

# AMENDED FILING EXPLANATION

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The Company evaluated the need to record a premium deficiency reserve as of March 21, 2019. This evaluation was completed on June 25, 2019, and it was determined that the Company did not have a premium deficiency, therefore the premium deficiency reserve from prior year was taken down. The Company anticipates investment income as a factor in the premium deficiency calculation.



QUARTERLY STATEMENT  
As of March 31, 2019  
of the Condition and Affairs of the  
VERTI INSURANCE COMPANY

NAIC Group Code.....0411, 0411  
(Current Period) (Prior Period)

NAIC Company Code..... 15736

Employer's ID Number..... 47-2744441

Organized under the Laws of OH

State of Domicile or Port of Entry OH

Country of Domicile US

Incorporated/Organized..... January 8, 2015

Commenced Business..... January 8, 2015

Statutory Home Office  
3590 Twin Creeks Drive .. COLUMBUS .. OH .. US .. 43204  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office  
211 MAIN STREET .. WEBSTER .. MA .. US .. 01570-0758  
(Street and Number) (City or Town, State, Country and Zip Code)

508-943-9000  
(Area Code) (Telephone Number)

Mail Address  
211 MAIN STREET .. WEBSTER .. MA .. US .. 01570-0758  
(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records  
211 MAIN STREET .. WEBSTER .. MA .. US .. 01570-0758  
(Street and Number) (City or Town, State, Country and Zip Code)

508-943-9000  
(Area Code) (Telephone Number)

Internet Web Site Address  
www.mapfreinsurance.com

Statutory Statement Contact  
CHRISTINE A CONRAD  
(Name)  
cconrad@mapfreusa.com  
(E-Mail Address)

508-943-9000-14376  
(Area Code) (Telephone Number) (Extension)

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(Fax Number)

OFFICERS

Name	Title	Name	Title
1. ALFREDO CASTELO	PRESIDENT	2. DANIEL PATRICK OLOHAN	SECRETARY, GENERAL COUNSEL & EVP
3. ROBERT EDWARD MCKENNA	TREASURER, CAO & SVP	4. JOSE LUIS BERNAL ZUNIGA #	CEO

OTHER

DIRECTORS OR TRUSTEES

ALFREDO CASTELO

FRANCOIS JEAN FACON

PATRICK JOSEPH MCDONALD

DANIEL PATRICK OLOHAN

State of..... MASSACHUSETTS  
County of..... WORCESTER

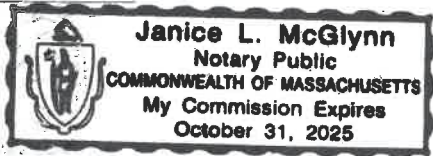
The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any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

(Signature)	(Signature)	(Signature)
ALFREDO CASTELO	DANIEL PATRICK OLOHAN	ROBERT EDWARD MCKENNA
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
PRESIDENT	SECRETARY, GENERAL COUNSEL & EVP	TREASURER, CAO & SVP
(Title)	(Title)	(Title)

Subscribed and sworn to before me  
This 14th day of May, 2019

a. Is this an original filing?  
b. If no: 1. State the amendment number  
2. Date filed  
3. Number of pages attached

Yes [X] No [ ]



