



ANNUAL STATEMENT

For the Year Ended December 31, 2019
of the Condition and Affairs of the

National Interstate Insurance Company of Hawaii, Inc

NAIC Group Code..... 84, 84
(Current Period) (Prior Period)

NAIC Company Code..... 11051

Employer's ID Number..... 99-0345306

Organized under the Laws of OH

State of Domicile or Port of Entry OH

Country of Domicile US

Incorporated/Organized..... September 20, 1999

Commenced Business..... July 28, 2000

Statutory Home Office

3250 Interstate Drive .. Richfield .. OH .. US .. 44286
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office

3250 Interstate Drive .. Richfield .. OH .. US .. 44286
(Street and Number) (City or Town, State, Country and Zip Code)

330-659-8900
(Area Code) (Telephone Number)

Mail Address

3250 Interstate Drive .. Richfield .. OH .. US .. 44286
(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records

3250 Interstate Drive .. Richfield .. OH .. US .. 44286
(Street and Number) (City or Town, State, Country and Zip Code)

330-659-8900
(Area Code) (Telephone Number)

Internet Web Site Address

www.natl.com

Statutory Statement Contact

Leah Marie Blazek
(Name)

Leah.Blazek@natl.com
(E-Mail Address)

330-659-8900 -5498
(Area Code) (Telephone Number) (Extension)

330-659-8904
(Fax Number)

OFFICERS

Name	Title	Name	Title
1. Anthony Joseph Mercurio	President	2. Sue Ann Erhart #	Secretary
3. Julie Ann McGraw	Senior VP, Chief Financial Officer, & Treasurer	4. Gary Norman Monda	VP, Chief Investment Officer, & Assistant Treasurer

OTHER

Arthur Jeffrey Gonzales #	Senior VP, General Counsel, & Assistant Secretary	Stephen Edward Winborn	Senior Vice President
George Olaf Skuggen	Senior Vice President	Shawn Vincent Los #	Senior Vice President
Scott Edward Noerr	Vice President, Chief Information Officer	Matthew Jon Grimm	Vice President
Anthony Gerald Prinzo #	Assistant Vice President	Jeannine Eileen Novak #	Assistant Vice President
Howard Kim Baird	Assistant Treasurer	Robert Jude Zbacnik	Assistant Treasurer
Stephen Charles Beraha #	Assistant Secretary		

DIRECTORS OR TRUSTEES

Ronald James Brichler #	Michelle Ann Gillis #	Gary John Gruber #	Anthony Joseph Mercurio #
Michael Eugene Sullivan Jr. #	David Lawrence Thompson Jr. #	David John Witzgall #	

State of..... OH
County of..... Summit

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)

Anthony Joseph Mercurio

1. (Printed Name)

President

(Title)

(Signature)

Sue Ann Erhart

2. (Printed Name)

Secretary

(Title)

(Signature)

Julie Ann McGraw

3. (Printed Name)

Senior VP, Chief Financial Officer, & Treasurer

(Title)

Subscribed and sworn to before me
This 21st day of February, 2020

a. Is this an original filing?

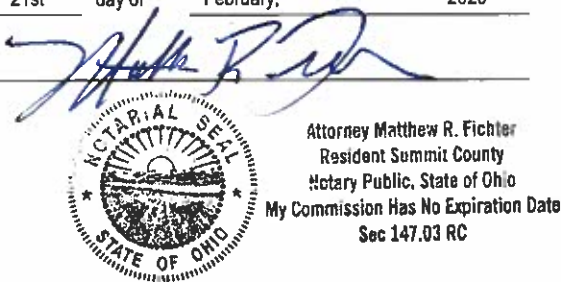
Yes [X] No []

