



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2019
OF THE CONDITION AND AFFAIRS OF THE

TRUSTGARD INSURANCE COMPANY

| | | | | | | |
|---------------------------------------|---|-------------------------|--|------------|--|------------|
| NAIC Group Code | 00267 (Current Period) | 00267 (Prior Period) | NAIC Company Code | 40118 | Employer's ID Number | 41-1405571 |
| Organized under the Laws of | Ohio | | State of Domicile or Port of Entry | Ohio | | |
| Country of Domicile | United States | | | | | |
| Incorporated/Organized | 07/01/1981 | | Commenced Business | 11/10/1981 | | |
| Statutory Home Office | 671 South High Street (Street and Number) | | Columbus, OH, US 43206-1014 (City or Town, State, Country and Zip Code) | | | |
| Main Administrative Office | 671 South High Street (Street and Number) | | Columbus, OH, US 43206-1014 (City or Town, State, Country and Zip Code) | | 614-445-2900 (Area Code) (Telephone Number) | |
| Mail Address | 671 South High Street, P.O. Box 1218 (Street and Number or P.O. Box) | | Columbus, OH, US 43216-1218 (City or Town, State, Country and Zip Code) | | 614-445-2900 (Area Code) (Telephone Number) | |
| Primary Location of Books and Records | 671 South High Street (Street and Number) | | Columbus, OH, US 43206-1014 (City or Town, State, Country and Zip Code) | | 614-445-2900 (Area Code) (Telephone Number) | |
| Internet Web Site Address | www.grangeinsurance.com | | | | | |
| Statutory Statement Contact | Jeffrey P Siefker (Name) | | 614-445-2900 (Area Code) (Telephone Number) (Extension) | | | |
| | siefkerj@grangeinsurance.com (E-Mail Address) | | 614-542-3017 (Fax Number) | | | |

OFFICERS

| Name | Title | Name | Title |
|----------------------|-----------------|--------------------|-----------------|
| JOHN (NMN) AMMENDOLA | PRESIDENT & CEO | LAVAWN DEE COLEMAN | EVP & SECRETARY |
| TERESA JEAN DALENTA | EVP & CFO | | |

OTHER OFFICERS

| | |
|-----------------------------|------------------|
| JOHN CHRISTOPHER MONTGOMERY | VP - INVESTMENTS |
|-----------------------------|------------------|

DIRECTORS OR TRUSTEES

| | | | |
|-------------------------|-----------------------|------------------------|---------------------|
| JOHN (NMN) AMMENDOLA | MARK LEWIS BOXER | DOUGLAS PAUL BUTH | TERESA JEAN DALENTA |
| MICHAEL DESMOND FRAIZER | ROBERT ENLOW HOYT | SUZAN BULYABA KEREERE | MARY MARNETTE PERRY |
| THOMAS SIMRALL STEWART | DAVID CHARLES WETMORE | CHRISTIANNA (NMN) WOOD | |

State ofOhio.....

County ofFranklin.....ss

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

| | | |
|---|---------------------------------------|----------------------------------|
| JOHN (NMN) AMMENDOLA PRESIDENT & CEO | LAVAWN DEE COLEMAN EVP & SECRETARY | TERESA JEAN DALENTA EVP & CFO |
|---|---------------------------------------|----------------------------------|

a. Is this an original filing? Yes No

b. If no:

1. State the amendment number

2. Date filed

3. Number of pages attached

Subscribed and sworn to before me this
8th day of November, 2019

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3

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

ASSETS

| | Current Statement Date | | | 4 December 31 Prior Year Net Admitted Assets |
|---|------------------------|-------------------------|---|---|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. Bonds | 74,067,017 | | 74,067,017 | 71,753,650 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | | | 0 | 0 |
| 2.2 Common stocks | | | 0 | 0 |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | | | 0 | 0 |
| 3.2 Other than first liens | | | 0 | 0 |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$ encumbrances) | | | 0 | 0 |
| 4.2 Properties held for the production of income (less \$ encumbrances) | | | 0 | 0 |
| 4.3 Properties held for sale (less \$ encumbrances) | | | 0 | 0 |
| 5. Cash (\$ 0), cash equivalents (\$ 1,461,476) and short-term investments (\$ 0) | | 1,461,476 | 1,461,476 | 1,510,968 |
| 6. Contract loans (including \$ premium notes) | | | 0 | 0 |
| 7. Derivatives | 0 | | 0 | 0 |
| 8. Other invested assets | 0 | | 0 | 0 |
| 9. Receivables for securities | | | 0 | 121,500 |
| 10. Securities lending reinvested collateral assets | | | 0 | 0 |
| 11. Aggregate write-ins for invested assets | 0 | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 75,528,493 | 0 | 75,528,493 | 73,386,118 |
| 13. Title plants less \$ charged off (for Title insurers only) | | | 0 | 0 |
| 14. Investment income due and accrued | 649,923 | | 649,923 | 657,875 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | | | 0 | 0 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums) | | | 0 | 0 |
| 15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$) | | | 0 | 0 |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | | | 0 | 0 |
| 16.2 Funds held by or deposited with reinsured companies | | | 0 | 0 |
| 16.3 Other amounts receivable under reinsurance contracts | | | 0 | 0 |
| 17. Amounts receivable relating to uninsured plans | | | 0 | 0 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | | | 0 | 0 |
| 18.2 Net deferred tax asset | | | 0 | 0 |
| 19. Guaranty funds receivable or on deposit | | | 0 | 0 |
| 20. Electronic data processing equipment and software | | | 0 | 0 |
| 21. Furniture and equipment, including health care delivery assets (\$) | | | 0 | 0 |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | | | 0 | 0 |
| 23. Receivables from parent, subsidiaries and affiliates | 248,102 | | 248,102 | 774,468 |
| 24. Health care (\$) and other amounts receivable | | | 0 | 0 |
| 25. Aggregate write-ins for other-than-invested assets | 0 | 0 | 0 | 0 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 76,426,518 | 0 | 76,426,518 | 74,818,461 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | 0 | 0 |
| 28. Total (Lines 26 and 27) | 76,426,518 | 0 | 76,426,518 | 74,818,461 |
| DETAILS OF WRITE-INS | | | | |
| 1101. | | | 0 | 0 |
| 1102. | | | 0 | 0 |
| 1103. | | | 0 | 0 |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) | 0 | 0 | 0 | 0 |
| 2501. | | | 0 | 0 |
| 2502. | | | 0 | 0 |
| 2503. | | | 0 | 0 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 | 0 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) | 0 | 0 | 0 | 0 |

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

| | 1 Current Statement Date | 2 December 31, Prior Year |
|---|--------------------------------|---------------------------------|
| 1. Losses (current accident year \$) | 0 | 0 |
| 2. Reinsurance payable on paid losses and loss adjustment expenses | 0 | 0 |
| 3. Loss adjustment expenses | 0 | 0 |
| 4. Commissions payable, contingent commissions and other similar charges | 0 | 0 |
| 5. Other expenses (excluding taxes, licenses and fees) | 4,166 | 4,166 |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes) | 0 | 0 |
| 7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses)) | 224,971 | 330,442 |
| 7.2 Net deferred tax liability | 48,051 | 48,051 |
| 8. Borrowed money \$ and interest thereon \$ | 0 | 0 |
| 9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 66,033,301 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)..... | 0 | 0 |
| 10. Advance premium | 0 | 0 |
| 11. Dividends declared and unpaid: | | |
| 11.1 Stockholders | 0 | 0 |
| 11.2 Policyholders | 0 | 0 |
| 12. Ceded reinsurance premiums payable (net of ceding commissions) | 0 | 0 |
| 13. Funds held by company under reinsurance treaties | 0 | 0 |
| 14. Amounts withheld or retained by company for account of others | 0 | 0 |
| 15. Remittances and items not allocated | 0 | 0 |
| 16. Provision for reinsurance (including \$ certified) | 0 | 0 |
| 17. Net adjustments in assets and liabilities due to foreign exchange rates | 0 | 0 |
| 18. Drafts outstanding | 0 | 0 |
| 19. Payable to parent, subsidiaries and affiliates | 0 | 0 |
| 20. Derivatives | 0 | 0 |
| 21. Payable for securities | 277,073 | 0 |
| 22. Payable for securities lending | 0 | 0 |
| 23. Liability for amounts held under uninsured plans | 0 | 0 |
| 24. Capital notes \$ and interest thereon \$ | 0 | 0 |
| 25. Aggregate write-ins for liabilities | 0 | 0 |
| 26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) | 554,262 | 382,659 |
| 27. Protected cell liabilities | 0 | 0 |
| 28. Total liabilities (Lines 26 and 27) | 554,262 | 382,659 |
| 29. Aggregate write-ins for special surplus funds | 0 | 0 |
| 30. Common capital stock | 2,500,000 | 2,500,000 |
| 31. Preferred capital stock | 0 | 0 |
| 32. Aggregate write-ins for other than special surplus funds | 0 | 0 |
| 33. Surplus notes | 0 | 0 |
| 34. Gross paid in and contributed surplus | 4,657,724 | 4,657,724 |
| 35. Unassigned funds (surplus) | 68,714,533 | 67,278,078 |
| 36. Less treasury stock, at cost: | | |
| 36.1 shares common (value included in Line 30 \$) | 0 | 0 |
| 36.2 shares preferred (value included in Line 31 \$) | 0 | 0 |
| 37. Surplus as regards policyholders (Lines 29 to 35, less 36) | 75,872,257 | 74,435,802 |
| 38. Totals (Page 2, Line 28, Col. 3) | 76,426,518 | 74,818,461 |
| DETAILS OF WRITE-INS | | |
| 2501. | 0 | 0 |
| 2502. | 0 | 0 |
| 2503. | 0 | 0 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) | 0 | 0 |
| 2901. | 0 | 0 |
| 2902. | 0 | 0 |
| 2903. | 0 | 0 |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | 0 | 0 |
| 2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above) | 0 | 0 |
| 3201. | 0 | 0 |
| 3202. | 0 | 0 |
| 3203. | 0 | 0 |
| 3298. Summary of remaining write-ins for Line 32 from overflow page | 0 | 0 |
| 3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above) | 0 | 0 |

