manager, Inc. | | N/A | DE | Zurich Structured Finance, Inc. | 100.00000 |
| Dallas Office MGP, LLC | | N/A | DE | Zurich Structured Finance, Inc. | 99.00000 |
| Dallas Office MGP, LLC | | N/A | DE | Dallas Office MGP Manager, Inc. | 1.00000 |
| Dallas Tower LP | | N/A | DE | Zurich Structured Finance, Inc. | 99.00000 |
| Davidson Trahair Corpseych (Singapore) Pte. Limited | | N/A | SGP | DTC Bidco Pty Ltd | 100.00000 |
| Davidson Trahair Corpseych Pty Ltd | | N/A | AUS | Davidson Trahair Holding Pty Ltd | 65.00000 |
| Davidson Trahair Corpseych Pty Ltd | | N/A | AUS | Applyhere Pty Ltd | 35.00000 |
| Davidson Trahair Holding Pty Ltd | | N/A | AUS | DTC Australia Pty Ltd | 100.00000 |
| DB Vita S.A. | | N/A | LUX | Deutscher Herold Aktiengesellschaft | 25.00000 |
| DC Apt 1, LLC | 47-4654837 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| DC Retail 1, LLC | 82-2833981 | N/A | DE | Farmers New World Life Insurance Company | 100.00000 |
| Delkir S.A. | | N/A | URY | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Delta Wetlands Properties | | N/A | IL | KLMLP 2, LLC | 90.00000 |
| Delta Wetlands Properties | | N/A | IL | KLMLP 3, LLC | 10.00000 |
| DEN Retail 1 LLC | 47-1387852 | N/A | DE | Farmers New World Life Insurance Company | 100.00000 |
| Derimed S.A. | | N/A | ARG | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Deutsche Zurich Pensiones, Entidad Gestora de Fondos de Pens | | N/A | ESP | Zurich Vida, Compañía de Seguros y Reaseguros, S.A. - Socied | 50.00000 |
| Deutscher Herold Aktiengesellschaft | | N/A | DEU | Zurich Beteiligungs-Aktiengesellschaft (Deutschland) | 79.82639 |
| Deutscher Pensionsfonds Aktiengesellschaft | | N/A | DEU | Deutscher Herold Aktiengesellschaft | 74.90000 |
| Deutsches Institut fur Altersvorsorge GmbH | | N/A | DEU | Deutscher Herold Aktiengesellschaft | 22.00000 |
| Digital Insurance Group B.V. | | N/A | NLD | Zürich Versicherungs-Gesellschaft AG | 10.00000 |
| Disability Management Services, Inc. | 06-1427246 | N/A | CT | Centre Group Holdings (U.S.) Limited | 40.00000 |
| DTC Australia Pty Ltd | | N/A | AUS | DTC Bidco Pty Ltd | 100.00000 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|--|------------|-------|-----------|--|-----------|
| DTC Bidco Pty Ltd | | N/A | AUS | DTC Holdco Pty Ltd | 100.00000 |
| DTC Holdco Pty Ltd | | N/A | AUS | ASTIS Holdings Limited | 100.00000 |
| DTC NZ Bidco Limited | | N/A | NZL | DTC Bidco Pty Ltd | 100.00000 |
| Dunbar Assets Ireland | | N/A | IRL | Zurich Finance Company Ltd | 0.03664 |
| Dunbar Assets Ireland | | N/A | IRL | ZCMC II Holdings Limited | 99.96335 |
| Dunbar Assets plc | | N/A | GBR | Dunbar Assets Ireland | 100.00000 |
| Dunbar Nominees Limited | | N/A | GBR | Dunbar Assets plc | 100.00000 |
| Dunbar Sports and Social Club Limited | | N/A | GBR | Allied Dunbar Assurance plc | 100.00000 |
| Dusfal S.A. | | N/A | URY | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Eagle Star (Leasing) Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| Eagle Star Direct (Camberley) Limited | | N/A | GBR | Zurich Insurance Company (U.K.) Limited | 100.00000 |
| Eagle Star Direct Services Limited | | N/A | GBR | Zurich UK General Services Limited | 100.00000 |
| Eagle Star Estates Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| Eagle Star European Life Assurance Company Limited | | N/A | IRL | Zurich Life Assurance plc | 100.00000 |
| Eagle Star Executives Pension Trustee Limited | | N/A | GBR | Zurich Financial Services (UKISA) Limited | 100.00000 |
| Eagle Star Farms Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| Eagle Star Forests Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| Eagle Star Group Holdings Limited | | N/A | GBR | Eagle Star Holdings Limited | 100.00000 |
| Eagle Star Group Services Limited | | N/A | GBR | Eagle Star Holdings Limited | 100.00000 |
| Eagle Star Holding Company of Ireland | | N/A | IRL | Eagle Star Group Holdings Limited | 0.0006 |
| Eagle Star Holding Company of Ireland | | N/A | IRL | Zurich Assurance Ltd | 99.99994 |
| Eagle Star Holdings Limited | | N/A | GBR | Zurich Financial Services (UKISA) Limited | 100.00000 |
| Eagle Star Insurance Company Limited | | N/A | GBR | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Eagle Star Loans Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| Eagle Star Securities Limited | | N/A | GBR | Zurich Insurance plc | 100.00000 |
| Edilspettacolo SRL | | N/A | ITA | Zurich Insurance Company Ltd - Rappresentanza Generale per l | 35.71233 |
| Empire Fire and Marine Insurance Company | 47-6022701 | 21326 | NE | Zurich American Insurance Company | 100.00000 |
| Empire Indemnity Insurance Company | 73-6091717 | 21334 | OK | Zurich American Insurance Company | 100.00000 |
| Employee Services Limited | | N/A | GBR | Allied Dunbar Financial Services Limited | 100.00000 |
| Endsleigh Financial Services Limited | | N/A | GBR | Zurich Holdings (UK) Limited | 100.00000 |
| Endsleigh Pension Trustee Limited | | N/A | GBR | Zurich Holdings (UK) Limited | 100.00000 |
| Eritage S.A. | | N/A | URY | Zürich Versicherungs-Gesellschaft AG | 65.00000 |
| ES (Walsall) Nominee Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| ES Cannock Nominee 1 Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| ES Cannock Nominee 2 Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| ES Dudley Nominee 1 Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| ES Dudley Nominee 2 Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| ES Plympton Nominee 1 Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| ES Plympton Nominee 2 Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| ES Ramsgate Nominee 1 Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| ES Ramsgate Nominee 2 Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| ESI Financing Limited | | N/A | GBR | Eagle Star Insurance Company Limited | 0.00011 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|--|------------|-------|-----------|--|-----------|
| ESI Financing Limited | | N/A | GBR | Zurich Versicherungs-Gesellschaft AG | 99.99989 |
| Euclid KY Annex, LP | | N/A | DE | Zurich Structured Finance, Inc. | 99.00000 |
| Euclid Office LP | | N/A | DE | Zurich Structured Finance, Inc. | 99.00000 |
| Euclid Warehouses LP | | N/A | DE | Zurich Structured Finance, Inc. | 99.00000 |
| Euroamérica Administradora General de Fondos S.A | | N/A | CHL | Chilena Consolidada Seguros de Vida S.A. | 100.00000 |
| Extremus Versicherung-Aktiengesellschaft | | N/A | DEU | Zurich Insurance plc Niederlassung fur Deutschland | 5.00000 |
| Farmers Family Fund | 45-3561769 | N/A | CA | Farmers Group, Inc. | 100.00000 |
| Farmers Group, Inc. | 95-0725935 | N/A | NV | Zurich Versicherungs-Gesellschaft AG | 87.90000 |
| Farmers Group, Inc. | 95-0725935 | N/A | NV | Zurich Insurance Group Ltd. | 12.10000 |
| Farmers Life Insurance Company of New York | 46-4261000 | N/A | NY | Farmers New World Life Insurance Company | 100.00000 |
| Farmers New World Life Insurance Company | 91-0335750 | 63177 | WA | Farmers Group, Inc. | 100.00000 |
| Farmers Reinsurance Company | 95-4650862 | 10873 | CA | Farmers Group, Inc. | 100.00000 |
| Farmers Services Corporation | | N/A | NV | Farmers Group, Inc. | 100.00000 |
| Farmers Underwriters Association | | N/A | CA | Farmers Group, Inc. | 100.00000 |
| Fidelity and Deposit Company of Maryland | 13-3046577 | 39306 | MD | Zurich American Insurance Company | 100.00000 |
| FIG Holding Company | | N/A | CA | Farmers Group, Inc. | 100.00000 |
| FIG Leasing Co., Inc. | | N/A | CA | Farmers Group, Inc. | 100.00000 |
| Fire Underwriters Association | 95-2670247 | N/A | CA | Farmers Group, Inc. | 100.00000 |
| Fitsense Insurance Services Pty Ltd | | N/A | AUS | Travel Assist Pty Limited | 100.00000 |
| Futuro de Bolivia S.A. Administradora de Fondos de Pensiones | | N/A | BOL | Zurich Boliviana Seguros Personales S.A. | 8.42193 |
| Futuro de Bolivia S.A. Administradora de Fondos de Pensiones | | N/A | BOL | Zurich South America Invest AB | 71.57801 |
| FX Insurance Agency, LLC | 35-2281892 | N/A | DE | FIG Leasing Co., Inc. | 100.00000 |
| FX Insurance Agency Hawaii, LLC | 83-1572480 | N/A | HI | FIG Leasing Co., Inc. | 100.00000 |
| General Surety & Guarantee Co Limited | | N/A | GBR | Zurich Insurance Company (U.K.) Limited | 100.00000 |
| Genevoise, Compagnie Immobiliere SA | | N/A | CHE | Zurich Lebensversicherungs-Gesellschaft AG | 100.00000 |
| Grovewood Engineering Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| Grovewood Property Holdings Limited | | N/A | GBR | Eagle Star Holdings Limited | 100.00000 |
| H4B Humboldthafen Einheitsgesellschaft GmbH&Co.KG | | N/A | DEU | REX-ZDHL S.C.S. SICAV-SIF | 94.90000 |