b. If no

1. State the amendment number

2. Date filed

3. Number of pages attached



National Interstate Insurance Company of Hawaii, Inc
ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	31,073,486		31,073,486	37,158,432
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$.....84,759, Schedule E-Part 1), cash equivalents (\$.....10,960,390, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	11,045,149		11,045,149	3,012,485
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives (Schedule DB).....			.0	
8. Other invested assets (Schedule BA).....			.0	
9. Receivables for securities.....	44,915		44,915	
10. Securities lending reinvested collateral assets (Schedule DL).....			.0	
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	42,163,549	.0	42,163,549	40,170,917
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	171,324		171,324	269,425
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	2,131,023	106,151	2,024,872	2,058,849
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	9,903,934	1,918	9,902,016	10,102,444
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			.0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	299,629		299,629	2,430,893
16.2 Funds held by or deposited with reinsured companies.....	198,683		198,683	273,282
16.3 Other amounts receivable under reinsurance contracts.....			.0	
17. Amounts receivable relating to uninsured plans.....			.0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.0	
18.2 Net deferred tax asset.....	485,659	39,982	445,677	394,719
19. Guaranty funds receivable or on deposit.....			.0	
20. Electronic data processing equipment and software.....			.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	
23. Receivables from parent, subsidiaries and affiliates.....	1,349,424		1,349,424	498
24. Health care (\$.....0) and other amounts receivable.....			.0	
25. Aggregate write-ins for other-than-invested assets.....	292,755	42,189	250,566	126,304
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	56,995,980	190,240	56,805,740	55,827,332
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. TOTAL (Lines 26 and 27).....	56,995,980	190,240	56,805,740	55,827,332

DETAILS OF WRITE-INS

1101.			.0	
1102.			.0	
1103.			.0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	.0	.0	.0	.0
2501. Receivable from insureds for deductible payments.....	230,571	42,189	188,382	75,045
2502. Miscellaneous receivables.....	34,088		34,088	23,988
2503. Commission receivables.....	28,096		28,096	27,272
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).....	292,755	42,189	250,566	126,304

National Interstate Insurance Company of Hawaii, Inc
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	11,380,265	10,998,502
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....		
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	2,609,173	2,420,267
4. Commissions payable, contingent commissions and other similar charges.....	409,034	358,278
5. Other expenses (excluding taxes, licenses and fees).....	557,950	440,369
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	200,744	172,208
7.1 Current federal and foreign income taxes (including \$.....(3,140) on realized capital gains (losses)).....	27,289	47,196
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....15,411,056 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).....	4,914,537	4,679,497
10. Advance premium.....	4,141	4,755
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	1,880,433	3,005,510
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20).....	19,981,476	19,583,451
14. Amounts withheld or retained by company for account of others.....	710,697	953,563
15. Remittances and items not allocated.....	44,881	
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 3, Column 78).....	52,000	66,000
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	1,093	406,205
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	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	42,773,714	43,135,802
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	42,773,714	43,135,802
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	3,500,000	3,500,000
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.....	3,141,936	3,141,936
35. Unassigned funds (surplus).....	7,390,091	6,049,594
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	14,032,027	12,691,530
38. TOTAL (Page 2, Line 28, Col. 3).....	56,805,740	55,827,332

DETAILS OF WRITE-INS

2501.		
2502.		
2503.		
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.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above).....	0	0

National Interstate Insurance Company of Hawaii, Inc
STATEMENT OF INCOME

			1	2
UNDERWRITING INCOME			Current Year	Prior Year
1.	Premiums earned (Part 1, Line 35, Column 4).....		9,714,976	9,164,530
DEDUCTIONS:				
2.	Losses incurred (Part 2, Line 35, Column 7).....		4,401,372	4,357,499
3.	Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....		1,160,096	1,206,108
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2).....		2,871,255	2,634,361
5.	Aggregate write-ins for underwriting deductions.....		0	0
6.	Total underwriting deductions (Lines 2 through 5).....		8,432,722	8,197,968
7.	Net income of protected cells.....			
8.	Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....		1,282,253	966,562
INVESTMENT INCOME				
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17).....		1,134,345	1,071,263
10.	Net realized capital gains (losses) less capital gains tax of \$....(3,140) (Exhibit of Capital Gains (Losses)).....		(23,981)	(2,140)
11.	Net investment gain (loss) (Lines 9 + 10).....		1,110,365	1,069,123
OTHER INCOME				
12.	Net gain (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.....		175	5,495
14.	Aggregate write-ins for miscellaneous income.....		(587,837)	(530,662)
15.	Total other income (Lines 12 through 14).....		(587,662)	(525,167)
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....		1,804,956	1,510,517
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).....		1,804,956	1,510,517
19.	Federal and foreign income taxes incurred.....		391,116	342,436
20.	Net income (Line 18 minus Line 19) (to Line 22).....		1,413,840	1,168,081
CAPITAL AND SURPLUS ACCOUNT				
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....		12,691,530	12,691,671
22.	Net income (from Line 20).....		1,413,840	1,168,081
23.	Net transfers (to) from Protected Cell accounts.....			
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).....			
26.	Change in net deferred income tax.....		90,940	47,457
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....		(178,282)	50,321
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....		14,000	(66,000)
29.	Change in surplus notes.....			
30.	Surplus (contributed to) withdrawn from Protected Cells.....			
31.	Cumulative effect of changes in accounting principles.....			
32.	Capital changes:			
32.1	Paid in.....			
32.2	Transferred from surplus (Stock Dividend).....			
32.3	Transferred to surplus.....			
33.	Surplus adjustments:			
33.1	Paid in.....			
33.2	Transferred to capital (Stock Dividend).....			
33.3.	Transferred from capital.....			
34.	Net remittances from or (to) Home Office.....			
35.	Dividends to stockholders.....			(1,200,000)
36.	Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....			
37.	Aggregate write-ins for gains and losses in surplus.....		0	0
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37).....		1,340,497	(141)
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....		14,032,027	12,691,530
DETAILS OF WRITE-INS				
0501.	.....			
0502.	.....			
0503.	.....			
0598.	Summary of remaining write-ins for Line 5 from overflow page.....		0	0
0599.	Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....		0	0
1401.	Miscellaneous income.....		6,301	25,787
1402.	Interest from funds held.....		(594,138)	(556,449)
1403.	.....			
1498.	Summary of remaining write-ins for Line 14 from overflow page.....		0	0
1499.	Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....		(587,837)	(530,662)
3701.	.....			
3702.	.....			
3703.	.....			
3798.	Summary of remaining write-ins for Line 37 from overflow page.....		0	0
3799.	Totals (Lines 3701 through 3703 plus 3798) (Line 37 above).....		0	0