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

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 \$ 117,737,641) | 109,328,042 | 110,176,977 | 147,212,083 |
| 1.2 Assumed (written \$ 48,383) | 61,142 | 71,933 | 88,479 |
| 1.3 Ceded (written \$ 117,786,024) | 109,389,185 | 110,248,910 | 147,300,562 |
| 1.4 Net (written \$ 0) | 0 | 0 | 0 |
| DEDUCTIONS: | | | |
| 2. Losses incurred (current accident year \$): | | | |
| 2.1 Direct | 61,656,728 | 57,835,040 | 75,838,502 |
| 2.2 Assumed | 27,664 | 21,231 | 31,820 |
| 2.3 Ceded | 61,684,393 | 57,856,272 | 75,870,322 |
| 2.4 Net | 0 | 0 | 0 |
| 3. Loss adjustment expenses incurred | | 0 | 0 |
| 4. Other underwriting expenses incurred | | 0 | 0 |
| 5. Aggregate write-ins for underwriting deductions | 0 | 0 | 0 |
| 6. Total underwriting deductions (Lines 2 through 5) | 0 | 0 | 0 |
| 7. Net income of protected cells | | 0 | 0 |
| 8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7) | 0 | 0 | 0 |
| INVESTMENT INCOME | | | |
| 9. Net investment income earned | 1,614,423 | 1,616,172 | 2,065,518 |
| 10. Net realized capital gains (losses) less capital gains tax of \$ 8,709 | 38,294 | (68,950) | (69,138) |
| 11. Net investment gain (loss) (Lines 9 + 10) | 1,652,717 | 1,547,222 | 1,996,380 |
| OTHER INCOME | | | |
| 12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$) | | 0 | 0 |
| 13. Finance and service charges not included in premiums | | 0 | 0 |
| 14. Aggregate write-ins for miscellaneous income | 0 | 0 | 0 |
| 15. Total other income (Lines 12 through 14) | 0 | 0 | 0 |
| 16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) | 1,652,717 | 1,547,222 | 1,996,380 |
| 17. Dividends to policyholders | | 0 | 0 |
| 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) | 1,652,717 | 1,547,222 | 1,996,380 |
| 19. Federal and foreign income taxes incurred | 216,262 | 188,231 | 348,820 |
| 20. Net income (Line 18 minus Line 19)(to Line 22) | 1,436,454 | 1,358,991 | 1,647,560 |
| CAPITAL AND SURPLUS ACCOUNT | | | |
| 21. Surplus as regards policyholders, December 31 prior year | 74,435,802 | 72,734,709 | 72,734,709 |
| 22. Net income (from Line 20) | 1,436,454 | 1,358,991 | 1,647,560 |
| 23. Net transfers (to) from Protected Cell accounts | | 0 | 0 |
| 24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ | | 0 | 0 |
| 25. Change in net unrealized foreign exchange capital gain (loss) | | 0 | 0 |
| 26. Change in net deferred income tax | | 0 | 53,533 |
| 27. Change in nonadmitted assets | | 0 | 0 |
| 28. Change in provision for reinsurance | | 0 | 0 |
| 29. Change in surplus notes | | 0 | 0 |
| 30. Surplus (contributed to) withdrawn from protected cells | | 0 | 0 |
| 31. Cumulative effect of changes in accounting principles | | 0 | 0 |
| 32. Capital changes: | | | |
| 32.1 Paid in | | 0 | 0 |
| 32.2 Transferred from surplus (Stock Dividend) | | 0 | 0 |
| 32.3 Transferred to surplus | | 0 | 0 |
| 33. Surplus adjustments: | | | |
| 33.1 Paid in | | 0 | 0 |
| 33.2 Transferred to capital (Stock Dividend) | | 0 | 0 |
| 33.3 Transferred from capital | | 0 | 0 |
| 34. Net remittances from or (to) Home Office | | 0 | 0 |
| 35. Dividends to stockholders | | 0 | 0 |
| 36. Change in treasury stock | | 0 | 0 |
| 37. Aggregate write-ins for gains and losses in surplus | 0 | 0 | 0 |
| 38. Change in surplus as regards policyholders (Lines 22 through 37) | 1,436,454 | 1,358,991 | 1,701,093 |
| 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) | 75,872,257 | 74,093,700 | 74,435,802 |
| DETAILS OF WRITE-INS | | | |
| 0501. | | 0 | 0 |
| 0502. | | 0 | 0 |
| 0503. | | 0 | 0 |
| 0598. Summary of remaining write-ins for Line 5 from overflow page | 0 | 0 | 0 |
| 0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above) | 0 | 0 | 0 |
| 1401. | | 0 | 0 |
| 1402. | | 0 | 0 |
| 1403. | | 0 | 0 |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | 0 | 0 | 0 |
| 1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) | 0 | 0 | 0 |
| 3701. | | 0 | 0 |
| 3702. | | 0 | 0 |
| 3703. | | 0 | 0 |
| 3798. Summary of remaining write-ins for Line 37 from overflow page | 0 | 0 | 0 |
| 3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above) | 0 | 0 | 0 |

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD 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..... | 0 | 0 | 0 |
| 2. Net investment income..... | 2,094,159 | 2,286,064 | 2,916,123 |
| 3. Miscellaneous income..... | 0 | 0 | 0 |
| 4. Total (Lines 1 to 3)..... | 2,094,159 | 2,286,064 | 2,916,123 |
| 5. Benefit and loss related payments..... | 0 | 0 | 0 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | 0 | 0 | 0 |
| 7. Commissions, expenses paid and aggregate write-ins for deductions..... | 0 | 0 | 0 |
| 8. Dividends paid to policyholders..... | 0 | 0 | 0 |
| 9. Federal and foreign income taxes paid (recovered) net of \$ 8,709 tax on capital gains (losses)..... | 330,442 | (637,093) | (637,093) |
| 10. Total (Lines 5 through 9)..... | 330,442 | (637,093) | (637,093) |
| 11. Net cash from operations (Line 4 minus Line 10)..... | 1,763,717 | 2,923,157 | 3,553,216 |
| Cash from Investments | | | |
| 12. Proceeds from investments sold, matured or repaid: | | | |
| 12.1 Bonds..... | 14,074,393 | 4,565,653 | 6,330,575 |
| 12.2 Stocks..... | 0 | 0 | 0 |
| 12.3 Mortgage loans..... | 0 | 0 | 0 |
| 12.4 Real estate..... | 0 | 0 | 0 |
| 12.5 Other invested assets..... | 0 | 0 | 0 |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments..... | 0 | 0 | 0 |
| 12.7 Miscellaneous proceeds..... | 398,574 | 0 | 0 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7)..... | 14,472,967 | 4,565,653 | 6,330,575 |
| 13. Cost of investments acquired (long-term only): | | | |
| 13.1 Bonds..... | 16,812,540 | 9,867,219 | 12,140,453 |
| 13.2 Stocks..... | 0 | 0 | 0 |
| 13.3 Mortgage loans..... | 0 | 0 | 0 |
| 13.4 Real estate..... | 0 | 0 | 0 |
| 13.5 Other invested assets..... | 0 | 0 | 0 |
| 13.6 Miscellaneous applications..... | 0 | 173,451 | 112,260 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6)..... | 16,812,540 | 10,040,670 | 12,252,713 |
| 14. Net increase (or decrease) in contract loans and premium notes..... | 0 | 0 | 0 |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)..... | (2,339,573) | (5,475,017) | (5,922,138) |
| Cash from Financing and Miscellaneous Sources | | | |
| 16. Cash provided (applied): | | | |
| 16.1 Surplus notes, capital notes..... | 0 | 0 | 0 |
| 16.2 Capital and paid in surplus, less treasury stock..... | 0 | 0 | 0 |
| 16.3 Borrowed funds..... | 0 | 0 | 0 |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities..... | 0 | 0 | 0 |
| 16.5 Dividends to stockholders..... | 0 | 0 | 0 |
| 16.6 Other cash provided (applied)..... | 526,365 | (422,696) | (286,040) |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)..... | 526,365 | (422,696) | (286,040) |
| 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)..... | (49,492) | (2,974,556) | (2,654,962) |
| 19. Cash, cash equivalents and short-term investments: | | | |
| 19.1 Beginning of year..... | 1,510,968 | 4,165,930 | 4,165,930 |
| 19.2 End of period (Line 18 plus Line 19.1)..... | 1,461,476 | 1,191,374 | 1,510,968 |