| Halo Holdco Limited | | N/A | GBR | Cover-More Australia Pty Ltd | 100.00000 |
| Halo Holdco Limited | | N/A | GBR | Zürich Versicherungs-Gesellschaft AG | 0.00000 |
| Halo Insurance Services Limited | | N/A | GBR | Halo Holdco Limited | 100.00000 |
| Halo Insurance Services Pty Ltd | | N/A | AUS | Halo Insurance Services Limited | 100.00000 |
| Hawkcentral Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| Herengracht Investments B.V | | N/A | DEU | RE Curve Holding B.V. | 100.00000 |
| Home & Overseas Insurance Company Limited | | N/A | GBR | Eagle Star Insurance Company Limited | 100.00000 |
| Hoplite Reinsurance Company of Vermont, Inc. | 32-0478525 | N/A | VT | Zurich Holding Company of America, Inc. | 100.00000 |
| HOU IND 1, LLC | 46-2975161 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| HOU IND 2, LLC | 46-2984834 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| HOU IND 3, LLC | | N/A | DE | Zurich American Insurance Company | 100.00000 |
| Independence Center Realty L.P. | | N/A | DE | Philadelphia Investor, LLC | 89.00000 |
| INNATE, Inc. | | N/A | DC | Cover-More Holdings USA Inc. | 100.00000 |
| INTEGRA Versicherungsdienst GmbH | | N/A | AUT | Zurich Versicherungs-Aktiengesellschaft | 100.00000 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|---|------------|------|-----------|--|-----------|
| International Travel Assistance S.A. | | N/A | PAN | Zürich Versicherungs-Gesellschaft AG | 55.00000 |
| Inversiones Suizo Chilena S.A. | | N/A | CHL | Inversiones Suizo-Argentina S.A. | 0.00001 |
| Inversiones Suizo Chilena S.A. | | N/A | CHL | Zurich Versicherungs-Gesellschaft AG | 99.99999 |
| Inversiones Suizo-Argentina S.A. | | N/A | ARG | Zurich Lebensversicherungs-Gesellschaft AG | 5.00400 |
| Inversiones Suizo-Argentina S.A. | | N/A | ARG | Zurich Versicherungs-Gesellschaft AG | 94.99600 |
| Inversiones ZS America Dos Limitada | | N/A | CHL | Inversiones ZS America SpA | 100.00000 |
| Inversiones ZS America SpA | | N/A | CHL | Zurich Santander Insurance America, S.L. | 100.00000 |
| Inversiones ZS America Tres SpA | | N/A | CHL | Zurich Santander Insurance America, S.L. | 100.00000 |
| Inversora Alpina Financiadora de Primas, C.A. | | N/A | VEN | Zurich Seguros, S.A. | 100.00000 |
| Irish National Insurance Company p.l.c. | | N/A | IRL | Zurich Insurance plc | 99.99999 |
| Isis S.A. | | N/A | ARG | Inversiones Suizo-Argentina S.A. | 60.50140 |
| Isis S.A. | | N/A | ARG | Zurich Versicherungs-Gesellschaft AG | 39.49860 |
| JFS/ZSF 1997 L.P. | | N/A | VA | Zurich Structured Finance, Inc. | 99.00000 |
| JFS/ZSF 1998, L.P. | | N/A | VA | Zurich Structured Finance, Inc. | 99.00000 |
| Kansas City Office LP | | N/A | DE | Zurich Structured Finance, Inc. | 99.00000 |
| Kansas Office MGP Manager, Inc. | | N/A | DE | Zurich Structured Finance, Inc. | 100.00000 |
| Kansas Office MGP, LLC | | N/A | DE | Zurich Structured Finance, Inc. | 99.00000 |
| Kansas Office MGP, LLC | | N/A | DE | Kansas Office MGP Manager, Inc. | 1.00000 |
| Karvat Cover-More Assist. Pvt Ltd. | | N/A | IND | Cover-More Asia Pte. Ltd | 100.00000 |
| Kennet Road 1 UK Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| Kennet Road 2 UK Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| KLMLP 2, LLC | | N/A | DE | KLMLP, L.P. | 100.00000 |
| KLMLP 3, LLC | | N/A | DE | KLMLP 2, LLC | 100.00000 |
| KLMLP, L.P. | | N/A | DE | Zurich American Corporation | 75.00000 |
| Knip (Deutschland) GmbH | | N/A | DEU | Knip AG | 100.00000 |
| Knip AG | | N/A | CHE | Digital Insurance Group B.V. | 98.88000 |
| Komparu B.V. | | N/A | NLD | Digital Insurance Group B.V. | 100.00000 |
| Kono Insurance Limited | | N/A | HKG | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Kouler S.A. | | N/A | URY | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| LA Industrial 1, LLC | 36-4877375 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| LA Retail 1 LLC | 47-1325180 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| Limited Liability Company "BRIGHT BOX" | | N/A | RUS | Bright Box HK Limited | 100.00000 |
| Limited Liability Company "REMOTO" | | N/A | RUS | Bright Box HK Limited | 100.00000 |
| Manon Vision Co., Ltd. | | N/A | THA | Centre Solutions (Bermuda) Limited | 0.00057 |
| Manon Vision Co., Ltd. | | N/A | THA | Zurich Finance Company Ltd | 0.00066 |
| Manon Vision Co., Ltd. | | N/A | THA | Zurich Versicherungs-Gesellschaft AG | 99.99877 |
| MEATPACKING B.V. | | N/A | NLD | Rock Inne Vastgoed B.V. | 100.00000 |
| Medidata AG | | N/A | CHE | Zurich Versicherungs-Gesellschaft AG | 8.85180 |
| Meritclass Investments Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| MI Administrators, LLC | | N/A | DE | FIG Leasing Co., Inc. | 100.00000 |
| MIAMI INDUSTRIAL 1, LLC | 30-0947450 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| Miami Industrial 2, LLC | 81-3346909 | N/A | DE | Farmers New World Life Insurance Company | 100.00000 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|--|------------|------|-----------|--|-----------|
| Miami Office 2, LLC | 38-4002060 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| MIAMI OFFICE 3, LLC | 35-2567170 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| Miami Retail 1, LLC | 61-1852255 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| Minas Brasil Promotora de Servicos S/A | | N/A | BRA | Zurich Minas Brasil Seguros S.A, | 100.00000 |
| MSHQ, LLC | | N/A | DE | JFS/ZSF 1998, L.P. | 100.00000 |
| MSP APT 1, LLC | 30-1003542 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| Nashville Office 1, LLC | 30-1004249 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| Navigators and General Insurance Company Limited | | N/A | GBR | Zurich Insurance plc | 100.00000 |
| Nearheath Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| NY Industrial 1, LLC | 30-1071415 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| Oak Underwriting plc | | N/A | GBR | Zurich Holdings (UK) Limited | 100.00000 |
| Orange Stone Company | | N/A | IRL | Zurich Finance Company AG | 100.00000 |
| Orion Rechtsschutz-Versicherung AG | | N/A | CHE | Zurich Versicherungs-Gesellschaft AG | 78.00000 |
| Parcelgate Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| Perils AG | | N/A | CHE | Zurich Versicherungs-Gesellschaft AG | 11.11111 |
| Perunsel S.A. | | N/A | URY | Zürich Versicherungs-Gesellschaft AG | 60.00000 |
| Philly Office 1, LLC | 35-2553880 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| POR Apt 1, LLC | 47-1392591 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| POR Apt 2, LLC | 47-4067157 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| POR Office 1, LLC | 47-4054154 | N/A | DE | Farmers New World Life Insurance Company | 100.00000 |
| Prime Corporate Psychology Pty Ltd | | N/A | AUS | DTC Bidco Pty Ltd | 100.00000 |
| Protektor Lebensversicherungs-AG | | N/A | DEU | Zurich Deutscher Herold Lebensversicherung Aktiengesellschaf | 5.15838 |
| PT Zurich Insurance Indonesia | AA-5360007 | N/A | IDN | Zurich International (Bermuda) Ltd. | 1.56878 |
| PT Zurich Insurance Indonesia | AA-5360007 | N/A | IDN | Zurich Versicherungs-Gesellschaft AG | 97.09134 |
| PT Zurich Topas Life | | N/A | IDN | Zurich Versicherungs-Gesellschaft AG | 80.00000 |
| R3 FL Holdings, LLC | | N/A | FL | Fidelity and Deposit Company of Maryland | 100.00000 |
| Raleigh/Durham Offices, L.P. | | N/A | DE | Zurich Structured Finance, Inc. | 99.00000 |
| RE Curve Holding B.V. | | N/A | DEU | Zurich Deutscher Herold Lebensversicherung Aktiengesellschaf | 100.00000 |
| Real Garant Espana S.L. | | N/A | ESP | Real Garant GmbH Garantiesysteme | 100.00000 |
| Real Garant GmbH Garantiesysteme | | N/A | DEU | Real Garant Versicherung Aktiengesellschaft | 100.00000 |
| Real Garant Versicherung Aktiengesellschaft | | N/A | DEU | Zurich Beteiligungs-Aktiengesellschaft (Deutschland) | 100.00000 |
| Research Triangle MGP Manager, Inc. | | N/A | DE | Zurich Structured Finance, Inc. | 100.00000 |
| Research Triangle Office MGP, LLC | | N/A | DE | Zurich Structured Finance, Inc. | 99.00000 |
| Research Triangle Office MGP, LLC | | N/A | DE | Research Triangle MGP Manager, Inc. | 1.00000 |
| REX Holding S.a.r.l. | | N/A | LUX | REX-ZDHL S.C.S. SICAV-SIF | 100.00000 |
| REX-Germany-ZDHL S.C.S | | N/A | LUX | REX-ZDHL S.C.S. SICAV-SIF | 95.24000 |
| Rex-Spain-ZDHL S.L. | | N/A | ESP | Zurich Deutscher Herold Lebensversicherung Aktiengesellschaf | 100.00000 |
| REX-The East S.à.r.l. | | N/A | LUX | REX-ZDHL S.C.S. SICAV-SIF | 94.80000 |
| REX-ZDHL GP S.a.r.l. | | N/A | LUX | Zurich Deutscher Herold Lebensversicherung Aktiengesellschaf | 100.00000 |
| REX-ZDHL S.C.S. SICAV-SIF | | N/A | LUX | Zurich Deutscher Herold Lebensversicherung Aktiengesellschaf | 100.00000 |