National Interstate Insurance Company of Hawaii, Inc
CASH FLOW

		1	2
		Current Year	Prior Year
CASH FROM OPERATIONS			
1.	Premiums collected net of reinsurance.....	8,962,613	11,901,735
2.	Net investment income.....	1,329,794	1,087,178
3.	Miscellaneous income.....	(587,662)	(525,167)
4.	Total (Lines 1 through 3).....	9,704,745	12,463,746
5.	Benefit and loss related payments.....	1,813,746	6,434,716
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7.	Commissions, expenses paid and aggregate write-ins for deductions.....	3,645,571	3,601,502
8.	Dividends paid to policyholders.....		
9.	Federal and foreign income taxes paid (recovered) net of \$.....(3,140) tax on capital gains (losses).....	407,883	315,970
10.	Total (Lines 5 through 9).....	5,867,201	10,352,187
11.	Net cash from operations (Line 4 minus Line 10).....	3,837,544	2,111,559
CASH FROM INVESTMENTS			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds.....	9,557,802	5,721,882
12.2	Stocks.....		
12.3	Mortgage loans.....		
12.4	Real estate.....		
12.5	Other invested assets.....		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments.....		
12.7	Miscellaneous proceeds.....		
12.8	Total investment proceeds (Lines 12.1 to 12.7).....	9,557,802	5,721,882
13.	Cost of investments acquired (long-term only):		
13.1	Bonds.....	3,597,323	11,583,368
13.2	Stocks.....		
13.3	Mortgage loans.....		
13.4	Real estate.....		
13.5	Other invested assets.....		
13.6	Miscellaneous applications.....	44,915	
13.7	Total investments acquired (Lines 13.1 to 13.6).....	3,642,238	11,583,368
14.	Net increase (decrease) in contract loans and premium notes.....		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	5,915,564	(5,861,485)
CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes.....		
16.2	Capital and paid in surplus, less treasury stock.....		
16.3	Borrowed funds.....		
16.4	Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5	Dividends to stockholders.....		1,200,000
16.6	Other cash provided (applied).....	(1,720,445)	(1,062,441)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(1,720,445)	(2,262,441)
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).....	8,032,664	(6,012,368)
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year.....	3,012,485	9,024,853
19.2	End of year (Line 18 plus Line 19.1).....	11,045,149	3,012,485