**STATEMENT AS OF SEPTEMBER 30, 2019 OF THE
TRUSTGARD INSURANCE COMPANY**

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

A. Accounting Practices:

Trustgard Insurance Company (the "Company") prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by The Ohio Department of Insurance (the "Department"). The Department requires that insurance companies domiciled in the State of Ohio prepare their statutory basis financial statements in accordance with the National Association of Insurance Commissioners ("NAIC") Accounting Practices and Procedures Manual ("NAIC SAP") subject to any deviations prescribed or permitted by the Department. The Company does not employ accounting practices that depart from the NAIC SAP.

A reconciliation of the Company's net income and surplus between NAIC SAP and practices prescribed and permitted by the State of Ohio is shown below:

| | SSAP # | F/S Page | F/S Line # | Amount (\$) | |
|--|--------|----------|------------|--------------------|-------------------|
| | | | | September 30, 2019 | December 31, 2018 |
| NET INCOME | | | | | |
| (1) Trustgard Insurance Company state basis (Page 4, Line 20, Columns 1 & 3) | xxx | xxx | xxx | 1,436,454 | 1,647,560 |
| (2) State Prescribed Practices that increase/(decrease) NAIC SAP | | | | 0 | 0 |
| (3) State Permitted Practices that increase/(decrease) NAIC SAP | | | | 0 | 0 |
| (4) NAIC SAP (1-2-3=4) | xxx | xxx | xxx | 1,436,454 | 1,647,560 |
| SURPLUS | | | | | |
| (5) Trustgard Insurance Company state basis (Page 3, Line 37, Columns 1 & 2) | xxx | xxx | xxx | 75,872,257 | 74,435,802 |
| (6) State Prescribed Practices that increase/(decrease) NAIC SAP | | | | 0 | 0 |
| (7) State Permitted Practices that increase/(decrease) NAIC SAP | | | | 0 | 0 |
| (8) NAIC SAP (5-6-7=8) | xxx | xxx | xxx | 75,872,257 | 74,435,802 |

B. Use of Estimates in the Preparation of the Financial Statements: No significant changes from December 31, 2018.

C. Accounting Policy:

2. Bonds not backed by other loans are stated at amortized cost using the scientific method.
6. Loan-backed securities are stated at either amortized cost or the lower or amortized cost or fair market value. The retrospective adjustment method is used to value all securities except for interest only securities or securities where the yield had become negative, those are valued using the prospective method.

D. Going Concern:

Management has evaluated the Company's viability and has no doubt as to the Company's ability to continue as a going concern.

2. Accounting Changes and Corrections of Errors: None

3. Business Combinations and Goodwill: None

4. Discontinued Operations: None

5. Investments:

- A. Mortgage Loans, including Mezzanine Real Estate Loans: None
- B. Debt Restructuring: None
- C. Reverse Mortgages: None
- D. Loan-Backed Securities: None
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions: None
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing: None
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing: None
- H. Repurchase Agreements Transactions Accounted for as a Sale: None
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale: None
- J. Real Estate: None
- K. Low Income Housing Tax Credits: None
- L. Restricted Assets: No significant changes from December 31, 2018.
- M. Working Capital Finance Investments: None
- N. Offsetting and Netting of Assets and Liabilities: None
- O. Structured Notes: No significant changes from December 31, 2018.
- P. 5 GI Securities: None
- Q. Short Sales: None
- R. Prepayment Penalty and Acceleration Fees: No significant changes from December 31, 2018.

**STATEMENT AS OF SEPTEMBER 30, 2019 OF THE
TRUSTGARD INSURANCE COMPANY**

NOTES TO FINANCIAL STATEMENTS

6. Joint Ventures, Partnerships and Limited Liability Companies: None

7. Investment Income: None

8. Derivative Instruments: None

9. Federal Income Taxes: No significant changes from December 31, 2018.

10. Information Concerning Parent, Subsidiaries and Affiliates:

A. Relationship with Parent, Subsidiaries and Affiliates:

The Company is a 100% owned subsidiary of Grange Insurance Company ("GIC", formerly known as Grange Mutual Casualty Company), an insurance company domiciled in the State of Ohio and a member of the Grange Insurance Enterprise. Effective January 1, 2019, the corporate structure changed to a Mutual Holding Company. Through this conversion, the Company's parent, GIC, and its affiliate, Integrity Insurance Company ("IIC"), became stock companies, which are 100% owned by a new holding company, Grange Holdings, Inc. ("GHI"), which is 100% owned by a new mutual holding company, Grange Mutual Holding Company.

B. Descriptions of transactions with Parent, Subsidiaries and Affiliates: None

C. Amounts of transactions with Parent, Subsidiaries and Affiliates: None

D. Amounts Due From or To Related Parties: No significant changes from December 31, 2018.

E. Guarantees or Contingencies for Related Parties: None

F. Description of Material Management or Service Contracts: No significant changes from December 31, 2018.

G. Nature of the Control Relationship: No changes from December 31, 2018.

H. Amount Deducted for Investment in Upstream Company: None

I. Investments in Affiliates Greater than 10% of Admitted Assets: None

J. Write-down for Impairments of Investments in Subsidiary, Controlled or Affiliated Companies: None

K. Investments in Foreign Insurance Subsidiary: None

L. Investments in a Downstream Noninsurance Company: None

M. All SCA Investments: None

N. Investment in Insurance SCAs: None

O. SCA Loss Tracking: None

11. Debt: None

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

All employees are employed by GIC and participate in the pension and other benefit plans of GIC and GHI.

Effective April 1, 2019, the qualified defined benefit pension plans of GIC and IIC were merged together under GIC and were subsequently moved, via dividend, to the parent company, GHI, who will be the sponsor of the plans moving forward. Also, as part of the dividend, two nonqualified plans under GIC were moved to GHI. As a result, all costs associated with these plans for 2019 were also moved to GHI.

The postretirement benefit plan is still sponsored by GIC and all annual costs for 2019 are shared via the pooling agreement.

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations: No significant changes from December 31, 2018.

14. Liabilities, Contingencies and Assessments: No significant changes from December 31, 2018.

15. Leases: None

16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk: None

17. Transfer and Servicing of Financial Assets and Extinguishments of Liabilities:

B. Transfer and Servicing of Financial Assets:

2. Servicing Assets and Servicing Liabilities:

a. Description of Risk: None

b. Specified Servicing Fees: None

c. Assumptions Used to Estimate Fair Value: None

4. Securitizations, Asset-backed Financing Agreements and Similar Transfers with Continued Involvement:

a. Income Statement Presented: None

b. Statements of Financial Position Presented: None

C. Wash Sales: None

**STATEMENT AS OF SEPTEMBER 30, 2019 OF THE
TRUSTGARD INSURANCE COMPANY**

NOTES TO FINANCIAL STATEMENTS

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans: None

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators: None

20. Fair Value Measurements:

A. All assets and liabilities of the Company are measured and reported at cost or amortized cost.

1. Fair Value Hierarchy or Investments Reported at Net Asset Value ("NAV"): None
2. Level Three Fair Value Reconciliation: None
3. Level Three Transfers In/Out: None
4. Reported Fair Value of Investments within Level 2 and Level 3: According to statutory accounting rules, fixed income securities with a rating of NAIC 1 or 2 are reported at amortized cost. Securities with a rating of NAIC 3 thru 6, or non-investment grade ratings, are measured and reported at the lower of amortized cost or fair value on the statement of financial position. As of September 30, 2019, the Company did not have any bonds rated NAIC 3 thru 6, and therefore did not report any securities at fair value.
5. Derivative Assets and Liabilities: None.