| Rock Inne Vastgoed B.V. | | N/A | NLD | REX Holding S.à.r.l. | 100.00000 |
| Rokin 21 B.V. | | N/A | NLD | Roxana Vastgoed B.V. | 100.00000 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|--|------------|-------|-----------|--|-----------|
| Rokin 49 B.V. | | N/A | NLD | Rock Inne Vastgoed B.V. | 100.00000 |
| Roxana Vastgoed B.V. | | N/A | NLD | REX Holding S.à.r.l. | 100.00000 |
| Rural Community Insurance Company | 41-1375004 | 39039 | MN | Zurich American Insurance Company | 100.00000 |
| Sacramento Office MGP, LLC | | N/A | DE | Zurich Structured Finance, Inc. | 100.00000 |
| SAN DIEGO INDUSTRIAL 1, LLC | 47-5542773 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| San Diego Retail 1, LLC | 61-1791237 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| Santander Rio Seguros S.A. | | N/A | ARG | Inversiones ZS America SpA | 4.00000 |
| Santander Rio Seguros S.A. | | N/A | ARG | Zurich Santander Insurance America, S.L. | 96.00000 |
| Santander Seguros Sociedad Anónima | | N/A | URY | Zurich Santander Insurance America, S.L. | 100.00000 |
| Saudi National Insurance Company | | N/A | BHR | Zurich Insurance Company Ltd (Bahrain Branch) | 5.00000 |
| Sceptre Trust Limited | | N/A | BHS | Eagle Star Holdings Limited | 0.00002 |
| Sceptre Trust Limited | | N/A | BHS | Eagle Star Insurance Company Limited | 99.99998 |
| SEA APARTMENT 1, LLC | 46-2520145 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| SEA APARTMENT 2, LLC | 46-3060914 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| Serviaide Assistencia e Servicos, Lda. | | N/A | PRT | AIDE Asistencia Seguros y Reaseguros, S.A. - Sociedad Uniper | 95.00001 |
| Serviaide Assistencia e Servicos, Lda. | | N/A | PRT | Serviaide, S.A. - Sociedad Unipersonal | 4.99999 |
| Serviaide, S.A. - Sociedad Unipersonal | | N/A | ESP | AIDE Asistencia Seguros y Reaseguros, S.A. - Sociedad Uniper | 100.00000 |
| Servizurich S.A. - Sociedad Unipersonal | | N/A | ESP | Zurich Insurance plc, Sucursal en Espana | 100.00000 |
| SF Apt 1, LLC | 47-1153493 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| SF Industrial 1, LLC | 46-4095281 | N/A | DE | Farmers New World Life Insurance Company | 100.00000 |
| SF Office 1, LLC | 46-5341537 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| SF Office 4, LLC | 47-2967693 | N/A | DE | Zurich American Insurance Company | 100.00000 |
| Shire Park Limited | | N/A | GBR | Zurich Assurance Ltd | 12.41935 |
| SOCIETE AVENUE LOUIS CASAI 86 SA | | N/A | CHE | Zürich Lebensversicherungs-Gesellschaft AG | 100.00000 |
| Speigelhof Vastgoed B.V. | | N/A | DEU | RE Curve Holding B.V. | 100.00000 |
| Springboard Health and Performance Pty Ltd | | N/A | AUS | DTC Bidco Pty Ltd | 100.00000 |
| Steadfast Insurance Company | 52-0981481 | 26387 | DE | Zurich American Insurance Company | 100.00000 |
| Steadfast Santa Clarita Holdings LLC | | N/A | DE | Steadfast Insurance Company | 100.00000 |
| Sterling ISA Managers (Nominees) Limited | | N/A | GBR | Sterling ISA Managers Limited | 100.00000 |
| Sterling ISA Managers Limited | | N/A | GBR | Zurich Financial Services (UKISA) Limited | 100.00000 |
| Stratos Limited | | N/A | NZL | DTC NZ Bidco Limited | 100.00000 |
| Sunley Homes Limited | | N/A | GBR | Zurich Insurance plc | 100.00000 |
| Swiss Insurance Management (Hong Kong) Limited | | N/A | HKG | Zurich Insurance Holdings (Hong Kong) Limited | 99.50495 |
| Swiss Insurance Management (Hong Kong) Limited | | N/A | HKG | Zurich Services (Hong Kong) Limited | 0.49505 |
| TDG Tele Dienste GmbH | | N/A | DEU | Zurich Beteiligungs-Aktiengesellschaft (Deutschland) | 100.00000 |
| Tennyson Insurance Limited | | N/A | GBR | Zurich Holdings (UK) Limited | 100.00000 |
| The Liverpool Reversionary Company Limited | | N/A | GBR | Eagle Star Insurance Company Limited | 100.00000 |
| The Trust Company of Scotland Limited | | N/A | GBR | Zurich Insurance plc | 100.00000 |
| The Zurich Services Corporation | 36-3839542 | N/A | IL | Zurich Holding Company of America, Inc. | 100.00000 |
| TopReport Schadenbesichtigungs GmbH | | N/A | AUT | Zurich Versicherungs-Aktiengesellschaft | 14.28571 |
| Travel Ace Chile S.A. | | N/A | CHL | Travel Ace Internacional de Servicios S.A. | 1.00000 |
| Travel Ace Chile S.A. | | N/A | CHL | Zürich Versicherungs-Gesellschaft AG | 99.00000 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|--|------------|-------|-----------|--|-----------|
| Travel Ace Internacional de Servicios S.A. | | N/A | URY | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Travel Assist Pty Limited | | N/A | AUS | ASTIS Holdings Limited | 100.00000 |
| Travel Insurance Partners Pty Ltd | | N/A | AUS | Travel Assist Pty Limited | 100.00000 |
| Travelex Insurance Services Limited | | N/A | DE | Cover-More Holdings USA Inc. | 100.00000 |
| Truck Underwriters Association | 95-2670330 | N/A | CA | Farmers Group, Inc. | 100.00000 |
| Turegum Immobilien AG | | N/A | CHE | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| UA Assistance S.A. de C.V. | | N/A | MEX | Travel Ace Internacional de Servicios S.A. | 0.00000 |
| UA Assistance S.A. de C.V. | | N/A | MEX | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Universal Assistance Assistancia Ao Viajante Ltda | | N/A | BRA | Perunsel S.A. | 0.00000 |
| Universal Assistance Chile S.A. | | N/A | CHL | Travel Ace Internacional de Servicios S.A. | 0.02000 |
| Universal Assistance Chile S.A. | | N/A | CHL | Travel Ace Chile S.A. | 99.98000 |
| Universal Assistance S.A. | | N/A | ARG | World Wide Assistance S.A. | 92.71000 |
| Universal Assistance S.A. | | N/A | ARG | Zürich Versicherungs-Gesellschaft AG | 7.29000 |
| Universal Assistance S.A. | | N/A | URY | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Universal Travel Assistance S.A.S. | | N/A | COL | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Universal Underwriters Insurance Company | 43-1249228 | 41181 | IL | Zurich American Insurance Company | 100.00000 |
| Universal Underwriters of Texas Insurance Company | 36-3139101 | 40843 | IL | Universal Underwriters Insurance Company | 100.00000 |
| Universal Underwriters Service Corporation | 43-1269296 | N/A | MO | Zurich Holding Company of America, Inc. | 100.00000 |
| Universal Assistance Inc. | | N/A | FL | Universal Assistance S.A. | 0.00000 |
| Vehicle Dealer Solutions, Inc. | 26-1282208 | N/A | FL | Zurich Holding Company of America, Inc. | 100.00000 |
| Winchester Land, LLC | | N/A | FL | R3 FL Holdings, LLC | 100.00000 |
| Winn-Dixie MGP Manager, Inc. | | N/A | DE | Zurich Structured Finance, Inc. | 100.00000 |
| Wohnen H3B Humboldthafen GmbH&Co.KG | | N/A | DEU | REX-ZDHL S.C.S. SICAV-SIF | 94.90000 |
| World Travel Protection Canada Inc. | | N/A | CAN | Zurich Canadian Holdings Limited | 100.00000 |
| World Wide Assistance S.A. | | N/A | ARG | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Wrightway Underwriting Limited | | N/A | IRL | Ballykilliane Holdings Limited | 100.00000 |
| Z flex Gesellschaft fur Personaldienstleistungen mbH | | N/A | DEU | Zurich Beteiligungs-Aktiengesellschaft (Deutschland) | 100.00000 |
| ZCM (U.S.) Limited | | N/A | DE | Zurich Finance Company Ltd | 100.00000 |
| ZCM Asset Holding Company (Bermuda) Limited | | N/A | BMU | Zurich Finance Company Ltd | 100.00000 |
| ZCM Matched Funding Corp. | | N/A | CYM | Zurich Capital Markets Inc. | 100.00000 |
| ZFUS Services, LLC | 20-5900744 | N/A | DE | Zurich Holding Company of America, Inc. | 100.00000 |
| ZGEE3 Limited | | N/A | GBR | Zurich Insurance Company (U.K.) Limited | 100.00000 |
| ZNA Services, LLC | 02-0802795 | N/A | DE | ZFUS Services, LLC | 100.00000 |
| ZPC Capital Limited | | N/A | GBR | Zurich Holdings (UK) Limited | 100.00000 |
| ZSF / Collierville, LLC | | N/A | DE | Collierville Center, LP | 100.00000 |
| ZSF / Office KY, LLC | | N/A | DE | Euclid Office LP | 100.00000 |
| ZSF / Office NV, LLC | | N/A | DE | Euclid Office LP | 100.00000 |
| ZSF / Office NY, LLC | | N/A | DE | Euclid Office LP | 100.00000 |
| ZSF 99-4, Inc. | | N/A | IL | CTH Affordable Housing Corporation | 100.00000 |
| ZSF KY Annex, LLC | | N/A | DE | Euclid KY Annex, LP | 100.00000 |
| ZSF Newport I Corporation | | N/A | IL | CTH Affordable Housing Corporation | 100.00000 |
| ZSF/Bloomington, LLC | | N/A | DE | Bloomington Office LP | 100.00000 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|--|------------|-------|-----------|--|-----------|
| ZSF/C1 MGP Manager, Inc | 36-3096373 | N/A | DE | Zurich Structured Finance, Inc. | 100.00000 |
| ZSF/C1 MGP, LLC | | N/A | DE | Zurich Structured Finance, Inc. | 99.00000 |
| ZSF/C1 MGP, LLC | | N/A | DE | ZSF/C1 MGP Manager, Inc | 1.00000 |
| ZSF/C2 MGP Manager, Inc | | N/A | DE | Zurich Structured Finance, Inc. | 100.00000 |