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

20.0001		
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National Interstate Insurance Company of Hawaii, Inc
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire.....	1,236	111	365	981
2.	Allied lines.....	639	263	401	501
3.	Farmowners multiple peril.....	0		0	0
4.	Homeowners multiple peril.....	0		0	0
5.	Commercial multiple peril.....	101,439	59,797	59,689	101,547
6.	Mortgage guaranty.....	0		0	0
8.	Ocean marine.....	154	(0)	0	154
9.	Inland marine.....	123,597	52,472	63,715	112,354
10.	Financial guaranty.....	0		0	0
11.1	Medical professional liability - occurrence.....	0		0	0
11.2	Medical professional liability - claims-made.....	0		0	0
12.	Earthquake.....	0	(0)	0	(0)
13.	Group accident and health.....	17,052	6,017	8,466	14,603
14.	Credit accident and health (group and individual).....	0		0	0
15.	Other accident and health.....	433	205	225	413
16.	Workers' compensation.....	2,920,033	1,706,429	1,502,078	3,124,383
17.1	Other liability - occurrence.....	407,290	161,343	192,482	376,152
17.2	Other liability - claims-made.....	13,756	4,099	4,444	13,410
17.3	Excess workers' compensation.....	0		0	0
18.1	Products liability - occurrence.....	0		0	0
18.2	Products liability - claims-made.....	0		0	0
19.1, 19.2	Private passenger auto liability.....	(30)	12	4	(22)
19.3, 19.4	Commercial auto liability.....	5,172,035	2,221,607	2,562,465	4,831,177
21.	Auto physical damage.....	1,192,351	465,993	519,250	1,139,094
22.	Aircraft (all perils).....	0		0	0
23.	Fidelity.....	0	215	215	0
24.	Surety.....	1	183	0	184
26.	Burglary and theft.....	43	11	7	47
27.	Boiler and machinery.....	(11)	739	731	(3)
28.	Credit.....	0		0	0
29.	International.....	0		0	0
30.	Warranty.....	0		0	0
31.	Reinsurance - nonproportional assumed property.....	0		0	0
32.	Reinsurance - nonproportional assumed liability.....	0		0	0
33.	Reinsurance - nonproportional assumed financial lines.....	0		0	0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0
35.	TOTALS.....	9,950,016	4,679,497	4,914,537	9,714,976

DETAILS OF WRITE-INS

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

National Interstate Insurance Company of Hawaii, Inc
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1	2	3	4	5
		Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire.....	365	.....	.....	.....	.....365
2.	Allied lines.....	401	.....	.....	.....	.....401
3.	Farmowners multiple peril.....	.....	.....	.....	.....	.....0
4.	Homeowners multiple peril.....	.....	.....	.....	.....	.....0
5.	Commercial multiple peril.....	59,689	.....	.....	.....	.....59,689
6.	Mortgage guaranty.....	.....	.....	.....	.....	.....0
8.	Ocean marine.....	.....	.....	.....	.....	.....0
9.	Inland marine.....	63,715	.....	.....	.....	.....63,715
10.	Financial guaranty.....	.....	.....	.....	.....	.....0
11.1	Medical professional liability - occurrence.....	.....	.....	.....	.....	.....0
11.2	Medical professional liability - claims-made.....	.....	.....	.....	.....	.....0
12.	Earthquake.....	.....	.....	.....	.....	.....0
13.	Group accident and health.....	8,466	.....	.....	.....	.....8,466
14.	Credit accident and health (group and individual).....	.....	.....	.....	.....	.....0
15.	Other accident and health.....	225	.....	.....	.....	.....225
16.	Workers' compensation.....	1,502,078	.....	.....	.....	.....1,502,078
17.1	Other liability - occurrence.....	192,482	.....	.....	.....	.....192,482
17.2	Other liability - claims-made.....	4,444	.....	.....	.....	.....4,444
17.3	Excess workers' compensation.....	.....	.....	.....	.....	.....0
18.1	Products liability - occurrence.....	.....	.....	.....	.....	.....0
18.2	Products liability - claims-made.....	.....	.....	.....	.....	.....0
19.1, 19.2	Private passenger auto liability.....	4	.....	.....	.....	.....4
19.3, 19.4	Commercial auto liability.....	2,562,465	.....	.....	.....	.....2,562,465
21.	Auto physical damage.....	519,250	.....	.....	.....	.....519,250
22.	Aircraft (all perils).....	.....	.....	.....	.....	.....0
23.	Fidelity.....	215	.....	.....	.....	.....215
24.	Surety.....	0	.....	.....	.....	.....0
26.	Burglary and theft.....	7	.....	.....	.....	.....7
27.	Boiler and machinery.....	731	.....	.....	.....	.....731
28.	Credit.....	.....	.....	.....	.....	.....0
29.	International.....	.....	.....	.....	.....	.....0
30.	Warranty.....	.....	.....	.....	.....	.....0
31.	Reinsurance - nonproportional assumed property.....	.....	.....	.....	.....	.....0
32.	Reinsurance - nonproportional assumed liability.....	.....	.....	.....	.....	.....0
33.	Reinsurance - nonproportional assumed financial lines.....	.....	.....	.....	.....	.....0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0
35.	TOTALS.....	4,914,537	0	0	0	4,914,537
36.	Accrued retrospective premiums based on experience.....					.....
37.	Earned but unbilled premiums.....					0
38.	Balance (sum of Lines 35 through 37).....					4,914,537