B. Other Fair Value Disclosures: None

C. Fair Values for All Financial Instruments by Levels 1, 2 and 3 and NAV as of September 30, 2019:

| Type of Financial Instrument | Aggregate Fair Value/NAV | Admitted Assets | Amount (\$) | | | | Not Practicable (Carrying Value) |
|------------------------------|--------------------------|-------------------|------------------|-------------------|----------|----------|----------------------------------|
| | | | Level 1 | Level 2 | Level 3 | NAV | |
| Bonds | 77,636,022 | 74,067,017 | 0 | 77,636,022 | 0 | 0 | 0 |
| Money market | 1,461,476 | 1,461,476 | 1,461,476 | 0 | 0 | 0 | 0 |
| Total | 79,097,498 | 75,528,493 | 1,461,476 | 77,636,022 | 0 | 0 | 0 |

D. Not Practicable to Estimate Fair Value: None

E. Investments Measured using NAV: None

21. Other Items: None

22. Events Subsequent:

There have been no events after the period's end, but before the filing of this statement, which have a material effect upon the financial condition of the Company.

23. Reinsurance: No significant changes from December 31, 2018.

24. Retrospectively Rate Contracts and Contracts Subject to Redetermination:

F. Risk-Sharing Provisions of the Affordable Care Act ("ACA"):

1. Did the reporting entity write accident and health insurance premium that is subject to the ACA risk-sharing provisions? No
2. Impact of risk sharing provisions of the ACA on admitted assets, liabilities and revenues for the current year: Not applicable.
3. Roll forward of prior year ACA risk sharing provisions for the following asset (gross of any nonadmission) and liability balances along with the reasons for adjustments to prior year balance: Not applicable.
4. Rollforward of risk corridors asset and liability balances by program benefit year: Not applicable.
5. ACA risk corridors receivable as of reporting date: Not applicable.

25. Changes in Incurred Losses and Loss Adjustment Expenses:

As a result of the intercompany pooling agreement, all reserves have been ceded to the lead company (GIC) of the pooling agreement.

26. Intercompany Pooling Agreements: No changes from December 31, 2018.

27. Structured Settlements: No significant changes from December 31, 2018.

28. Health Care Receivables: None

29. Participating Policies: None

30. Premium Deficiency Reserves: No significant changes from December 31, 2018.

31. High Deductibles: None

32. Discounting of Liabilities for Unpaid Losses or Unpaid Adjustment Expenses: None

33. Asbestos/Environmental Reserves: None

34. Subscriber Savings Accounts: None

35. Multiple Peril Crop Insurance: None

36. Financial Guaranty Insurance: None

37. Catastrophic Planning: No significant changes from December 31, 2018.

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

GENERAL INTERROGATORIES

**PART 1 - COMMON INTERROGATORIES
GENERAL**

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []

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

2.2 If yes, date of change:

3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []

If yes, complete Schedule Y, Parts 1 and 1A.

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]

3.3 If the response to 3.2 is yes, provide a brief description of those changes.

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

3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.....

4.1 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 for the annual filing corresponding to this period.

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

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] NA []

If yes, attach an explanation.

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

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

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 11/24/2015

6.4 By what department or departments?
Ohio.....

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

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] NA []

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

7.2 If yes, give full information:

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

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

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

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

| 1 Affiliate Name | 2 Location (City, State) | 3 FRB | 4 OCC | 5 FDIC | 6 SEC |
|---------------------|--------------------------------|----------|----------|-----------|----------|
| | | | | | |

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

GENERAL INTERROGATORIES

17. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes [X] No []

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

| 1 Name of Custodian(s) | 2 Custodian Address |
|---------------------------|---|
| Northern Trust..... | 50 South LaSalle Street-M27, Chicago, IL 60603..... |

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

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

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

Yes [] No [X]

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

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

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

| 1 Name of Firm or Individual | 2 Affiliation |
|---------------------------------|------------------|
| J. Christopher Montgomery..... | |
| James Habegger..... | |
| John Ammendola..... | |
| Teresa Dalenta..... | |

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) manage more than 10% of the reporting entity’s assets?

Yes [] No [X]

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity’s assets?

Yes [] No [X]

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of “A” (affiliated) or “U” (unaffiliated), provide the information for the table below.

| 1 Central Registration Depository Number | 2 Name of Firm or Individual | 3 Legal Entity Identifier (LEI) | 4 Registered With | 5 Investment Management Agreement (IMA) Filed |
|--|------------------------------------|---------------------------------------|----------------------|---|
| | | | | |
| | | | | |
| | | | | |

18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed?

Yes [X] No []

18.2 If no, list exceptions:

.....

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for 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]

20. 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]

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [] No [X] NA []
If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [] No [X]
3.2 If yes, give full and complete information thereto.

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see *Annual Statement Instructions* pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? _____ Yes [] No [X]

4.2 If yes, complete the following schedule:

5. Operating Percentages:

5.1 A&H loss percent %
5.2 A&H cost containment percent %
5.3 A&H expense percent excluding cost containment expenses %

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

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

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

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

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

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

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date – Allocated by States and Territories

| States, etc. | 1 Active Status (a) | Direct Premiums Written | | Direct Losses Paid (Deducting Salvage) | | Direct Losses Unpaid | |
|--|------------------------------|------------------------------|----------------------------|--|----------------------------|------------------------------|----------------------------|
| | | 2 Current Year To Date | 3 Prior Year To Date | 4 Current Year To Date | 5 Prior Year To Date | 6 Current Year To Date | 7 Prior Year To Date |
| 1. Alabama | AL | N | 0 | 0 | 0 | 0 | 0 |
| 2. Alaska | AK | N | 0 | 0 | 0 | 0 | 0 |
| 3. Arizona | AZ | N | 0 | 0 | 0 | 0 | 0 |
| 4. Arkansas | AR | N | 0 | 0 | 0 | 0 | 0 |
| 5. California | CA | N | 0 | 0 | 0 | 0 | 0 |
| 6. Colorado | CO | L | 0 | 0 | 0 | 0 | 0 |
| 7. Connecticut | CT | N | 0 | 0 | 0 | 0 | 0 |
| 8. Delaware | DE | N | 0 | 0 | 0 | 0 | 0 |
| 9. Dist. Columbia | DC | N | 0 | 0 | 0 | 0 | 0 |
| 10. Florida | FL | N | 0 | 0 | 0 | 0 | 0 |
| 11. Georgia | GA | L | 19,333,844 | 18,189,770 | 9,046,850 | 8,340,131 | 9,075,303 |
| 12. Hawaii | HI | N | 0 | 0 | 0 | 0 | 0 |
| 13. Idaho | ID | N | 0 | 0 | 0 | 0 | 0 |
| 14. Illinois | IL | L | 8,808,470 | 9,418,632 | 6,559,561 | 6,929,475 | 4,538,752 |
| 15. Indiana | IN | L | 26,486,901 | 23,435,766 | 12,549,523 | 11,675,594 | 8,613,979 |
| 16. Iowa | IA | L | 0 | 0 | 0 | 0 | 0 |
| 17. Kansas | KS | L | 0 | 0 | 0 | 0 | 0 |
| 18. Kentucky | KY | L | 5,302,442 | 5,749,115 | 2,076,800 | 2,055,877 | 1,762,095 |
| 19. Louisiana | LA | N | 0 | 0 | 0 | 0 | 0 |
| 20. Maine | ME | N | 0 | 0 | 0 | 0 | 0 |
| 21. Maryland | MD | N | 0 | 0 | 0 | 0 | 0 |
| 22. Massachusetts | MA | N | 0 | 0 | 0 | 0 | 0 |
| 23. Michigan | MI | N | 0 | 0 | 0 | 0 | 0 |
| 24. Minnesota | MN | L | 0 | 0 | 0 | 0 | 0 |
| 25. Mississippi | MS | N | 0 | 0 | 0 | 0 | 0 |
| 26. Missouri | MO | L | 0 | (67) | (67) | 0 | 0 |
| 27. Montana | MT | N | 0 | 0 | 0 | 0 | 0 |
| 28. Nebraska | NE | L | 0 | 0 | 0 | 0 | 0 |
| 29. Nevada | NV | N | 0 | 0 | 0 | 0 | 0 |
| 30. New Hampshire | NH | N | 0 | 0 | 0 | 0 | 0 |
| 31. New Jersey | NJ | N | 0 | 0 | 0 | 0 | 0 |
| 32. New Mexico | NM | N | 0 | 0 | 0 | 0 | 0 |
| 33. New York | NY | N | 0 | 0 | 0 | 0 | 0 |
| 34. No. Carolina | NC | N | 0 | 0 | 0 | 0 | 0 |
| 35. No. Dakota | ND | L | 0 | 0 | 0 | 0 | 0 |
| 36. Ohio | OH | L | 9,924,127 | 11,235,636 | 4,941,755 | 6,669,790 | 5,373,948 |
| 37. Oklahoma | OK | N | 0 | 0 | 0 | 0 | 0 |
| 38. Oregon | OR | L | 0 | 0 | 0 | 0 | 0 |
| 39. Pennsylvania | PA | L | 9,033,533 | 9,861,276 | 5,702,892 | 5,710,079 | 5,577,285 |
| 40. Rhode Island | RI | N | 0 | 0 | 0 | 0 | 0 |
| 41. So. Carolina | SC | L | 12,842 | 2,586,043 | 1,226,612 | 4,876,980 | 4,182,068 |
| 42. So. Dakota | SD | L | 0 | 0 | 0 | 0 | 0 |
| 43. Tennessee | TN | L | 21,972,944 | 18,825,596 | 10,112,675 | 8,680,899 | 6,521,956 |
| 44. Texas | TX | L | 0 | 0 | 0 | 0 | 0 |
| 45. Utah | UT | N | 0 | 0 | 0 | 0 | 0 |
| 46. Vermont | VT | N | 0 | 0 | 0 | 0 | 0 |
| 47. Virginia | VA | L | 16,862,536 | 14,169,725 | 9,560,662 | 8,907,914 | 9,750,652 |
| 48. Washington | WA | L | 0 | 0 | 0 | 0 | 0 |
| 49. West Virginia | WV | N | 0 | 0 | 0 | 0 | 0 |
| 50. Wisconsin | WI | L | 0 | 0 | 0 | 0 | 0 |
| 51. Wyoming | WY | N | 0 | 0 | 0 | 0 | 0 |
| 52. American Samoa | AS | N | 0 | 0 | 0 | 0 | 0 |
| 53. Guam | GU | N | 0 | 0 | 0 | 0 | 0 |
| 54. Puerto Rico | PR | N | 0 | 0 | 0 | 0 | 0 |
| 55. U.S. Virgin Islands | VI | N | 0 | 0 | 0 | 0 | 0 |
| 56. Northern Mariana Islands | MP | N | 0 | 0 | 0 | 0 | 0 |
| 57. Canada | CAN | N | 0 | 0 | 0 | 0 | 0 |
| 58. Aggregate Other Alien | OT | XXX | 0 | 0 | 0 | 0 | 0 |
| 59. Totals | | XXX | 117,737,641 | 113,471,559 | 61,777,263 | 63,846,672 | 55,396,036 |
| DETAILS OF WRITE-INS | | | | | | | |
| 58001. | | XXX | | | | | |
| 58002. | | XXX | | | | | |
| 58003. | | XXX | | | | | |
| 58998. Summary of remaining write-ins for Line 58 from overflow page | | XXX | 0 | 0 | 0 | 0 | 0 |
| 58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above) | | XXX | 0 | 0 | 0 | 0 | 0 |