| ZSF/C2 MGP, LLC | | N/A | DE | Zurich Structured Finance, Inc. | 99.00000 |
| ZSF/C2 MGP, LLC | | N/A | DE | ZSF/CF2 MGP Manager, Inc. | 1.00000 |
| ZSF/Dallas Tower, LLC | | N/A | DE | Dallas Tower LP | 100.00000 |
| ZSF/Kansas, LLC | | N/A | DE | Kansas City Office LP | 100.00000 |
| ZSF/Land Parcels LLC | | N/A | DE | Zurich Structured Finance, Inc. | 100.00000 |
| ZSF/Research Gateway, LLC | | N/A | DE | Raleigh/Durham Offices, L.P. | 100.00000 |
| ZSF/WD Fitzgerald, LLC | | N/A | DE | Euclid Warehouses LP | 100.00000 |
| ZSF/WD Hammond, LLC | | N/A | DE | Euclid Warehouses LP | 100.00000 |
| ZSF/WD Jacksonville, LLC | | N/A | DE | Euclid Warehouses LP | 100.00000 |
| ZSF/WD Montgomery 31, LLC | | N/A | DE | Euclid Warehouses LP | 100.00000 |
| ZSF/WD Opa Locka, LLC | | N/A | DE | Euclid Warehouses LP | 100.00000 |
| ZSF/WD Orlando, LLC | | N/A | DE | Euclid Warehouses LP | 100.00000 |
| ZSFH LLC | | N/A | DE | Zurich Holding Company of America, Inc. | 100.00000 |
| ZSG Kfz-ZulassungsservicegesmbH | | N/A | AUT | Zurich Versicherungs-Aktiengesellschaft | 33.33333 |
| ZSL Financing Limited | | N/A | GBR | Zurich Holdings (UK) Limited | 1.00000 |
| ZSL Financing Limited | | N/A | GBR | Zurich Specialties London Limited | 99.00000 |
| Zurich - Companhia de Seguros Vida S.A. | | N/A | PRT | Zurich Finanz-Gesellschaft AG | 0.00002 |
| Zurich - Companhia de Seguros Vida S.A. | | N/A | PRT | Zurich Investments Life S.p.A. | 0.00002 |
| Zurich - Companhia de Seguros Vida S.A. | | N/A | PRT | Zurich Lebensversicherungs-Gesellschaft AG | 99.99990 |
| Zurich - Companhia de Seguros Vida S.A. | | N/A | PRT | Zurich Versicherungs-Gesellschaft AG | 0.00002 |
| Zurich - Companhia de Seguros Vida S.A. | | N/A | PRT | Zurich Vida, Compañía de Seguros y Reaseguros, S.A. - Socied | 0.00002 |
| Zurich (Scotland) Limited Partnership | | N/A | GBR | Zurich General Partner (Scotland) Ltd | 100.00000 |
| Zurich Administradora General de Fondos S.A. | | N/A | CHL | Chilena Consolidada Seguros de Vida S.A. | 99.97013 |
| Zurich Administradora General de Fondos S.A. | | N/A | CHL | Inversiones Suizo Chilena S.A. | 0.02987 |
| Zurich Advice Network Limited | | N/A | GBR | Allied Dunbar Assurance plc | 100.00000 |
| Zurich AFIN Mexico, S.A. DE C.V. | | N/A | MEX | Zurich Compania de Sefuros, S.A. | 0.00200 |
| Zurich AFIN Mexico, S.A. DE C.V. | | N/A | MEX | Zurich Versicherungs-Gesellschaft AG | 99.99800 |
| Zurich Agency Services Inc. | 04-3126497 | N/A | MA | Zurich Holding Company of America, Inc. | 100.00000 |
| Zurich Alternative Asset Management, LLC | 86-1164252 | N/A | DE | Zurich Holding Company of America, Inc. | 100.00000 |
| Zurich America Latina Serviços Brasil Ltda. | | N/A | BRA | Zurich Lebensversicherungs-Gesellschaft AG | 0.01000 |
| Zurich America Latina Serviços Brasil Ltda. | | N/A | BRA | Zurich Versicherungs-Gesellschaft AG | 99.99000 |
| Zurich American Corporation | 36-6169781 | N/A | DE | Zurich Holding Company of America, Inc. | 100.00000 |
| Zurich American Insurance Company | 36-4233459 | 16535 | NY | Zurich Holding Company of America, Inc. | 100.00000 |
| Zurich American Insurance Company of Illinois | 36-2781080 | 27855 | IL | American Zurich Insurance Company | 100.00000 |
| Zurich American Life Insurance Company | 36-3050975 | 90557 | IL | Zurich American Corporation | 100.00000 |
| Zurich American Life Insurance Company of New York | 27-4746162 | 14178 | NY | Zurich American Life Insurance Company | 100.00000 |
| Zurich Argentina Cia. de Seguros S.A. | | N/A | ARG | Inversiones Suizo-Argentina S.A. | 55.46140 |
| Zurich Argentina Cia. de Seguros S.A. | AA-2130022 | N/A | ARG | Zurich Versicherungs-Gesellschaft AG | 44.53611 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|--|------------|------|-----------|---|-----------|
| Zurich Argentina Compañía de Seguros de Retiro S.A. | AA-2130022 | N/A | ARG | Zurich Argentina Cia. de Seguros S.A. | 46.64193 |
| Zurich Argentina Compañía de Seguros de Retiro S.A. | | N/A | ARG | Zurich Versicherungs-Gesellschaft AG | 53.35807 |
| Zurich Argentina Reaseguros S.A. | | N/A | ARG | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Aseguradora Argentina S.A. | | N/A | ARG | Zürich Versicherungs-Gesellschaft AG | 99.90000 |
| Zurich Aseguradora Mexicana, S.A. de C.V. | | N/A | MEX | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Aseguradora Mexicana, S.A. de C.V. | | N/A | MEX | Zürich Lebensversicherungs-Gesellschaft AG | 0.00000 |
| Zurich Asset Management Gerente de Fondos Comunes de Inversi | | N/A | ARG | Inversiones Suizo-Argentina S.A. | 89.99990 |
| Zurich Asset Management Gerente de Fondos Comunes de Inversi | | N/A | ARG | Isis S.A. | 10.00010 |
| Zurich Assurance Ltd | | N/A | GBR | Eagle Star Holdings Limited | 100.00000 |
| Zurich Australia Limited | | N/A | AUS | Zurich Financial Services Australia Limited | 100.00000 |
| Zurich Australian Insurance Limited | AA-1930995 | N/A | AUS | Zurich Financial Services Australia Limited | 100.00000 |
| Zurich Australian Insurance Properties Pty Limited | | N/A | AUS | Zurich Australia Limited | 40.00000 |
| Zurich Australian Insurance Properties Pty Limited | | N/A | AUS | Zurich Australian Insurance Limited | 60.00000 |
| Zurich Australian Property Holdings Pty Ltd | | N/A | AUS | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Australian Superannuation Pty Limited | | N/A | AUS | Zurich Financial Services Australia Limited | 100.00000 |
| Zurich Bank International Limited | | N/A | GBR | Dunbar Assets Ireland | 100.00000 |
| Zurich Benefit Finance LLC | 13-4186554 | N/A | DE | Zurich Holding Company of America, Inc. | 100.00000 |
| Zurich Beteiligungs-Aktiengesellschaft (Deutschland) | | N/A | DEU | Zurich IT Service AG Niederlassung fur Deutschland | 82.61672 |
| Zurich Beteiligungs-Aktiengesellschaft (Deutschland) | | N/A | DEU | Zurich Leben Service AG Niederlassung fur Deutschland | 17.38328 |
| Zurich Brasil Capitalizacao S.A | | N/A | BRA | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Brasil Companhia de Seguros | | N/A | BRA | Zurich Minas Brasil Seguros S.A. | 100.00000 |
| Zurich Building Control Services Limited | | N/A | GBR | Zurich Holdings (UK) Limited | 100.00000 |
| Zurich Canadian Holdings Limited | | N/A | CAN | Zurich Insurance Company Ltd, Canadian Branch | 68.81942 |
| Zurich Canadian Holdings Limited | | N/A | CAN | Zurich Versicherungs-Gesellschaft AG | 31.18058 |
| Zurich Capital Markets Inc. | | N/A | DE | ZCM (U.S.) Limited | 100.00000 |
| Zurich Capital Markets Securities Inc. | | N/A | DE | Zurich Capital Markets Inc. | 100.00000 |
| Zurich Colombia Seguros S.A. | | N/A | COL | Zurich Versicherungs-Gesellschaft AG | 94.90000 |
| Zurich Colombia Seguros S.A. | | N/A | COL | Zurich Lebensversicherungs-Gesellschaft AG | 5.10000 |
| Zurich Community Trust (UK) Limited | | N/A | GBR | Zurich Financial Services (UKISA) Limited | 50.00000 |
| Zurich Community Trust (UK) Limited | | N/A | GBR | Zurich Financial Services (UKISA) Nominees Limited | 50.00000 |
| Zurich Compania de Reaseguros Argentina S.A. | | N/A | ARG | Zurich Versicherungs-Gesellschaft AG | 5.00000 |
| Zurich Compania de Reaseguros Argentina S.A. | | N/A | ARG | Inversiones Suizo-Argentina S.A. | 95.00000 |
| Zurich Compañía de Seguros, S.A. | | N/A | MEX | Zurich Versicherungs-Gesellschaft AG | 99.88280 |
| Zurich Computer Services Limited | | N/A | GBR | Allied Dunbar Assurance plc | 100.00000 |
| Zurich Consultoria de Riesgos, C.A. | | N/A | VEN | Zurich Seguros, S.A. | 99.99000 |
| Zurich Corredora de Bolsa S.A. | | N/A | CHL | Inversiones Suizo Chilena S.A. | 99.00030 |
| Zurich Corredora de Bolsa S.A. | | N/A | CHL | Zurich Investments Chile S.A. | 0.99970 |
| Zurich Customer Active Management, d.o.o. | | N/A | SVN | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich CZI Management Holding Ltd. | 36-4412924 | N/A | DE | Zurich Global Investment Management Inc. | 100.00000 |
| Zurich Deutscher Herold Lebensversicherung Aktiengesellschaf | | N/A | DEU | Deutscher Herold Aktiengesellschaft | 67.54030 |
| Zurich Deutscher Herold Lebensversicherung Aktiengesellschaf | | N/A | DEU | Zurich Beteiligungs-Aktiengesellschaft (Deutschland) | 32.45970 |
| Zurich E&S Insurance Brokerage, Inc. | 95-4773780 | N/A | CA | Zurich American Insurance Company | 100.00000 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|--|------------|------|-----------|--|-----------|
| Zurich Employment Services Limited | | N/A | GBR | Zurich Financial Services (UKISA) Limited | 100.00000 |
| Zurich Engineering Inspection Services Ireland Limited | | N/A | IRL | Zurich Insurance plc | 100.00000 |
| Zurich Eurolife S.A. | | N/A | LUX | Zurich Lebensversicherungs-Gesellschaft AG | 90.00000 |