DETAILS OF WRITE-INS

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

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

National Interstate Insurance Company of Hawaii, Inc
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business		1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
			2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1.	Fire.....	2,046	1,236		1,730	316	1,236
2.	Allied lines.....	7,515	639		6,191	1,324	639
3.	Farmowners multiple peril.....						.0
4.	Homeowners multiple peril.....						.0
5.	Commercial multiple peril.....	276,663	101,439		236,629	40,034	101,439
6.	Mortgage guaranty.....						.0
8.	Ocean marine.....		154				154
9.	Inland marine.....	438,444	123,597		419,006	19,438	123,597
10.	Financial guaranty.....						.0
11.1	Medical professional liability - occurrence.....						.0
11.2	Medical professional liability - claims-made.....						.0
12.	Earthquake.....						.0
13.	Group accident and health.....		17,052				17,052
14.	Credit accident and health (group and individual).....						.0
15.	Other accident and health.....		433				433
16.	Workers' compensation.....	4,408,535	2,920,033	182,540	3,757,601	833,474	2,920,033
17.1	Other liability - occurrence.....	2,463,969	407,290		2,371,452	92,517	407,290
17.2	Other liability - claims-made.....	600	13,756		565	35	13,756
17.3	Excess workers' compensation.....						.0
18.1	Products liability - occurrence.....						.0
18.2	Products liability - claims-made.....						.0
19.1, 19.2	Private passenger auto liability.....		(30)		(82)	82	(30)
19.3, 19.4	Commercial auto liability.....	23,439,886	5,172,035	585,049	17,450,098	6,574,837	5,172,035
21.	Auto physical damage.....	4,503,593	1,192,351	2,535	3,819,776	686,352	1,192,351
22.	Aircraft (all perils).....						.0
23.	Fidelity.....						.0
24.	Surety.....		1				1
26.	Burglary and theft.....		43				43
27.	Boiler and machinery.....	10,401	(11)			10,401	(11)
28.	Credit.....						.0
29.	International.....						.0
30.	Warranty.....						.0
31.	Reinsurance - nonproportional assumed property.....	XXX					.0
32.	Reinsurance - nonproportional assumed liability.....	XXX					.0
33.	Reinsurance - nonproportional assumed financial lines.....	XXX					.0
34.	Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0
35.	TOTALS.....	35,551,653	9,950,016	770,123	28,062,966	8,258,810	9,950,016

DETAILS OF WRITE-INS

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

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [] No [X]
If yes: 1. The amount of such installment premiums \$.0.
2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.0.

National Interstate Insurance Company of Hawaii, Inc
UNDERWRITING AND INVESTMENT EXHIBIT
PART 2 - LOSSES PAID AND INCURRED