(a) Active Status Counts

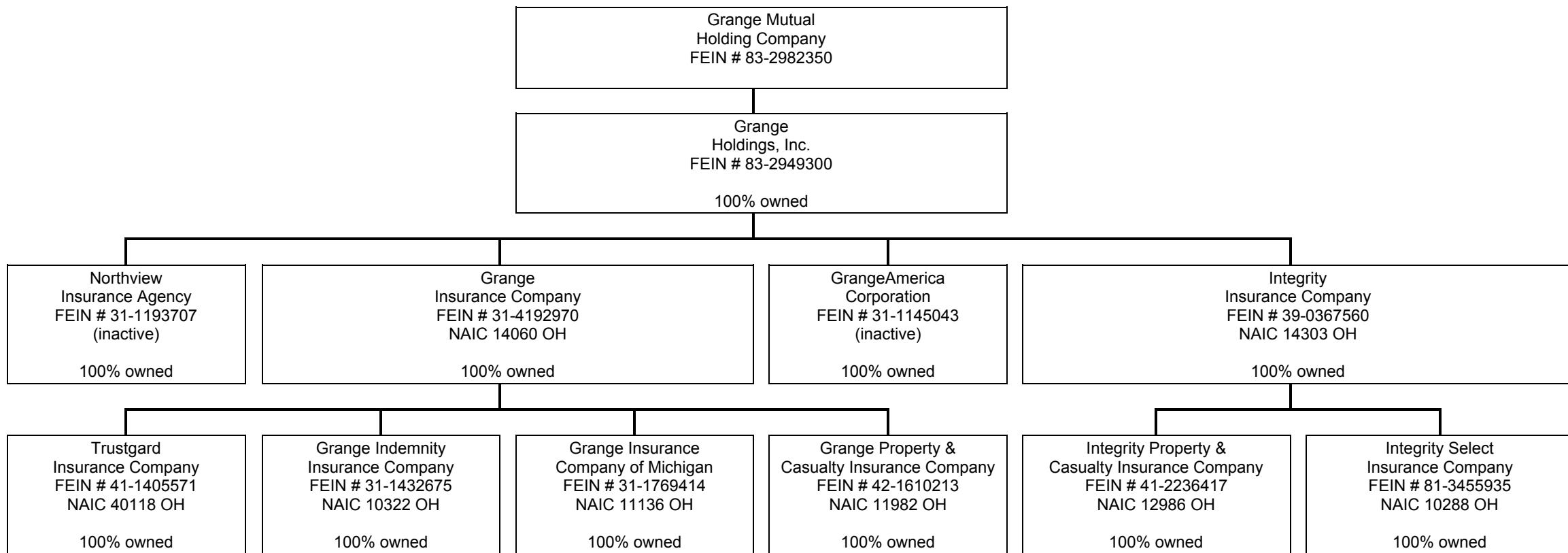
L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG 21 R – Registered – Non-domiciled RRGs 0

E – Eligible – Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSLI) 0 Q – Qualified – Qualified or accredited reinsurer 0

D – Domestic Surplus Lines Insurer (DSLI) – Reporting entities authorized to write surplus lines in the state of domicile 0 N – None of the above – Not allowed to write business in the state 36

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE
TRUSTGARD INSURANCE COMPANY

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF
INSURER MEMBERS OF A HOLDING COMPANY



STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

2

| Asterisk | Explanation |
|----------|-------------|
| | |

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

PART 1 - LOSS EXPERIENCE

| Line of Business | Current Year to Date | | | 4 Prior Year to Date Direct Loss Percentage |
|---|--------------------------------|--------------------------------|--------------------------------|--|
| | 1 Direct Premiums Earned | 2 Direct Losses Incurred | 3 Direct Loss Percentage | |
| 1. Fire | 2,516,165 | 1,603,283 | 63.7 | 63.0 |
| 2. Allied lines | 1,590,875 | 446,694 | 28.1 | 27.0 |
| 3. Farmowners multiple peril | | | 0.0 | 0.0 |
| 4. Homeowners multiple peril | 22,526,414 | 12,814,916 | 56.9 | 43.8 |
| 5. Commercial multiple peril | 4,183,814 | 2,828,113 | 67.6 | 45.1 |
| 6. Mortgage guaranty | | | 0.0 | 0.0 |
| 8. Ocean marine | | | 0.0 | 0.0 |
| 9. Inland marine | 309,162 | 118,825 | 38.4 | 9.2 |
| 10. Financial guaranty | | | 0.0 | 0.0 |
| 11.1 Medical professional liability -occurrence | | | 0.0 | 0.0 |
| 11.2 Medical professional liability -claims made | | | 0.0 | 0.0 |
| 12. Earthquake | 190,164 | | 0.0 | 0.0 |
| 13. Group accident and health | | | 0.0 | 0.0 |
| 14. Credit accident and health | | | 0.0 | 0.0 |
| 15. Other accident and health | | | 0.0 | 0.0 |
| 16. Workers' compensation | 1,685,484 | 728,072 | 43.2 | 83.1 |
| 17.1 Other liability occurrence | 415,057 | (52,057) | (12.5) | (25.5) |
| 17.2 Other liability-claims made | | | 0.0 | 0.0 |
| 17.3 Excess Workers' Compensation | | | 0.0 | 0.0 |
| 18.1 Products liability-occurrence | 1,130 | 183 | 16.2 | 0.0 |
| 18.2 Products liability-claims made | | | 0.0 | 0.0 |
| 19.1,19.2 Private passenger auto liability | 39,461,471 | 24,476,340 | 62.0 | 62.3 |
| 19.3,19.4 Commercial auto liability | 4,048,864 | 1,744,824 | 43.1 | 39.2 |
| 21. Auto physical damage | 32,399,443 | 16,947,534 | 52.3 | 50.4 |
| 22. Aircraft (all perils) | | | 0.0 | 0.0 |
| 23. Fidelity | | | 0.0 | 0.0 |
| 24. Surety | | | 0.0 | 0.0 |
| 26. Burglary and theft | | | 0.0 | 0.0 |
| 27. Boiler and machinery | | | 0.0 | 0.0 |
| 28. Credit | | | 0.0 | 0.0 |
| 29. International | | | 0.0 | 0.0 |
| 30. Warranty | | | 0.0 | 0.0 |
| 31. Reinsurance - Nonproportional Assumed Property | XXX | XXX | XXX | XXX |
| 32. Reinsurance - Nonproportional Assumed Liability | XXX | XXX | XXX | XXX |
| 33. Reinsurance - Nonproportional Assumed Financial Lines | XXX | XXX | XXX | XXX |
| 34. Aggregate write-ins for other lines of business | 0 | 0 | 0.0 | 0.0 |
| TOTALS | 109,328,042 | 61,656,728 | 56.4 | 52.5 |
| DETAILS OF WRITE-INS | | | | |
| 3401. | | | 0.0 | 0.0 |
| 3402. | | | 0.0 | 0.0 |
| 3403. | | | 0.0 | 0.0 |
| 3498. Sum. of remaining write-ins for Line 34 from overflow page | 0 | 0 | 0.0 | 0.0 |
| 3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34) | 0 | 0 | 0.0 | 0.0 |