| Zurich Eurolife S.A. | | N/A | LUX | Zurich Versicherungs-Gesellschaft AG | 10.00000 |
| Zurich F&I Reinsurance T&C Limited | AA-0053640 | N/A | TCA | Zurich Agency Services Inc. | 0.00050 |
| Zurich F&I Reinsurance T&C Limited | AA-0053640 | N/A | TCA | Universal Underwriters Service Corporation | 99.99950 |
| Zurich Fianzas Mexico, S.A.DE C.V. | | N/A | MEX | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Finance (Australia) Limited | | N/A | AUS | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Finance (Bermuda) Ltd. | | N/A | BMU | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Finance (Luxembourg) S.A. | | N/A | LUX | Zurich Lebensversicherungs-Gesellschaft AG | 0.08065 |
| Zurich Finance (Luxembourg) S.A. | | N/A | LUX | Zurich Versicherungs-Gesellschaft AG | 99.91935 |
| Zurich Finance (UK) plc | | N/A | GBR | Zurich Financial Services (UKISA) Limited | 99.99800 |
| Zurich Finance (UK) plc | | N/A | GBR | Zurich Financial Services (UKISA) Nominees Limited | 0.00200 |
| Zurich Finance Company Ltd | | N/A | CHE | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Financial Management Limited | | N/A | GBR | Allied Dunbar Assurance plc | 100.00000 |
| Zurich Financial Services (Isle of Man) Group Services Limit | | N/A | GBR | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Financial Services (Isle of Man) Holdings Limited | | N/A | GBR | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Financial Services (Isle of Man) Insurance Manager Lt | | N/A | GBR | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Financial Services (UKISA) Group Services Limited | | N/A | GBR | Zurich Financial Services (UKISA) Limited | 100.00000 |
| Zurich Financial Services (UKISA) Limited | | N/A | GBR | Allied Zurich Holdings Limited | 90.31559 |
| Zurich Financial Services (UKISA) Limited | | N/A | GBR | Zurich Insurance plc | 9.68441 |
| Zurich Financial Services (UKISA) Nominees Limited | | N/A | GBR | Zurich Financial Services (UKISA) Limited | 100.00000 |
| Zurich Financial Services Australia Limited | AA-1930995 | N/A | AUS | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Financial Services EUB Holdings Limited | | N/A | IRL | Zurich Ins Group | 0.08333 |
| Zurich Financial Services EUB Holdings Limited | | N/A | IRL | Zurich Insurance Group Ltd. | 99.91667 |
| Zurich Financial Services UK Pension Trustee Limited | | N/A | GBR | Zurich Financial Services (UKISA) Limited | 99.00000 |
| Zurich Finanz-Gesellschaft AG | | N/A | CHE | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich General Insurance Company (China) Limited | | N/A | CHN | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich General Insurance Malaysia Berhad | | N/A | MYS | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich General Partner (Scotland) Ltd | | N/A | GBR | Allied Zurich Holdings Limited | 100.00000 |
| Zurich GL Servicios Mexico, S.A. de C.V. | | N/A | MEX | Zurich Vida, Compañía de Seguros, S.A. | 95.00000 |
| Zurich GL Servicios Mexico, S.A. de C.V. | | N/A | MEX | Zurich Compañía de Seguros, S.A. | 5.00000 |
| Zurich Global Corporate UK Limited | | N/A | GBR | Zurich Holdings (UK) Limited | 100.00000 |
| Zurich Global Investment Management Inc. | 04-3729755 | N/A | DE | Zurich Holding Company of America, Inc. | 100.00000 |
| Zurich Global, Ltd. | AA-3190947 | N/A | BMU | Zurich Holding Company of America, Inc. | 100.00000 |
| Zurich Group Pension Services (UK) Ltd | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| Zurich GSG Limited | | N/A | GBR | Zurich GSH Limited | 100.00000 |
| Zurich GSH Limited | | N/A | GBR | Zurich Holdings (UK) Limited | 100.00000 |
| Zurich Holding Company of America, Inc. | 36-3096373 | N/A | DE | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Holding Ireland Limited | | N/A | IRL | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Holdings (UK) Limited | | N/A | GBR | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Immobilien Liegenschaftsverwaltungs-GesmbH | | N/A | AUT | Zurich Versicherungs-Gesellschaft AG | 100.00000 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|--|------------|------|-----------|--|-----------|
| Zurich Independent Wealth Management Limited | | N/A | GBR | Allied Dunbar Assurance plc | 100.00000 |
| Zurich Insurance Company (U.K.) Limited | | N/A | GBR | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Insurance Company Escritorio de Representacao no Bras | | N/A | BRA | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Insurance Company Ltd., Beijing Representative Office | | N/A | CHN | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Insurance Company Ltd., Representative Office Buenos Aires | | N/A | ARG | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Insurance Group Ltd. | | N/A | CHE | Board of Directors | |
| Zurich Insurance Holdings (Hong Kong) Limited | | N/A | HKG | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Insurance Malaysia Berhad | | N/A | MYS | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Insurance plc | AA-1780059 | N/A | IRL | Zurich Beteiligungs-Aktiengesellschaft (Deutschland) | 25.07428 |
| Zurich Insurance plc | AA-1780059 | N/A | IRL | Zurich Holding Ireland Limited | 70.40509 |
| Zurich Insurance plc | AA-1780059 | N/A | IRL | Zurich Insurance Company Ltd - Rappresentanza Generale per l | 4.52063 |
| Zurich Insurance plc, Representative Office Buenos Aires | | N/A | ARG | Zurich Insurance plc | 100.00000 |
| Zurich Intermediary Group Limited | | N/A | GBR | Zurich Financial Services (UKISA) Limited | 99.99995 |
| Zurich Intermediary Group Limited | | N/A | GBR | Zurich Financial Services (UKISA) Nominees Limited | 0.00005 |
| Zurich Internacional de Venezuela, C.A. de Corretaje de Reas | | N/A | VEN | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich International (UK) Limited | AA-1120018 | N/A | GBR | Zurich Holdings (UK) Limited | 100.00000 |
| Zurich International Life Limited | | N/A | GBR | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich International Pensions Administration Limited | | N/A | IMN | Zurich International Life Limited | 100.00000 |
| Zurich International Services (Luxembourg) S.A. | | N/A | LUX | Zurich Eurolife S.A. | 0.04000 |
| Zurich International Services (Luxembourg) S.A. | | N/A | LUX | Zurich Versicherungs-Gesellschaft AG | 99.96000 |
| Zurich Invest AG | | N/A | CHE | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Invest ICAV | | N/A | IRL | Zürich Versicherungs-Gesellschaft AG | 50.00000 |
| Zurich Invest ICAV | | N/A | IRL | Zurich Invest AG | 50.00000 |
| Zurich Investment Management AG | | N/A | CHE | Farmers Group, Inc. | 80.00000 |
| Zurich Investment Management AG | | N/A | CHE | Zurich Versicherungs-Gesellschaft AG | 20.00000 |
| Zurich Investment Management Limited | | N/A | AUS | Zurich Australia Limited | 100.00000 |
| Zurich Investment Services (UK) Limited | | N/A | GBR | Allied Zurich Holdings Limited | 100.00000 |
| Zurich Investment Services Limited | | N/A | BMU | Zurich Finance Company Ltd | 100.00000 |
| Zurich Investments Life S.p.A. | | N/A | ITA | Zurich Insurance Company Ltd - Rappresentanza Generale per l | 100.00000 |
| Zurich JVCompany Servicios Mexico, S.A. DE C.V. | | N/A | MEX | Zurich Vida, Compania de Seguros, S.A. | 0.00200 |
| Zurich JVCompany Servicios Mexico, S.A. DE C.V. | | N/A | MEX | Zurich Santander Seguros Mexico, S.A. | 99.99800 |
| Zurich Kunden Center GmbH | | N/A | DEU | Zurich Beteiligungs-Aktiengesellschaft (Deutschland) | 100.00000 |
| Zurich Latin America Corporation | 26-0530367 | N/A | FL | Zurich Holding Company of America, Inc. | 100.00000 |
| Zurich Latin America Holding S.L. - Sociedad Unipersonal | | N/A | ESP | Zurich Lebensversicherungs-Gesellschaft AG | 100.00000 |
| Zurich Latin American Services S.A. | | N/A | ARG | Inversiones Suizo-Argentina S.A. | 6.32000 |
| Zurich Latin American Services S.A. | | N/A | ARG | Zurich Versicherungs-Gesellschaft AG | 93.68000 |
| Zurich Lebensversicherungs-Gesellschaft AG | | N/A | CHE | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Leisure Services Limited | | N/A | GBR | Allied Dunbar Assurance plc | 100.00000 |
| Zurich Life Assurance plc | | N/A | IRL | Zurich Holding Ireland Limited | 100.00000 |
| Zurich Life Insurance (Hong Kong) Limited | | N/A | HKG | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Life Insurance (Singapore) Pte Ltd | | N/A | SGP | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Life Insurance Company Ltd., Representative office Buenos Aires | | N/A | ARG | Zurich Lebensversicherungs-Gesellschaft AG | 100.00000 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|---|------------|------|-----------|--|-----------|