Line of Business		Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
		1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1.	Fire.....				0	303	91	212	21.6
2.	Allied lines.....				0	198	199	(1)	(0.1)
3.	Farmowners multiple peril.....				0	0	0	0	0.0
4.	Homeowners multiple peril.....				0	0	0	0	0.0
5.	Commercial multiple peril.....	29,324	34,469	29,324	34,469	111,066	120,140	25,395	25.0
6.	Mortgage guaranty.....				0	0		0	0.0
8.	Ocean marine.....				0	50	984	(934)	(605.9)
9.	Inland marine.....	165,760	31,025	165,760	31,025	31,184	29,128	33,081	29.4
10.	Financial guaranty.....				0	0		0	0.0
11.1	Medical professional liability - occurrence.....				0	0		0	0.0
11.2	Medical professional liability - claims-made.....				0	0		0	0.0
12.	Earthquake.....		1		1	3	2	1	(4,950.0)
13.	Group accident and health.....		2,621		2,621	7,849	2,917	7,553	51.7
14.	Credit accident and health (group and individual).....				0	0		0	0.0
15.	Other accident and health.....		8		8	4,950	4,863	95	23.0
16.	Workers' compensation.....	3,873,402	1,457,197	4,285,579	1,045,020	4,168,327	4,263,439	949,908	30.4
17.1	Other liability - occurrence.....	91,503	183,568	91,503	183,568	478,353	461,298	200,623	53.3
17.2	Other liability - claims-made.....		309		309	31,245	22,496	9,058	67.5
17.3	Excess workers' compensation.....				0	0		0	0.0
18.1	Products liability - occurrence.....				0	0		0	0.0
18.2	Products liability - claims-made.....				0	0		0	0.0
19.1, 19.2	Private passenger auto liability.....	226,245	13,555	226,245	13,555	29,076	51,678	(9,047)	41,385.6
19.3, 19.4	Commercial auto liability.....	15,188,976	2,783,838	15,655,315	2,317,498	6,379,682	5,938,609	2,758,570	57.1
21.	Auto physical damage.....	1,960,613	393,071	1,962,148	391,536	137,093	101,829	426,800	37.5
22.	Aircraft (all perils).....				0	0		0	0.0
23.	Fidelity.....				0	0		0	0.0
24.	Surety.....				0	846	807	39	21.2
26.	Burglary and theft.....		1		1	32	21	12	24.7
27.	Boiler and machinery.....	1,133		1,133	0	8	0	8	(249.2)
28.	Credit.....	0	0	0	0	0	0	0	0.0
29.	International.....				0	0		0	0.0
30.	Warranty.....				0	0		0	0.0
31.	Reinsurance - nonproportional assumed property.....	XXX			0	0		0	0.0
32.	Reinsurance - nonproportional assumed liability.....	XXX			0	0		0	0.0
33.	Reinsurance - nonproportional assumed financial lines.....	XXX			0	0		0	0.0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0.0
35.	TOTALS.....	21,536,956	4,899,661	22,417,008	4,019,609	11,380,265	10,998,502	4,401,372	45.3
DETAILS OF WRITE-INS									
3401.					0	0		0	0.0
3402.					0	0		0	0.0
3403.					0	0		0	0.0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	XXX
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
		Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded		
1.	Fire.....				0	365	303	365	303	54
2.	Allied lines.....				0	2,436	198	2,436	198	35
3.	Farmowners multiple peril.....				0				0	
4.	Homeowners multiple peril.....				0				0	
5.	Commercial multiple peril.....	250,000	48,079	250,000	48,079	130,021	62,987	130,021	111,066	29,464
6.	Mortgage guaranty.....				0				0	
8.	Ocean marine.....		(1)		(1)		50		50	18
9.	Inland marine.....	50,001	17,320	50,001	17,320	110,158	13,864	110,158	31,184	1,962
10.	Financial guaranty.....				0				0	
11.1	Medical professional liability - occurrence.....				0				0	
11.2	Medical professional liability - claims-made.....				0				0	
12.	Earthquake.....		1		1	(33)	2	(33)	3	0
13.	Group accident and health.....		1,731		1,731		6,118		(a).....7,849	1,152
14.	Credit accident and health (group and individual).....				0				0	
15.	Other accident and health.....				0		4,950		(a).....4,950	1,752
16.	Workers' compensation.....	6,354,250	3,064,334	8,129,182	1,289,402	7,147,327	4,021,318	8,289,720	4,168,327	796,526
17.1	Other liability - occurrence.....	263,354	200,632	263,354	200,632	3,404,986	277,721	3,404,986	478,353	142,215
17.2	Other liability - claims-made.....		7,132		7,132	6,627	24,113	6,627	31,245	5,553
17.3	Excess workers' compensation.....				0				0	
18.1	Products liability - occurrence.....				0				0	
18.2	Products liability - claims-made.....				0				0	
19.1, 19.2	Private passenger auto liability.....	15,426	10,654	15,426	10,654	121,764	19,748	123,090	29,076	6,154
19.3, 19.4	Commercial auto liability.....	15,460,208	3,427,423	16,029,658	2,857,973	15,741,266	3,181,252	15,400,809	6,379,682	1,534,205
21.	Auto physical damage.....	213,100	76,411	213,119	76,392	643,085	58,269	640,653	137,093	89,760
22.	Aircraft (all perils).....				0				0	
23.	Fidelity.....				0				0	
24.	Surety.....				0		846		846	314
26.	Burglary and theft.....		1		1	(97)	31	(97)	32	9
27.	Boiler and machinery.....				0		8		8	1
28.	Credit.....				0				0	
29.	International.....				0				0	
30.	Warranty.....				0				0	
31.	Reinsurance - nonproportional assumed property.....	XXX			0	XXX			0	
32.	Reinsurance - nonproportional assumed liability.....	XXX			0	XXX			0	
33.	Reinsurance - nonproportional assumed financial lines.....	XXX			0	XXX			0	
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0	0
35.	TOTALS.....	22,606,338	6,853,717	24,950,741	4,509,314	27,307,906	7,671,780	28,108,735	11,380,265	2,609,173