PART 2 - DIRECT PREMIUMS WRITTEN

| Line of Business | 1 Current Quarter | 2 Current Year to Date | 3 Prior Year Year to Date | |
|---|-------------------------|------------------------------|---------------------------------|----------|
| 1. Fire | 840,665 | 2,443,984 | 2,644,859 | |
| 2. Allied lines | 537,665 | 1,539,831 | 1,673,496 | |
| 3. Farmowners multiple peril | 0 | | 0 | |
| 4. Homeowners multiple peril | 7,889,277 | 21,747,929 | 24,459,968 | |
| 5. Commercial multiple peril | 1,513,734 | 5,830,677 | 2,301,632 | |
| 6. Mortgage guaranty | 0 | | 0 | |
| 8. Ocean marine | 0 | | 0 | |
| 9. Inland marine | 109,194 | 306,414 | 341,396 | |
| 10. Financial guaranty | 0 | | 0 | |
| 11.1 Medical professional liability-occurrence | 0 | | 0 | |
| 11.2 Medical professional liability-claims made | 0 | | 0 | |
| 12. Earthquake | 66,957 | 177,174 | 210,167 | |
| 13. Group accident and health | 0 | | 0 | |
| 14. Credit accident and health | 0 | | 0 | |
| 15. Other accident and health | 0 | | 0 | |
| 16. Workers' compensation | 404,172 | 2,206,220 | 1,799,102 | |
| 17.1 Other liability occurrence | 147,445 | 430,268 | 457,483 | |
| 17.2 Other liability-claims made | 0 | | 0 | |
| 17.3 Excess Workers' Compensation | 0 | | 0 | |
| 18.1 Products liability-occurrence | 333 | 2,750 | 0 | |
| 18.2 Products liability-claims made | 0 | | 0 | |
| 19.1,19.2 Private passenger auto liability | 15,478,341 | 42,577,570 | 42,002,252 | |
| 19.3,19.4 Commercial auto liability | 1,145,359 | 4,106,085 | 4,194,658 | |
| 21. Auto physical damage | 13,456,323 | 36,368,739 | 33,386,547 | |
| 22. Aircraft (all perils) | 0 | | 0 | |
| 23. Fidelity | 0 | | 0 | |
| 24. Surety | 0 | | 0 | |
| 26. Burglary and theft | 0 | | 0 | |
| 27. Boiler and machinery | 0 | | 0 | |
| 28. Credit | 0 | | 0 | |
| 29. International | 0 | | 0 | |
| 30. Warranty | 0 | | 0 | |
| 31. Reinsurance - Nonproportional Assumed Property | XXX | XXX | XXX | |
| 32. Reinsurance - Nonproportional Assumed Liability | XXX | XXX | XXX | |
| 33. Reinsurance - Nonproportional Assumed Financial Lines | XXX | XXX | XXX | |
| 34. Aggregate write-ins for other lines of business | 0 | 0 | 0 | |
| TOTALS | 41,589,462 | 117,737,641 | 113,471,559 | |
| DETAILS OF WRITE-INS | | | | |
| 3401. | | 0 | | 0 |
| 3402. | | 0 | | 0 |
| 3403. | | 0 | | 0 |
| 3498. Sum. of remaining write-ins for Line 34 from overflow page | 0 | 0 | 0 | 0 |
| 3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34) | 0 | 0 | 0 | 0 |

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

| Years in Which Losses Occurred | 1 Prior Year-End Known Case Loss and LAE Reserves | 2 Prior Year-End IBNR Loss and LAE Reserves | 3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2) | 4 2019 Loss and LAE Payments on Claims Reported as of Prior Year-End | 5 2019 Loss and LAE Payments on Claims Unreported as of Prior Year-End | 6 Total 2019 Loss and LAE Payments (Cols. 4 + 5) | 7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End | 8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End | 9 Q.S. Date IBNR Loss and LAE Reserves | 10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9) | 11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1) | 12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2) | 13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12) |
|---|--|--|---|---|---|---|--|---|---|--|---|---|--|
| 1. 2016 + Prior | | | 0 | | | 0 | | | | 0 | 0 | 0 | 0 |
| 2. 2017 | | | 0 | | | 0 | | | | 0 | 0 | 0 | 0 |
| 3. Subtotals 2017 + prior | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4. 2018 | | | 0 | | | 0 | | | | 0 | 0 | 0 | 0 |
| 5. Subtotals 2018 + prior | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. 2019 | XXX | XXX | XXX | XXX | | 0 | XXX | | | 0 | XXX | XXX | XXX |
| 7. Totals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Prior Year-End 8. Surplus As Regards Policy- holders | 74,436 | | | | | | | | | | Col. 11, Line 7 As % of Col. 1, Line 7 | Col. 12, Line 7 As % of Col. 2, Line 7 | Col. 13, Line 7 As % of Col. 3, Line 7 |
| | | | | | | | | | | 1. 0.0 | 2. 0.0 | 3. 0.0 | Col. 13, Line 7 Line 8 |
| | | | | | | | | | | 4. 0.0 | | | 4. 0.0 |

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

Response

1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?NO.....
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?NO.....
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?NO.....
4. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement?NO.....

Explanation:

Bar Code:

1. 
4 0 1 1 8 2 0 1 9 4 9 0 0 0 0 0 3
2. 
4 0 1 1 8 2 0 1 9 4 5 5 0 0 0 0 3
3. 
4 0 1 1 8 2 0 1 9 3 6 5 0 0 0 0 3
4. 
4 0 1 1 8 2 0 1 9 5 0 5 0 0 0 0 3

OVERFLOW PAGE FOR WRITE-INS

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

SCHEDULE A – VERIFICATION

Real Estate

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year..... | 0 | 0 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition..... | 0 | 0 |
| 2.2 Additional investment made after acquisition..... | 0 | 0 |
| 3. Current year change in encumbrances..... | 0 | 0 |
| 4. Total gain (loss) on disposals..... | 0 | 0 |
| 5. Deduct amounts received on disposals..... | 0 | 0 |
| 6. Total foreign exchange change in book/adjusted carrying value..... | 0 | 0 |
| 7. Deduct current year's other-than-temporary impairment recognized..... | 0 | 0 |
| 8. Deduct current year's depreciation..... | 0 | 0 |
| 9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)..... | 0 | 0 |
| 10. Deduct total nonadmitted amounts..... | 0 | 0 |
| 11. Statement value at end of current period (Line 9 minus Line 10)..... | 0 | 0 |