| Zurich Management (Bermuda) Ltd | | N/A | BMU | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Management Services Limited | | N/A | GBR | Zurich Holdings (UK) Limited | 100.00000 |
| Zurich Minas Brasil Seguros S.A. | | N/A | BRA | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Pension Trustees Ireland Limited | | N/A | IRL | Zurich Insurance plc | 50.00000 |
| Zurich Pension Trustees Ireland Limited | | N/A | IRL | Zurich Trustee Services Limited | 50.00000 |
| Zurich Pension Trustees Limited | | N/A | GBR | Zurich Assurance Ltd | 100.00000 |
| Zurich Pensions Management Limited | | N/A | GBR | Allied Dunbar Assurance plc | 100.00000 |
| Zurich Pensionskassen-Beratung AG | | N/A | CHE | Zurich Lebensversicherungs-Gesellschaft AG | 100.00000 |
| Zurich Professional Limited | | N/A | GBR | Zurich Holdings (UK) Limited | 100.00000 |
| Zurich Project Finance (UK) Limited | | N/A | GBR | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Properties Pty Limited | | N/A | AUS | Zurich Australia Limited | 40.00056 |
| Zurich Properties Pty Limited | | N/A | AUS | Zurich Australian Insurance Limited | 59.99944 |
| Zurich Property Services Malaysia Sdn Bhd | | N/A | MYS | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Realty, Inc. | 30-0165071 | N/A | MD | Zurich Holding Company of America, Inc. | 100.00000 |
| Zurich Rechtsschutz-Schadenservice GmbH | | N/A | DEU | Zurich Beteiligungs-Aktiengesellschaft (Deutschland) | 100.00000 |
| Zurich Reliable Insurance Limited | | N/A | RUS | Zurich Versicherungs-Gesellschaft AG | 99.90000 |
| Zurich Reliable Insurance Limited | | N/A | RUS | Zurich Versicherungs-Aktiengesellschaft | 0.10000 |
| Zurich Resseguradora Brasil S.A. | | N/A | BRA | Zurich Versicherungs-Gesellschaft AG | 99.99999 |
| Zurich Resseguradora Brasil S.A. | | N/A | BRA | Zurich Lebensversicherungs-Gesellschaft AG | 0.00001 |
| Zurich Risk Consulting RU | | N/A | RUS | Zurich Reliable Insurance | 100.00000 |
| Zurich Risk Management Services (India) Private Limited | | N/A | IND | Zurich International (Bermuda) Ltd. | 1.00000 |
| Zurich Risk Management Services (India) Private Limited | | N/A | IND | Zurich Versicherungs-Gesellschaft AG | 99.00000 |
| Zurich Risk Services Asia Pacific Sdn Bhd | | N/A | MYS | Zurich Management Services Limited | 100.00000 |
| Zurich Roadside Assistance Malaysia Sdn Bhd | | N/A | MYS | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Rückversicherungs-Gesellschaft AG | | N/A | CHE | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Sacramento, Inc. | | N/A | CA | JFS/ZSF 1998, L.P. | 100.00000 |
| Zurich Santander Brasil Odonto LTDA. | | N/A | BRA | Zurich Santander Brasil Seguros e Previdência S.A. | 99.00000 |
| Zurich Santander Brasil Odonto LTDA. | | N/A | BRA | Zurich Santander Brasil Seguros S.A. | 1.00000 |
| Zurich Santander Brasil Seguros e Previdência S.A. | | N/A | BRA | Zurich Latin America Holding S.L. - Sociedad Unipersonal | 0.22007 |
| Zurich Santander Brasil Seguros e Previdência S.A. | | N/A | BRA | Zurich Santander Holding (Spain), S.L. | 99.56848 |
| Zurich Santander Brasil Seguros S.A. | | N/A | BRA | Zurich Santander Brasil Seguros e Previdência S.A. | 100.00000 |
| Zurich Santander Holding (Spain), S.L. | | N/A | ESP | Zurich Santander Insurance America, S.L. | 100.00000 |
| Zurich Santander Holding Dos (Spain), S.L. | | N/A | ESP | Zurich Santander Insurance America, S.L. | 100.00000 |
| Zurich Santander Insurance America, S.L. | | N/A | ESP | Zurich Latin America Holding S.L. - Sociedad Unipersonal | 51.00000 |
| Zurich Santander Seguros Argentina S.A. | | N/A | ARG | Zurich Santander Insurance America, S.L. | 96.00000 |
| Zurich Santander Seguros Argentina S.A. | | N/A | ARG | Inversiones ZS America SpA | 4.00000 |
| Zurich Santander Seguros de Vida Chile S.A. | | N/A | CHL | Inversiones ZS America Dos Limitada | 99.78173 |
| Zurich Santander Seguros de Vida Chile S.A. | | N/A | CHL | Inversiones ZS America SpA | 0.21827 |
| Zurich Santander Seguros Generales Chile S.A. | | N/A | CHL | Inversiones ZS America Dos Limitada | 99.50540 |
| Zurich Santander Seguros Generales Chile S.A. | | N/A | CHL | Inversiones ZS America SpA | 0.49460 |
| Zurich Santander Seguros Mexico, S.A. | | N/A | MEX | Inversiones ZS America SpA | 0.00053 |
| Zurich Santander Seguros Mexico, S.A. | | N/A | MEX | Zurich Santander Insurance America, S.L. | 99.99947 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|---|------------|------|-----------|--|-----------|
| Zurich Seguros Ecuador, S.A. | | N/A | ECU | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Seguros, S.A. | | N/A | VEN | Cursud N.V. | 69.21000 |
| Zurich Seguros, S.A. | | N/A | VEN | Inversora Alpina Financiadora de Primas, C.A. | 0.00000 |
| Zurich Seguros, S.A. | | N/A | VEN | Zurich Consultoria de Riesgos, C.A. | 0.00000 |
| Zurich Service GmbH | | N/A | DEU | Zurich Beteiligungs-Aktiengesellschaft (Deutschland) | 100.00000 |
| Zurich Service GmbH | | N/A | DEU | Zurich Versicherungs-Aktiengesellschaft | 100.00000 |
| Zurich Services (Australia) Pty Limited | | N/A | AUS | Zurich Financial Services Australia Limited | 100.00000 |
| Zurich Services (Hong Kong) Limited | | N/A | HKG | Swiss Insurance Management (Hong Kong) Limited | 0.00286 |
| Zurich Services (Hong Kong) Limited | | N/A | HKG | Zurich Insurance Holdings (Hong Kong) Limited | 99.99714 |
| Zurich Services A.I.E. | | N/A | ESP | AIDE Asistencia Seguros y Reaseguros, S.A. - Sociedad Uniper | 0.00008 |
| Zurich Services A.I.E. | | N/A | ESP | Bansabadel Pensions, E.G.F.P, S.A. | 0.00008 |
| Zurich Services A.I.E. | | N/A | ESP | Bansabadel Seguros Generales, S.A. de Seguros y Reaseguros | 0.00008 |
| Zurich Services A.I.E. | | N/A | ESP | Bansabadel Vida S.A. de Seguros y Reaseguros | 0.00008 |
| Zurich Services A.I.E. | | N/A | ESP | Zurich Insurance plc, Sucursal en Espana | 97.18393 |
| Zurich Services A.I.E. | | N/A | ESP | Zurich Vida, Compañía de Seguros y Reaseguros, S.A. - Sociedad | 2.81550 |
| Zurich Services Company (Pty) Ltd | | N/A | AUS | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Services US, LLC | 35-2546417 | N/A | DE | Farmers Group, Inc. | 50.00000 |
| Zurich Services US, LLC | 35-2546417 | N/A | DE | Zurich Holding Company of America, Inc. | 50.00000 |
| Zurich Servicios de Mexico, S.A. de C.V. | | N/A | MEX | Zurich Vida, Compañia de Seguros, S.A. | 90.00000 |
| Zurich Servicios de Mexico, S.A. de C.V. | | N/A | MEX | Zurich, Compania de Seguros, S.A. | 10.00000 |
| ZURICH SERVICIOS DIRECTO ESPAÑA, S.L. | | N/A | ESP | Zurich Insurance Mobile Solutions AG | 100.00000 |
| Zurich Servicios y Soporte México, S.A. de C.V. | | N/A | MEX | Zürich Versicherungs-Gesellschaft AG | 99.98000 |
| Zurich Servicios y Soporte México, S.A. de C.V. | | N/A | MEX | Zürich Lebensversicherungs-Gesellschaft AG | 0.02000 |
| Zurich Shared Services S.A. | | N/A | CHL | Inversiones Suizo Chilena S.A. | 99.98667 |
| Zurich Shared Services S.A. | | N/A | CHL | Zurich Investments Chile S.A. | 0.01333 |
| Zurich Sigorta A.S. | | N/A | TUR | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Small Amount and Short Term Insurance Ltd | | N/A | JPN | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich South America Invest AB | | N/A | SWE | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Specialties London Limited | AA-1120001 | N/A | GBR | Zurich Holdings (UK) Limited | 100.00000 |
| Zurich Structured Finance, Inc. | | N/A | DE | Zurich Finance Company Ltd | 100.00000 |
| Zurich Takaful Malaysia Berhad (ZTMB) | | N/A | MYS | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Technical and Consulting Services (Beijing) Co. Ltd. | | N/A | CHN | Zurich Insurance Holdings (Hong Kong) Limited | 100.00000 |
| Zurich Technology Malaysia Sdn Bhd | | N/A | MYS | Zurich Technology Services Malaysia Sdn Bhd | 100.00000 |
| Zurich Technology Services Malaysia Sdn Bhd | | N/A | MYS | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Training and Development Services Limited | | N/A | GBR | Allied Dunbar Assurance plc | 100.00000 |
| Zurich Transitional Services Limited | | N/A | GBR | Zurich Holdings (UK) Limited | 100.00000 |
| Zurich Travel Solutions Pty Limited | | N/A | AUS | Zürich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Treasury Services Limited | | N/A | IRL | Zurich Financial Services EUB Holdings Limited | 100.00000 |
| Zurich Trustee Company (UK) Limited | | N/A | GBR | Allied Dunbar Assurance plc | 100.00000 |
| Zurich Trustee Services Limited | | N/A | IRL | Zurich Life Assurance plc | 100.00000 |
| Zurich UK General Employee Services Limited | | N/A | GBR | Zurich UK General Services Limited | 100.00000 |
| Zurich UK General Services Limited | | N/A | GBR | Zurich Holdings (UK) Limited | 100.00000 |