DETAILS OF WRITE-INS

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

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

National Interstate Insurance Company of Hawaii, Inc
UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct.....	3,879,777			3,879,777
1.2 Reinsurance assumed.....	745,855			745,855
1.3 Reinsurance ceded.....	3,956,401			3,956,401
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	669,231	0	0	669,231
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....		2,621,100		2,621,100
2.2 Reinsurance assumed, excluding contingent.....		1,121,555		1,121,555
2.3 Reinsurance ceded, excluding contingent.....		2,839,422		2,839,422
2.4 Contingent - direct.....				0
2.5 Contingent - reinsurance assumed.....		13,813		13,813
2.6 Contingent - reinsurance ceded.....				0
2.7 Policy and membership fees.....		74		74
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	917,121	0	917,121
3. Allowances to manager and agents.....		150		150
4. Advertising.....	524	8,114		8,638
5. Boards, bureaus and associations.....	4,208	110,217		114,425
6. Surveys and underwriting reports.....	2	24,849		24,851
7. Audit of assureds' records.....	18	6,426		6,443
8. Salary and related items:				
8.1 Salaries.....	331,489	765,997	13,912	1,111,399
8.2 Payroll taxes.....	25,076	51,839	517	77,432
9. Employee relations and welfare.....	59,917	150,243	1,277	211,437
10. Insurance.....	392	4,318		4,710
11. Directors' fees.....				0
12. Travel and travel items.....	6,428	59,389	573	66,390
13. Rent and rent items.....	1,623	24,628		26,251
14. Equipment.....	2,158	(1,046)	0	1,112
15. Cost or depreciation of EDP equipment and software.....	3,383	60,142		63,525
16. Printing and stationery.....	4,014	13,891	1,053	18,958
17. Postage, telephone and telegraph, exchange and express.....	4,672	9,194	4	13,870
18. Legal and auditing.....	1,628	33,849	14,321	49,798
19. Totals (Lines 3 to 18).....	445,532	1,322,201	31,657	1,799,390
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....		346,096		346,096
20.2 Insurance department licenses and fees.....	2,748	9,186		11,935
20.3 Gross guaranty association assessments.....		6,402		6,402
20.4 All other (excluding federal and foreign income and real estate).....	1,277	37,385		38,661
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	4,025	399,069	0	403,094
21. Real estate expenses.....	23,633	32,370	2,240	58,244
22. Real estate taxes.....				0
23. Reimbursements by uninsured plans.....				0
24. Aggregate write-ins for miscellaneous expenses.....	17,675	200,494	10	218,179
25. Total expenses incurred.....	1,160,096	2,871,255	33,908	(a) 4,065,258
26. Less unpaid expenses - current year.....	2,609,173	1,167,728		3,776,901
27. Add unpaid expenses - prior year.....	2,420,267	970,855		3,391,122
28. Amounts receivable relating to uninsured plans, prior year.....				0
29. Amounts receivable relating to uninsured plans, current year.....				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	971,190	2,674,381	33,908	3,679,479

DETAILS OF WRITE-INS

2401. Miscellaneous Expenses.....	17,675	200,494	10	218,179
2402.				0
2403.				0
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above).....	17,675	200,494	10	218,179

(a) Includes management fees of \$.....3,946,475 to affiliates and \$.....0 to non-affiliates.