NONE

SCHEDULE B – VERIFICATION

Mortgage Loans

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book value/recorded investment excluding accrued interest, December 31 of prior year..... | 0 | 0 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition..... | 0 | 0 |
| 2.2 Additional investment made after acquisition..... | 0 | 0 |
| 3. Capitalized deferred interest and other..... | 0 | 0 |
| 4. Accrual of discount..... | 0 | 0 |
| 5. Unrealized valuation increase (decrease)..... | 0 | 0 |
| 6. Total gain (loss) on disposals..... | 0 | 0 |
| 7. Deduct amounts received on disposals..... | 0 | 0 |
| 8. Deduct amortization of premium and mortgage interest points and commitment fees..... | 0 | 0 |
| 9. Total foreign exchange change in book value/recorded investment excluding accrued interest..... | 0 | 0 |
| 10. Deduct current year's other-than-temporary impairment recognized..... | 0 | 0 |
| 11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)..... | 0 | 0 |
| 12. Total valuation allowance..... | 0 | 0 |
| 13. Subtotal (Line 11 plus Line 12)..... | 0 | 0 |
| 14. Deduct total nonadmitted amounts..... | 0 | 0 |
| 15. Statement value at end of current period (Line 13 minus Line 14)..... | 0 | 0 |

NONE

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year..... | 0 | 0 |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition..... | 0 | 0 |
| 2.2 Additional investment made after acquisition..... | 0 | 0 |
| 3. Capitalized deferred interest and other..... | 0 | 0 |
| 4. Accrual of discount..... | 0 | 0 |
| 5. Unrealized valuation increase (decrease)..... | 0 | 0 |
| 6. Total gain (loss) on disposals..... | 0 | 0 |
| 7. Deduct amounts received on disposals..... | 0 | 0 |
| 8. Deduct amortization of premium and depreciation..... | 0 | 0 |
| 9. Total foreign exchange change in book/adjusted carrying value..... | 0 | 0 |
| 10. Deduct current year's other-than-temporary impairment recognized..... | 0 | 0 |
| 11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)..... | 0 | 0 |
| 12. Deduct total nonadmitted amounts..... | 0 | 0 |
| 13. Statement value at end of current period (Line 11 minus Line 12)..... | 0 | 0 |

NONE

SCHEDULE D – VERIFICATION

Bonds and Stocks

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year..... | 71,753,650 | 66,733,571 |
| 2. Cost of bonds and stocks acquired..... | 16,812,539 | 12,140,453 |
| 3. Accrual of discount..... | 43,051 | 32,962 |
| 4. Unrealized valuation increase (decrease)..... | 47,004 | (87,516) |
| 5. Total gain (loss) on disposals..... | 14,110,951 | 6,436,925 |
| 6. Deduct consideration for bonds and stocks disposed of..... | 514,835 | 735,245 |
| 7. Deduct amortization of premium..... | | 0 |
| 8. Total foreign exchange change in book/adjusted carrying value..... | | 0 |
| 9. Deduct current year's other-than-temporary impairment recognized..... | | 0 |
| 10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees..... | 36,559 | 106,350 |
| 11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10)..... | 74,067,017 | 71,753,650 |
| 12. Deduct total nonadmitted amounts..... | 0 | 0 |
| 13. Statement value at end of current period (Line 11 minus Line 12)..... | 74,067,017 | 71,753,650 |

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

| NAIC Designation | 1 Book/Adjusted Carrying Value Beginning of Current Quarter | 2 Acquisitions During Current Quarter | 3 Dispositions During Current Quarter | 4 Non-Trading Activity During Current Quarter | 5 Book/Adjusted Carrying Value End of First Quarter | 6 Book/Adjusted Carrying Value End of Second Quarter | 7 Book/Adjusted Carrying Value End of Third Quarter | 8 Book/Adjusted Carrying Value December 31 Prior Year |
|--|---|--|--|---|---|--|---|---|
| BONDS | | | | | | | | |
| 1. NAIC 1 (a)..... | 65,598,560 | 3,895,027 | 4,102,268 | (1,645,138) | 61,213,278 | 65,598,560 | 63,746,181 | 66,185,968 |
| 2. NAIC 2 (a)..... | 7,090,767 | 1,742,547 | | 1,487,522 | 5,559,785 | 7,090,767 | 10,320,836 | 5,567,682 |
| 3. NAIC 3 (a)..... | 0 | | | | 0 | 0 | 0 | 0 |
| 4. NAIC 4 (a)..... | 0 | | | | 0 | 0 | 0 | 0 |
| 5. NAIC 5 (a)..... | 0 | | | | 0 | 0 | 0 | 0 |
| 6. NAIC 6 (a)..... | 0 | | | | 0 | 0 | 0 | 0 |
| 7. Total Bonds..... | 72,689,327 | 5,637,574 | 4,102,268 | (157,616) | 66,773,063 | 72,689,327 | 74,067,017 | 71,753,650 |
| PREFERRED STOCK | | | | | | | | |
| 8. NAIC 1..... | 0 | | | | 0 | 0 | 0 | 0 |
| 9. NAIC 2..... | 0 | | | | 0 | 0 | 0 | 0 |
| 10. NAIC 3..... | 0 | | | | 0 | 0 | 0 | 0 |
| 11. NAIC 4..... | 0 | | | | 0 | 0 | 0 | 0 |
| 12. NAIC 5..... | 0 | | | | 0 | 0 | 0 | 0 |
| 13. NAIC 6..... | 0 | | | | 0 | 0 | 0 | 0 |
| 14. Total Preferred Stock..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15. Total Bonds & Preferred Stock..... | 72,689,327 | 5,637,574 | 4,102,268 | (157,616) | 66,773,063 | 72,689,327 | 74,067,017 | 71,753,650 |

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$; NAIC 2 \$;

NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

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Schedule DA - Part 1

NONE

Schedule DA - Verification

NONE

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

SCHEDULE E – PART 2 – VERIFICATION
 (Cash Equivalents)

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|---|----------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year..... | 1,510,978 | 0 |
| 2. Cost of cash equivalents acquired | 7,022,278 | 5,042,820 |
| 3. Accrual of discount | 0 | 0 |
| 4. Unrealized valuation increase (decrease) | 0 | 0 |
| 5. Total gain (loss) on disposals..... | 0 | 0 |
| 6. Deduct consideration received on disposals | 7,071,781 | 3,531,841 |
| 7. Deduct amortization of premium | 0 | 0 |
| 8. Total foreign exchange change in book/adjusted carrying value | 0 | 0 |
| 9. Deduct current year's other than temporary impairment recognized | 0 | 0 |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) | 1,461,476 | 1,510,978 |
| 11. Deduct total nonadmitted amounts | 0 | 0 |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 1,461,476 | 1,510,978 |

Schedule A - Part 2
NONE

Schedule A - Part 3
NONE

Schedule B - Part 2
NONE

Schedule B - Part 3
NONE

Schedule BA - Part 2
NONE

Schedule BA - Part 3
NONE

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

| 1 CUSIP Identification | 2 Description | 3 Foreign | 4 Date Acquired | 5 Name of Vendor | 6 Number of Shares of Stock | 7 Actual Cost | 8 Par Value | 9 Paid for Accrued Interest and Dividends | 10 NAIC Designation and Administrative Symbol/Market Indicator ^(a) |
|--|--|--------------|--------------------|---|-----------------------------------|---------------------|----------------|---|---|
| Bonds - U.S. Governments | | | | | | | | | |
| 3130AG-TB-1..... | FEDERAL HOME LOAN BANK 3.32 29/07/39..... | | 07/24/2019..... | FIRST TENNESSEE BANK N.A..... | XXX..... | 500,000..... | 500,000..... | | .1FE..... |
| 0599999 - Bonds - U.S. Governments | | | | | | 500,000..... | 500,000..... | 0 | XXX..... |
| Bonds - U.S. Political Subdivisions of States, Territories and Possessions | | | | | | | | | |
| 840658-QM-3..... | S WSTRN CITY OH SCH DIST FRANK 2.982..... | | 09/13/2019..... | STIFEL NICOLAUS & CO, INCORPORATED..... | XXX..... | 400,000..... | 400,000..... | | .1FE..... |
| 2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions | | | | | | 400,000..... | 400,000..... | 0 | XXX..... |
| Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | |
| .06367W-NG-4..... | BANK OF MONTREAL 2.8 25/07/31..... | A..... | 08/07/2019..... | ROBERT W. BAIRD CO. INCORPORATED..... | XXX..... | 500,000..... | 500,000..... | .544 | .1FE..... |
| .291011-AQ-7..... | EMERSON ELECTRIC CO 6 15/08/32..... | | 09/10/2019..... | BREAN CAPITAL LLC..... | XXX..... | 675,875..... | 500,000..... | 2,250 | .1FE..... |
| .29736R-AA-8..... | ESTEE LAUDER CO INC 5.75 15/10/33..... | | 07/16/2019..... | BREAN CAPITAL LLC..... | XXX..... | 283,342..... | 221,000..... | 3,283 | .1FE..... |
| .459200-AR-2..... | IBM CORP 6.22 01/08/27..... | | 07/16/2019..... | STIFEL NICOLAUS & CO, INCORPORATED..... | XXX..... | 613,440..... | 500,000..... | 14,427 | .1FE..... |
| .46611J-AB-8..... | JBG/ROCKVILLE NCI CAMPUS 6.1 15/07/33..... | | 08/09/2019..... | STIFEL NICOLAUS & CO, INCORPORATED..... | XXX..... | 312,500..... | 250,000..... | .1,186 | .1FE..... |
| .63743F-ZS-8..... | NATIONAL RURAL UTIL COOP 3 15/12/27..... | | 09/24/2019..... | D. A. DAVIDSON AND CO..... | XXX..... | 609,870..... | 600,000..... | .550 | .1FE..... |
| .74949L-AC-6..... | RELX CAPITAL INC 4 18/03/29..... | | 08/22/2019..... | HUNTINGTON NATIONAL BANK..... | XXX..... | 439,452..... | 400,000..... | .7,022 | 2FE..... |
| .776743-AF-3..... | ROPER TECHNOLOGIES INC 4.2 15/09/28..... | | 08/16/2019..... | BREAN CAPITAL LLC..... | XXX..... | 553,590..... | 500,000..... | .9,042 | 2FE..... |
| .92277G-AU-1..... | VENTAS REALTY LP 3 15/01/30..... | | 08/16/2019..... | STIFEL NICOLAUS & CO, INCORPORATED..... | XXX..... | 499,610..... | 500,000..... | | 2FE..... |
| .95040Q-AJ-3..... | WELLTOWER INC 3.1 15/01/30..... | | 08/09/2019..... | D. A. DAVIDSON AND CO..... | XXX..... | 249,895..... | 250,000..... | | 2FE..... |
| 3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | 4,737,574..... | 4,221,000..... | 38,304 | XXX..... |
| 83999997 - Subtotals - Bonds - Part 3 | | | | | | 5,637,574..... | 5,121,000..... | 38,304 | XXX..... |
| 83999999 - Subtotals - Bonds | | | | | | 5,637,574..... | 5,121,000..... | 38,304 | XXX..... |
| 99999999 Totals | | | | | | 5,637,574..... | XXX..... | 38,304 | XXX..... |