VERTI INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Statement Date	2 December 31 Prior Year
1.	Losses (current accident year \$ ....126,000).....	.....775,757	.....577,180
2.	Reinsurance payable on paid losses and loss adjustment expenses.....		
3.	Loss adjustment expenses.....	.....129,756	.....83,500
4.	Commissions payable, contingent commissions and other similar charges.....		
5.	Other expenses (excluding taxes, licenses and fees).....	.....701,507	.....970,218
6.	Taxes, licenses and fees (excluding federal and foreign income taxes).....	.....27,402	.....71,691
7.1	Current federal and foreign income taxes (including \$ .....0 on realized capital gains (losses)).....		
7.2	Net deferred tax liability.....		
8.	Borrowed money \$ .....0 and interest thereon \$ .....0.....		
9.	Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ .....0 and including warranty reserves of \$ .....0 and accrued accident and health experience rating refunds including \$ .....0 for medical loss ratio rebate per the Public Health Service Act).....	.....884,546	.....630,373
10.	Advance premium.....	.....2,329	.....2,532
11.	Dividends declared and unpaid:		
11.1	Stockholders.....		
11.2	Policyholders.....		
12.	Ceded reinsurance premiums payable (net of ceding commissions).....		
13.	Funds held by company under reinsurance treaties.....		
14.	Amounts withheld or retained by company for account of others.....		
15.	Remittances and items not allocated.....		
16.	Provision for reinsurance (including \$ .....0 certified).....		
17.	Net adjustments in assets and liabilities due to foreign exchange rates.....		
18.	Drafts outstanding.....		
19.	Payable to parent, subsidiaries and affiliates.....	.....2,234,713	.....1,734,248
20.	Derivatives.....		
21.	Payable for securities.....		
22.	Payable for securities lending.....		
23.	Liability for amounts held under uninsured plans.....		
24.	Capital notes \$ .....0 and interest thereon \$ .....0.....		
25.	Aggregate write-ins for liabilities.....	.....0	.....117,000
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	.....4,756,010	.....4,186,742
27.	Protected cell liabilities.....		
28.	Total liabilities (Lines 26 and 27).....	.....4,756,010	.....4,186,742
29.	Aggregate write-ins for special surplus funds.....	.....0	.....0
30.	Common capital stock.....	.....3,600,000	.....3,600,000
31.	Preferred capital stock.....		
32.	Aggregate write-ins for other than special surplus funds.....	.....0	.....0
33.	Surplus notes.....		
34.	Gross paid in and contributed surplus.....	.....42,275,000	.....37,900,000
35.	Unassigned funds (surplus).....	.....(20,727,723)	.....(16,901,836)
36.	Less treasury stock, at cost:		
36.1	.....0.000 shares common (value included in Line 30 \$ .....0).....		
36.2	.....0.000 shares preferred (value included in Line 31 \$ .....0).....		
37.	Surplus as regards policyholders (Lines 29 to 35, less 36).....	.....25,147,277	.....24,598,164
38.	Totals (Page 2, Line 28, Col. 3).....	.....29,903,287	.....28,784,905

DETAILS OF WRITE-INS		
2501.	PREMIUM DEFICIENCY RESERVE.....	.....117,000
2502.	.....	
2503.	.....	
2598.	Summary of remaining write-ins for Line 25 from overflow page.....	.....0
2599.	Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	.....0
2599.	Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	.....117,000
2901.	.....	
2902.	.....	
2903.	.....	
2998.	Summary of remaining write-ins for Line 29 from overflow page.....	.....0
2999.	Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	.....0
3201.	.....	
3202.	.....	
3203.	.....	
3298.	Summary of remaining write-ins for Line 32 from overflow page.....	.....0
3299.	Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	.....0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct..... (written \$ ....882,065).....	627,892	7,313	884,750
1.2 Assumed..... (written \$ .....0).....			
1.3 Ceded..... (written \$ .....0).....			
1.4 Net..... (written \$ ....882,065).....	627,892	7,313	884,750
DEDUCTIONS:			
2. Losses incurred (current accident year \$ ....364,000):			
2.1 Direct.....	625,270		956,476
2.2 Assumed.....			
2.3 Ceded.....			
2.4 Net.....	625,270	0	956,476
3. Loss adjustment expenses incurred.....	463,716	367,275	1,309,552
4. Other underwriting expenses incurred.....	4,707,039	3,034,261	17,844,510
5. Aggregate write-ins for underwriting deductions.....	(117,000)	0	117,000
6. Total underwriting deductions (Lines 2 through 5).....	5,679,025	3,401,536	20,227,538
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	(5,051,132)	(3,394,223)	(19,342,788)
INVESTMENT INCOME			
9. Net investment income earned.....	108,830	(92,990)	305,311
10. Net realized capital gains (losses) less capital gains tax of \$ .....0.....		(32,370)	(101,283)
11. Net investment gain (loss) (Lines 9 + 10).....	108,830	(125,360)	204,028
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ .....0 amount charged off \$ .....0).....	0		
13. Finance and service charges not included in premiums.....	22,409	370	43,331
14. Aggregate write-ins for miscellaneous income.....	0	0	0
15. Total other income (Lines 12 through 14).....	22,409	370	43,331
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	(4,919,893)	(3,519,213)	(19,095,429)
17. Dividends to policyholders.....			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	(4,919,893)	(3,519,213)	(19,095,429)
19. Federal and foreign income taxes incurred.....	(1,104,667)	7,970	(4,220,488)
20. Net income (Line 18 minus Line 19) (to Line 22).....	(3,815,226)	(3,527,183)	(14,874,941)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	24,598,164	22,135,804	22,135,804
22. Net income (from Line 20).....	(3,815,226)	(3,527,183)	(14,874,941)
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ .....0.....			
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....			
27. Change in nonadmitted assets.....	(10,661)	227,383	356,358
28. Change in provision for reinsurance.....			
29. Change in surplus notes.....			
30. Surplus (contributed to) withdrawn from protected cells.....			
31. Cumulative effect of changes in accounting principles.....			
32. Capital changes:			
32.1 Paid in.....			
32.2 Transferred from surplus (Stock Dividend).....			
32.3 Transferred to surplus.....			
33. Surplus adjustments:			
33.1 Paid in.....	4,375,000		15,500,000
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....			
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	0	1,480,943	1,480,943
38. Change in surplus as regards policyholders (Lines 22 through 37).....	549,113	(1,818,857)	2,462,360
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	25,147,277	20,316,947	24,598,164