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

| Company | FEIN | NAIC | Domiciled | Ownership | % |
|--|------------|------|-----------|--|-----------|
| Zurich Versicherungs-Aktiengesellschaft | AA-1220080 | N/A | AUT | Zurich Versicherungs-Gesellschaft AG | 99.98125 |
| Zurich Versicherungs-Gesellschaft AG | AA-1460190 | N/A | CHE | Zurich Insurance Group Ltd. | 100.00000 |
| Zurich Vida e Previdencia S.A. | | N/A | BRA | Zurich Minas Brasil Seguros S.A. | 100.00000 |
| Zurich Vida, Compañía de Seguros y Reaseguros, S.A. - Socied | AA-1840022 | N/A | ESP | Zurich Lebensversicherungs-Gesellschaft AG | 100.00000 |
| Zurich Vida, Compañía de Seguros, S.A. | AA-2734111 | N/A | MEX | Zurich Versicherungs-Gesellschaft AG | 100.00000 |
| Zurich Warranty Solutions, Inc. | 36-4453190 | N/A | IL | American Zurich Insurance Company | 100.00000 |
| Zurich Whiteley Investment Trust Limited | | N/A | GBR | Zurich Insurance plc | 100.00000 |
| Zurich Whiteley Trust Limited | | N/A | GBR | Zurich Whiteley Investment Trust Limited | 100.00000 |

Note 1: Farmers Insurance Exchange, formed and organized pursuant to California Insurance Code Section 1280, et seq., is owned by its policyholders. Its attorney-in-fact, Farmers Group, Inc., dba Farmers Underwriters Association, which is a subsidiary of Zurich Insurance Group Ltd. (See also Schedule Y, Part 1A)

Note 2: Farmers Texas County Mutual Insurance Company, formed and organized pursuant to Chapter 912 of the Texas Insurance Code, is managed by Farmers Group, Inc., dba Farmers Underwriters Association

Note 3: Fire Insurance Exchange, formed and organized pursuant to California Insurance Code Section 1280, et seq., is owned by its policyholders. Its attorney-in-fact, Fire Underwriters Association, which is a subsidiary of Zurich Insurance Group Ltd. (See also Schedule Y, Part 1A)

Note 4: Foremost County Mutual Insurance Company is managed by Foremost Insurance Company Grand Rapids, Michigan.

Note 5: Foremost Lloyds of Texas underwriters are officers and/or directors of Foremost Insurance Company Grand Rapids, Michigan.

Note 6: Security National Insurance Company shares held by Bristol West Holdings, Inc. are voting shares, while those held by Insurance Data Systems, G.P. are non-voting shares.

Note 7: Truck Insurance Exchange, formed and organized pursuant to California Insurance Code Section 1280, et seq., is owned by its policyholders. Its attorney-in-fact, Truck Underwriters Association, which is a subsidiary of Zurich Insurance Group Ltd. (See also Schedule Y, Part 1A)

Note 8: Zurich Insurance Plc operates branches in the following countries: Italy (AA-1364106), Portugal (AA-1820001), Spain (AA-1840150), and United Kingdom (AA-1780059).

Note 9: Zurich Versicherungs-Aktiengesellschaft operates a branch in Germany (AA-1340017)

Note 10: Zurich Versicherungs-Gesellschaft AG also known as Zurich Insurance Company, Ltd operates branches in the following countries: Bermuda (AA-3190825), Canada (AA-1560999), Hong Kong (AA-5324112), Ireland (AA-1780042), Japan (AA-1584115), and Singapore (AA-5760036). It also operates a management entity Alpina International (AA-1460010) in Switzerland.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE FARMERS INSURANCE OF COLUMBUS, INC.
OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Liabilities Line 25

| | 1 Current Year | 2 Prior Year |
|---|-------------------|-----------------|
| 2504. Deferred agent/DM bonus liability | 5,488 | 1,013 |
| 2597. Summary of remaining write-ins for Line 25 from overflow page | 5,488 | 1,013 |

Additional Write-ins for Underwriting and Investment Exhibit Part 3 Line 24

| | 1 Loss Adjustment Expenses | 2 Other Underwriting Expenses | 3 Investment Expenses | 4 Total |
|---|----------------------------------|-------------------------------------|-----------------------------|------------|
| 2404. Miscellaneous investment expenses | | | 7,354 | 7,354 |
| 2497. Summary of remaining write-ins for Line 24 from overflow page | | | 7,354 | 7,354 |

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

| | |
|---|------|
| Assets | 2 |
| Cash Flow | 5 |
| Exhibit of Capital Gains (Losses) | 12 |
| Exhibit of Net Investment Income | 12 |
| Exhibit of Nonadmitted Assets | 13 |
| Exhibit of Premiums and Losses (State Page) | 19 |
| Five-Year Historical Data | 17 |
| General Interrogatories | 15 |
| Jurat Page | 1 |
| Liabilities, Surplus and Other Funds | 3 |
| Notes To Financial Statements | 14 |
| Overflow Page For Write-ins | 100 |
| Schedule A - Part 1 | E01 |
| Schedule A - Part 2 | E02 |
| Schedule A - Part 3 | E03 |
| Schedule A - Verification Between Years | SI02 |
| Schedule B - Part 1 | E04 |
| Schedule B - Part 2 | E05 |
| Schedule B - Part 3 | E06 |
| Schedule B - Verification Between Years | SI02 |
| Schedule BA - Part 1 | E07 |
| Schedule BA - Part 2 | E08 |
| Schedule BA - Part 3 | E09 |
| Schedule BA - Verification Between Years | SI03 |
| Schedule D - Part 1 | E10 |
| Schedule D - Part 1A - Section 1 | SI05 |
| Schedule D - Part 1A - Section 2 | SI08 |
| Schedule D - Part 2 - Section 1 | E11 |
| Schedule D - Part 2 - Section 2 | E12 |
| Schedule D - Part 3 | E13 |
| Schedule D - Part 4 | E14 |
| Schedule D - Part 5 | E15 |
| Schedule D - Part 6 - Section 1 | E16 |
| Schedule D - Part 6 - Section 2 | E16 |
| Schedule D - Summary By Country | SI04 |
| Schedule D - Verification Between Years | SI03 |
| Schedule DA - Part 1 | E17 |
| Schedule DA - Verification Between Years | SI10 |
| Schedule DB - Part A - Section 1 | E18 |
| Schedule DB - Part A - Section 2 | E19 |
| Schedule DB - Part A - Verification Between Years | SI11 |
| Schedule DB - Part B - Section 1 | E20 |
| Schedule DB - Part B - Section 2 | E21 |
| Schedule DB - Part B - Verification Between Years | SI11 |
| Schedule DB - Part C - Section 1 | E12 |
| Schedule DB - Part C - Section 2 | E13 |
| Schedule DB - Part D - Section 1 | E22 |
| Schedule DB - Part D - Section 2 | E23 |
| Schedule DB - Verification | SI14 |
| Schedule DL - Part 1 | E24 |
| Schedule DL - Part 2 | E25 |
| Schedule E - Part 1 - Cash | E26 |
| Schedule E - Part 2 - Cash Equivalents | E27 |
| Schedule E - Part 2 - Verification Between Years | SI15 |
| Schedule E - Part 3 - Special Deposits | E28 |
| Schedule F - Part 1 | 20 |
| Schedule F - Part 2 | 21 |
| Schedule F - Part 3 | 22 |
| Schedule F - Part 4 | 27 |
| Schedule F - Part 5 | 28 |
| Schedule F - Part 6 | 29 |
| Schedule H - Accident and Health Exhibit - Part 1 | 30 |
| Schedule H - Part 2, Part 3 and 4 | 31 |
| Schedule H - Part 5 - Health Claims | 32 |