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

| 1 CUSIP Identifi- cation | 2 Description | 3 For- eign | 4 Disposal Date | 5 Name of Purchaser | 6 Number of Shares of Stock | 7 Consideration | 8 Par Value | 9 Actual Cost | 10 Prior Year Book/Adjusted Carrying Value | Change in Book/Adjusted Carrying Value | | | | | 16 Book/ Adjusted Carrying Value at Disposal Date | 17 Foreign Exchange Gain (Loss) on Disposal | 18 Realized Gain (Loss) on Disposal | 19 Total Gain (Loss) on Disposal | 20 Bond Interest/Stock Dividends Received During Year | 21 Stated Contractual Maturity Date | 22 NAIC Designation and Administrative Symbol/Market Indicator ^(a) | | | | | | | |
|---|--|-------------------|-----------------------|--------------------------------------|--------------------------------------|--------------------|----------------|------------------|---|---|---|---|---|---|--|---|--|---|--|---|---|---------|-------------|---------|---------|-------------|------|-----|
| | | | | | | | | | | 11 Unrealized Valuation Increase/ Decrease) | 12 Current Year's (Amortization)/ Accretion) | 13 Current Year's Other Than Temporary Impairment Recognized | 14 Total Change in B./A.C.V. (11+12-13) | 15 Total Foreign Exchange Change in B./A.C.V. | | | | | | | | | | | | | | |
| Bonds - U.S. Governments | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3130AB-JX-5, 19/06/37, | FEDERAL HOME LOAN BANK 3.5 | | 08/19/2019, | SECURITY CALLED BY ISSUER at 100.000 | XXX | .500,000 | .500,000 | .499,500 | | | | .3 | | | | .499,503 | | | .497 | | .497 | .2,917 | .06/19/2037 | .1FE | | | | |
| 3130AB-UG-9, 2.97 02/08/27, | FEDERAL HOME LOAN BANK | | 08/19/2019, | SECURITY CALLED BY ISSUER at 100.000 | XXX | 1,000,000 | 1,000,000 | .997,420 | .997,740 | | | .138 | | | | .997,878 | | | .2,122 | | .2,122 | .31,103 | .08/02/2027 | .1 | | | | |
| 3130AD-SW-3, 13/03/26, | FEDERAL HOME LOAN BANK 3.5 | | 08/12/2019, | SECURITY CALLED BY ISSUER at 100.000 | XXX | .500,000 | .500,000 | .499,250 | .499,314 | | | .52 | | | | .499,366 | | | .634 | | .634 | .15,993 | .03/13/2026 | .1FE | | | | |
| 3133EH-MN-0, 3.18 12/06/30, | FEDERAL FARM CREDIT BANK | | 08/12/2019, | SECURITY CALLED BY ISSUER at 100.000 | XXX | .500,000 | .500,000 | .477,790 | .477,833 | | | .973 | | | | .478,806 | | | .21,194 | | .21,194 | .10,600 | .06/12/2030 | .1FE | | | | |
| 3133EH-RA-3, 3.04 12/07/27, | FEDERAL FARM CREDIT BANK | | 07/25/2019, | SECURITY CALLED BY ISSUER at 100.000 | XXX | 600,000 | 600,000 | .599,400 | .599,477 | | | .31 | | | | .599,508 | | | .492 | | .492 | .18,899 | .07/12/2027 | .1FE | | | | |
| 3133EJ-ZM-4, 3.375 13/09/24, | FEDERAL FARM CREDIT BANK | | 09/13/2019, | SECURITY CALLED BY ISSUER at 100.000 | XXX | .500,000 | .500,000 | .498,000 | .498,083 | | | .216 | | | | .498,300 | | | .1,700 | | .1,700 | .16,875 | .09/13/2024 | .1FE | | | | |
| 0599999 - Bonds - U.S. Governments | | | | | | 3,600,000 | 3,600,000 | 3,571,360 | 3,072,447 | | | 0 | 1,413 | | 0 | 1,413 | | 0 | 3,573,360 | | 0 | 26,640 | 26,640 | 96,386 | XXX | XXX | | |
| Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 254687-EA-0, 6.4 15/12/35, | WALT DISNEY COMPANY/THE GREAT RIVER ENERGY 4.478 | | 09/18/2019, | CORPORATE ACTIONS | XXX | .67,196 | .47,000 | .63,551 | | | | (187) | | | | (187) | | | .63,364 | | | .3,832 | | .3,832 | .777 | .12/15/2035 | .1FE | |
| 39121J-AH-3, 01/07/30, | KKR GROUP FINANCE CO 6.375 | | 07/01/2019, | SECURITY CALLED BY ISSUER at 100.000 | XXX | .22,000 | .22,000 | .23,112 | | | | (42) | | | | (42) | | | .23,070 | | | (1,070) | | (1,070) | .493 | .07/01/2030 | .1FE | |
| 48248N-AA-8, 29/09/20, | | | 07/31/2019, | SECURITY CALLED BY ISSUER at 100.000 | XXX | .459,454 | .440,000 | .456,214 | .443,652 | | | (1,178) | | | | (1,178) | | | .442,474 | | | (2,474) | | (2,474) | .42,985 | .09/29/2020 | .1FE | |
| 3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | 548,651 | 509,000 | 542,877 | 443,652 | | | 0 | (1,407) | | 0 | (1,407) | | | 528,908 | | | 0 | | 289 | 289 | 44,255 | XXX | XXX |
| 8399997 - Subtotals - Bonds - Part 4 | | | | | | 4,148,651 | 4,109,000 | 4,114,237 | 3,516,099 | | | 0 | 6 | | 0 | 6 | | 0 | 4,102,268 | | 0 | 26,928 | 26,928 | 140,641 | XXX | XXX | | |
| 8399999 - Subtotals - Bonds | | | | | | 4,148,651 | 4,109,000 | 4,114,237 | 3,516,099 | | | 0 | 6 | | 0 | 6 | | 0 | 4,102,268 | | 0 | 26,928 | 26,928 | 140,641 | XXX | XXX | | |
| 9999999 Totals | | | | | | 4,148,651 | XXX | 4,114,237 | 3,516,099 | | | 0 | 6 | | 0 | 6 | | 0 | 4,102,268 | | 0 | 26,928 | 26,928 | 140,641 | XXX | XXX | | |

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

E05

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

Schedule E - Part 1

NONE

STATEMENT AS OF SEPTEMBER 30, 2019 OF THE TRUSTGARD INSURANCE COMPANY

SCHEDULE E - PART 2 - CASH EQUIVALENTS

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