DETAILS OF WRITE-INS			
0501. PREMUM DEFICIENCY RESERVE.....	(117,000)		117,000
0502. ....			
0503. ....			
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	(117,000)	0	117,000
1401. ....			
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	0	0	0
3701. CHANGE IN POOLING CASH SETTLEMENT.....		1,480,943	1,480,943
3702. ....			
3703. ....			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	1,480,943	1,480,943

VERTI INSURANCE COMPANY  
CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....	686,601	(5,990,505)	(4,945,213)
2. Net investment income.....	79,156	(64,135)	401,893
3. Miscellaneous income.....	22,409	370	43,331
4. Total (Lines 1 through 3).....	788,167	(6,054,270)	(4,499,989)
5. Benefit and loss related payments.....	426,693	7,415,530	7,794,826
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	5,320,499	2,896,725	18,490,617
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....		(393,669)	(63,038)
10. Total (Lines 5 through 9).....	5,747,192	9,918,586	26,222,405
11. Net cash from operations (Line 4 minus Line 10).....	(4,959,025)	(15,972,856)	(30,722,394)
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	1,000,000	3,000,000	7,922,968
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.....		(40,340)	(46,575)
12.7 Miscellaneous proceeds.....			
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	1,000,000	2,959,660	7,876,393
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....			
13.2 Stocks.....			
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....			
13.7 Total investments acquired (Lines 13.1 to 13.6).....	0	0	0
14. Net increase or (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	1,000,000	2,959,660	7,876,393
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.....	4,375,000		15,500,000
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).....	318,365	424,553	1,417,436
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	4,693,365	424,553	16,917,436
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	734,340	(12,588,643)	(5,928,565)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	13,326,507	19,255,072	19,255,072
19.2 End of period (Line 18 plus Line 19.1).....	14,060,847	6,666,429	13,326,507

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

20.0001			
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NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The accompanying financial statements of VERTI Insurance Company (the Company) (formerly Cube Insurance Company) have been prepared in conformity with the accounting practices prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the State of Ohio. The NAIC Accounting Practices and Procedures manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Ohio.

There are no differences between Ohio prescribed practices and NAIC statutory accounting practices (NAIC SAP) as noted below:

	SSAP #	F/S Page	F/S Line #	Current Year to Date	2018
NET INCOME					
(1) VERTI INSURANCE COMPANY Company state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ (3,815,226)	\$ (14,874,941)
(2) State Prescribed Practice that are an increase/(decrease) from NAIC SAP					
				\$	\$
(3) State Permitted Practice that are an increase/(decrease) from NAIC SAP					
				\$	\$
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ (3,815,226)	\$ (14,874,941)
SURPLUS					
(5) VERTI INSURANCE COMPANY Company state basis (Page 3, line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 25,147,277	\$ 24,598,164
(6) State Prescribed Practice that are an increase/(decrease) from NAIC SAP					
				\$	\$
(7) State Permitted Practice that are an increase/(decrease) from NAIC SAP					
				\$	\$
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 25,147,277	\$ 24,598,164

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

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

C. Accounting Policy

(2) Basis for Bonds and Amortization Schedule

Bonds, excluding Loan-Backed and Structured Securities, are accounted for in accordance with SAAP No. 26. Amortized cost is calculated using the scientific interest method. Bonds containing call provisions are amortized to either the call or maturity value and date, whichever produces the lowest asset value (yield to worst). Investment grade bonds are stated at amortized cost. Non-investment grade bonds are stated at the lower of amortized cost or fair value. Bonds whose decline has been determined to be other than temporary are written down to a new cost basis and the write-down amount is accounted for as a realized loss.

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

The Company does not hold Loan-Backed Securities

D. Going Concern

Based on its evaluation of relevant conditions and events, management does not have substantial doubt about the Company's ability to continue as a going concern.