ANNUAL STATEMENT BLANK (Continued)

| | |
|--|----|
| Schedule P - Part 1 - Summary | 33 |
| Schedule P - Part 1A - Homeowners/Farmowners | 35 |
| Schedule P - Part 1B - Private Passenger Auto Liability/Medical | 36 |
| Schedule P - Part 1C - Commercial Auto/Truck Liability/Medical | 37 |
| Schedule P - Part 1D - Workers' Compensation (Excluding Excess Workers' Compensation) | 38 |
| Schedule P - Part 1E - Commercial Multiple Peril | 39 |
| Schedule P - Part 1F - Section 1 - Medical Professional Liability - Occurrence | 40 |
| Schedule P - Part 1F - Section 2 - Medical Professional Liability - Claims-Made | 41 |
| Schedule P - Part 1G - Special Liability (Ocean, Marine, Aircraft (All Perils), Boiler and Machinery) | 42 |
| Schedule P - Part 1H - Section 1 - Other Liability-Occurrence | 43 |
| Schedule P - Part 1H - Section 2 - Other Liability - Claims-Made | 44 |
| Schedule P - Part 1I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft) | 45 |
| Schedule P - Part 1J - Auto Physical Damage | 46 |
| Schedule P - Part 1K - Fidelity/Surety | 47 |
| Schedule P - Part 1L - Other (Including Credit, Accident and Health) | 48 |
| Schedule P - Part 1M - International | 49 |
| Schedule P - Part 1N - Reinsurance - Nonproportional Assumed Property | 50 |
| Schedule P - Part 1O - Reinsurance - Nonproportional Assumed Liability | 51 |
| Schedule P - Part 1P - Reinsurance - Nonproportional Assumed Financial Lines | 52 |
| Schedule P - Part 1R - Section 1 - Products Liability - Occurrence | 53 |
| Schedule P - Part 1R - Section 2 - Products Liability - Claims-Made | 54 |
| Schedule P - Part 1S - Financial Guaranty/Mortgage Guaranty | 55 |
| Schedule P - Part 1T - Warranty | 56 |
| Schedule P - Part 2, Part 3 and Part 4 - Summary | 34 |
| Schedule P - Part 2A - Homeowners/Farmowners | 57 |
| Schedule P - Part 2B - Private Passenger Auto Liability/Medical | 57 |
| Schedule P - Part 2C - Commercial Auto/Truck Liability/Medical | 57 |
| Schedule P - Part 2D - Workers' Compensation (Excluding Excess Workers' Compensation) | 57 |
| Schedule P - Part 2E - Commercial Multiple Peril | 57 |
| Schedule P - Part 2F - Section 1 - Medical Professional Liability - Occurrence | 58 |
| Schedule P - Part 2F - Section 2 - Medical Professional Liability - Claims-Made | 58 |
| Schedule P - Part 2G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery) | 58 |
| Schedule P - Part 2H - Section 1 - Other Liability - Occurrence | 58 |
| Schedule P - Part 2H - Section 2 - Other Liability - Claims-Made | 58 |
| Schedule P - Part 2I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft) | 59 |
| Schedule P - Part 2J - Auto Physical Damage | 59 |
| Schedule P - Part 2K - Fidelity, Surety | 59 |
| Schedule P - Part 2L - Other (Including Credit, Accident and Health) | 59 |
| Schedule P - Part 2M - International | 59 |
| Schedule P - Part 2N - Reinsurance - Nonproportional Assumed Property | 60 |
| Schedule P - Part 2O - Reinsurance - Nonproportional Assumed Liability | 60 |
| Schedule P - Part 2P - Reinsurance - Nonproportional Assumed Financial Lines | 60 |
| Schedule P - Part 2R - Section 1 - Products Liability - Occurrence | 61 |
| Schedule P - Part 2R - Section 2 - Products Liability - Claims-Made | 61 |
| Schedule P - Part 2S - Financial Guaranty/Mortgage Guaranty | 61 |
| Schedule P - Part 2T - Warranty | 61 |
| Schedule P - Part 3A - Homeowners/Farmowners | 62 |
| Schedule P - Part 3B - Private Passenger Auto Liability/Medical | 62 |
| Schedule P - Part 3C - Commercial Auto/Truck Liability/Medical | 62 |
| Schedule P - Part 3D - Workers' Compensation (Excluding Excess Workers' Compensation) | 62 |
| Schedule P - Part 3E - Commercial Multiple Peril | 62 |
| Schedule P - Part 3F - Section 1 - Medical Professional Liability - Occurrence | 63 |
| Schedule P - Part 3F - Section 2 - Medical Professional Liability - Claims-Made | 63 |
| Schedule P - Part 3G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery) | 63 |
| Schedule P - Part 3H - Section 1 - Other Liability - Occurrence | 63 |
| Schedule P - Part 3H - Section 2 - Other Liability - Claims-Made | 63 |
| Schedule P - Part 3I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft) | 64 |
| Schedule P - Part 3J - Auto Physical Damage | 64 |
| Schedule P - Part 3K - Fidelity/Surety | 64 |
| Schedule P - Part 3L - Other (Including Credit, Accident and Health) | 64 |
| Schedule P - Part 3M - International | 64 |
| Schedule P - Part 3N - Reinsurance - Nonproportional Assumed Property | 65 |
| Schedule P - Part 3O - Reinsurance - Nonproportional Assumed Liability | 65 |
| Schedule P - Part 3P - Reinsurance - Nonproportional Assumed Financial Lines | 65 |
| Schedule P - Part 3R - Section 1 - Products Liability - Occurrence | 66 |
| Schedule P - Part 3R - Section 2 - Products Liability - Claims-Made | 66 |
| Schedule P - Part 3S - Financial Guaranty/Mortgage Guaranty | 66 |
| Schedule P - Part 3T - Warranty | 66 |

ANNUAL STATEMENT BLANK (Continued)

| | |
|---|------|
| Schedule P - Part 4A - Homeowners/Farmowners | 67 |
| Schedule P - Part 4B - Private Passenger Auto Liability/Medical | 67 |
| Schedule P - Part 4C - Commercial Auto/Truck Liability/Medical | 67 |
| Schedule P - Part 4D - Workers' Compensation (Excluding Excess Workers' Compensation) | 67 |
| Schedule P - Part 4E - Commercial Multiple Peril | 67 |
| Schedule P - Part 4F - Section 1 - Medical Professional Liability - Occurrence | 68 |
| Schedule P - Part 4F - Section 2 - Medical Professional Liability - Claims-Made | 68 |
| Schedule P - Part 4G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery) | 68 |
| Schedule P - Part 4H - Section 1 - Other Liability - Occurrence | 68 |
| Schedule P - Part 4H - Section 2 - Other Liability - Claims-Made | 68 |
| Schedule P - Part 4I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary and Theft) | 69 |
| Schedule P - Part 4J - Auto Physical Damage | 69 |
| Schedule P - Part 4K - Fidelity/Surety | 69 |
| Schedule P - Part 4L - Other (Including Credit, Accident and Health) | 69 |
| Schedule P - Part 4M - International | 69 |
| Schedule P - Part 4N - Reinsurance - Nonproportional Assumed Property | 70 |
| Schedule P - Part 4O - Reinsurance - Nonproportional Assumed Liability | 70 |
| Schedule P - Part 4P - Reinsurance - Nonproportional Assumed Financial Lines | 70 |
| Schedule P - Part 4R - Section 1 - Products Liability - Occurrence | 71 |
| Schedule P - Part 4R - Section 2 - Products Liability - Claims-Made | 71 |
| Schedule P - Part 4S - Financial Guaranty/Mortgage Guaranty | 71 |
| Schedule P - Part 4T - Warranty | 71 |
| Schedule P - Part 5A - Homeowners/Farmowners | 72 |
| Schedule P - Part 5B - Private Passenger Auto Liability/Medical | 73 |
| Schedule P - Part 5C - Commercial Auto/Truck Liability/Medical | 74 |
| Schedule P - Part 5D - Workers' Compensation (Excluding Excess Workers' Compensation) | 75 |
| Schedule P - Part 5E - Commercial Multiple Peril | 76 |
| Schedule P - Part 5F - Medical Professional Liability - Claims-Made | 78 |
| Schedule P - Part 5F - Medical Professional Liability - Occurrence | 77 |
| Schedule P - Part 5H - Other Liability - Claims-Made | 80 |
| Schedule P - Part 5H - Other Liability - Occurrence | 79 |
| Schedule P - Part 5R - Products Liability - Claims-Made | 82 |
| Schedule P - Part 5R - Products Liability - Occurrence | 81 |
| Schedule P - Part 5T - Warranty | 83 |
| Schedule P - Part 6C - Commercial Auto/Truck Liability/Medical | 84 |
| Schedule P - Part 6D - Workers' Compensation (Excluding Excess Workers' Compensation) | 84 |
| Schedule P - Part 6E - Commercial Multiple Peril | 85 |
| Schedule P - Part 6H - Other Liability - Claims-Made | 86 |
| Schedule P - Part 6H - Other Liability - Occurrence | 85 |
| Schedule P - Part 6M - International | 86 |
| Schedule P - Part 6N - Reinsurance - Nonproportional Assumed Property | 87 |
| Schedule P - Part 6O - Reinsurance - Nonproportional Assumed Liability | 87 |
| Schedule P - Part 6R - Products Liability - Claims-Made | 88 |
| Schedule P - Part 6R - Products Liability - Occurrence | 88 |
| Schedule P - Part 7A - Primary Loss Sensitive Contracts | 89 |
| Schedule P - Part 7B - Reinsurance Loss Sensitive Contracts | 91 |
| Schedule P Interrogatories | 93 |
| Schedule T - Exhibit of Premiums Written | 94 |
| Schedule T - Part 2 - Interstate Compact | 95 |
| Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group | 96 |
| Schedule Y - Part 1A - Detail of Insurance Holding Company System | 97 |
| Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates | 98 |
| Statement of Income | 4 |
| Summary Investment Schedule | SI01 |
| Supplemental Exhibits and Schedules Interrogatories | 99 |
| Underwriting and Investment Exhibit Part 1 | 6 |
| Underwriting and Investment Exhibit Part 1A | 7 |
| Underwriting and Investment Exhibit Part 1B | 8 |
| Underwriting and Investment Exhibit Part 2 | 9 |
| Underwriting and Investment Exhibit Part 2A | 10 |
| Underwriting and Investment Exhibit Part 3 | 11 |