Note 2 – Accounting Changes and Corrections of Errors

No significant changes

Note 3 – Business Combinations and Goodwill

No significant changes

Note 4 – Discontinued Operations

No significant changes

Note 5 – Investments

D. Loan-Backed Securities

None

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

None

NOTES TO FINANCIAL STATEMENTS

F.	Repurchase Agreements Transactions Accounted for as Secured Borrowing
	None
M.	Working Capital Finance Investments
	None
N.	Offsetting and Netting of Assets and Liabilities
	None

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

No significant changes

**Note 7 – Investment Income**

No significant changes

**Note 8 – Derivative Instruments**

No significant changes

**Note 9 – Income Taxes**

No significant changes

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

No significant changes

**Note 11 – Debt**

B.	FHLB (Federal Home Loan Bank) Agreements
	(1) Nature of the FHLB Agreement
	Not applicable

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

A.	Defined Benefit Plan
	(4) Components of Net Periodic Benefit Cost
	Not applicable

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

No significant changes

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

No significant changes

**Note 15 – Leases**

No significant changes

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

No significant changes

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

B.	Transfer and Servicing of Financial Assets
	(2) Servicing Assets and Servicing Liabilities
	None
	(4) Securitizations, Asset-Based Financing Arrangements and Similar Transfers Accounted for as Sales
	None
C.	Wash Sales
	(1) Description of the Objectives Regarding These Transactions
	None

NOTES TO FINANCIAL STATEMENTS

- (2) The details by NAIC designation 3 or below, or unrated of securities sold during the current period and reacquired within 30 days of the sale date are:
- Not applicable

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

No significant changes

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

No significant changes

Note 20 – Fair Value Measurements

A. Inputs Used for Assets and Liabilites Measured and Reported at Fair Value

- (1) Summary of Financial Assets Measured and Reported at Fair Value at 03/31/19

The Company has no assets or liabilites measured and reported at fair value.

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

Not applicable

- (3) Policies when Transfers Between Levels are Recognized

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

- (4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement

Financial Assets included in Level 1 of the Fair Value Hierarchy include US Treasury securities and exchange traded common stock where prices are obtained directly from active markets.

Financial Assets included in Level 2 of the Fair Value Hierarchy are securities priced by the company’s custodial bank and based on observable market data.

Financial Assets included in Level 3 of the Fair Value Hierarchy are securities priced utilizing broker quotes or internal pricing determined by insurer.

- (5) Derivative Fair Value

The Company does not hold Derivative assets or liabilities.

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

Not applicable

C. Fair Value 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 liabilites that are financial instruments excluding those accounted for under the equity method (subsidiaries, joint ventures, partnerships, and limited liability corporations). The fair values are also categorized into the three-level fair value hierarchy as described above in Note 20A(4).

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$ 9,855,201	\$ 9,996,703	\$ 9,855,201	\$	\$	\$	\$

D. Not Practicable to Estimate Fair Value

None

E. NAV Practical Expedient Investments

None

Note 21 – Other Items

No significant changes

Note 22 – Events Subsequent

Subsequent events have been considered through May 13, 2019 for these statutory financial statements which are to be issued on May 15, 2019 . There were no events occurring subsequent to the end of the quarter that merited recognition or disclosure in these statements.

Note 23 – Reinsurance

No significant changes



NOTES TO FINANCIAL STATEMENTS

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

F. Risk Sharing Provisions of the Affordable Care Act

Not applicable

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

A. Change in Incurred Losses and Loss Adjustment Expenses

The company experienced no Loss development for 2018. Please refer to Note 26.

Effective January 1, 2018, the pooling agreement was amended to eliminate affiliate company Verti Insurance Company. The prior year end balance utilized for unpaid loss in this computation and LAE reserves has been adjusted to the new pooling percentage for comparative purposes.

B. Information about Significant Changes in Methodologies and Assumptions

There have been no significant changes in methodologies and assumptions used in calculating the liability for unpaid losses and loss adjustment expenses from December 31, 2017 to December 31, 2018.

Note 26 – Intercompany Pooling Arrangements

Not applicable

Note 27 – Structured Settlements

No significant changes

Note 28 – Health Care Receivables

No significant changes

Note 29 – Participating Policies

No significant changes

Note 30 – Premium Deficiency Reserves

The Company evaluated the need to record a premium deficiency reserve as of March 21, 2019. This evaluation was completed on June 25, 2019, and it was determined that the Company did not have a premium deficiency, therefore the premium deficiency reserve from prior year was taken down. The Company anticipates investment income as a factor in the premium deficiency calculation.

Note 31 – High Deductibles

No significant changes

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

No significant changes

Note 33 – Asbestos/Environmental Reserves

No significant changes

Note 34 – Subscriber Savings Accounts

No significant changes

Note 35 – Multiple Peril Crop Insurance

No significant changes

Note 36 – Financial Guaranty Insurance

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

Not applicable