National Interstate Insurance Company of Hawaii, Inc
EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....18,230	16,513
1.1 Bonds exempt from U.S. tax.....	(a).....294,072	206,897
1.2 Other bonds (unaffiliated).....	(a).....862,223	841,679
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....	.....
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....94,063	105,397
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	(2,233)	(2,233)
10. Total gross investment income.....	1,266,355	1,168,253
11. Investment expenses.....	.....	(g).....33,908
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....
13. Interest expense.....	.....	(h).....
14. Depreciation on real estate and other invested assets.....	.....	(i).....0
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	.....33,908
17. Net investment income (Line 10 minus Line 16).....	.....	.....1,134,345

DETAILS OF WRITE-INS		
0901. Miscellaneous Investment Income.....	(2,233)	(2,233)
0902. ....	.....	.....
0903. ....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	(2,233)	(2,233)
1501. ....	.....	.....
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above).....	.....	.....0
(a) Includes \$.....100,726 accrual of discount less \$.....198,074 amortization of premium and less \$.....1,389 paid for accrued interest on purchases.		
(b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.		
(c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.		
(d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.		
(e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.		
(f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.		
(g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.		
(h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.		
(i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.		

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	.....	.....	.....0	.....	.....
1.1 Bonds exempt from U.S. tax.....	(1,794)	.....	.....(1,794)	.....	.....
1.2 Other bonds (unaffiliated).....	(25,327)	.....	.....(25,327)	.....	.....
1.3 Bonds of affiliates.....	.....	.....	.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....	.....	.....	.....0	.....	.....
2.11 Preferred stocks of affiliates.....	.....	.....	.....0	.....	.....
2.2 Common stocks (unaffiliated).....	.....	.....	.....0	.....	.....
2.21 Common stocks of affiliates.....	.....	.....	.....0	.....	.....
3. Mortgage loans.....	.....	.....	.....0	.....	.....
4. Real estate.....	.....	.....	.....0	.....	.....
5. Contract loans.....	.....	.....	.....0	.....	.....
6. Cash, cash equivalents and short-term investments.....	.....	.....	.....0	.....	.....
7. Derivative instruments.....	.....	.....	.....0	.....	.....
8. Other invested assets.....	.....	.....	.....0	.....	.....
9. Aggregate write-ins for capital gains (losses).....	0	0	0	0	0
10. Total capital gains (losses).....	(27,121)	0	(27,121)	0	0

DETAILS OF WRITE-INS					
0901. ....	.....	.....	.....0	.....	.....
0902. ....	.....	.....	.....0	.....	.....
0903. ....	.....	.....	.....0	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page...	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	0	0	0	0	0

National Interstate Insurance Company of Hawaii, Inc
EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			0
2.2 Common stocks.....			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale.....			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			0
6. Contract loans.....			0
7. Derivatives (Schedule DB).....			0
8. Other invested assets (Schedule BA).....			0
9. Receivables for securities.....			0
10. Securities lending reinvested collateral assets (Schedule DL).....			0
11. Aggregate write-ins for invested assets.....0		0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....0	0	0	0
13. Title plants (for Title insurers only).....			0
14. Investment income due and accrued.....			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	106,151	11,951	(94,199)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	1,918		(1,918)
15.3 Accrued retrospective premiums and contracts subject to redetermination.....			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			0
16.2 Funds held by or deposited with reinsured companies.....			0
16.3 Other amounts receivable under reinsurance contracts.....			0
17. Amounts receivable relating to uninsured plans.....			0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0
18.2 Net deferred tax asset.....39,982	39,982		(39,982)
19. Guaranty funds receivable or on deposit.....			0
20. Electronic data processing equipment and software.....			0
21. Furniture and equipment, including health care delivery assets.....			0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0
23. Receivables from parent, subsidiaries and affiliates.....			0
24. Health care and other amounts receivable.....			0
25. Aggregate write-ins for other-than-invested assets.....42,189	42,189	6	(42,183)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....190,240	190,240	11,957	(178,282)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....190,240	190,240	11,957	(178,282)

DETAILS OF WRITE-INS

1101.			0
1102.			0
1103.			0
1198. Summary of remaining write-ins for Line 11 from overflow page.....0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....0	0	0	0
2501. Receivable from insureds for deductible payments.....42,189	42,189		(42,189)
2502. Commission receivables.....		6	6
2503.			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).....42,189	42,189	6	(42,183)

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The Annual Statement of National Interstate Insurance Company of Hawaii (Company) has been prepared on the basis of accounting practices prescribed or permitted by the State of Ohio Department of Insurance. The Ohio Department of Insurance requires insurance companies domiciled in the state of Ohio to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* subject to any deviations prescribed or permitted by the Ohio Department of Insurance. There are no deviations prescribed or permitted by the Ohio Department of Insurance utilized in the Company's financial statements as shown below:

	SSAP \$	F/S Page	F/S Line #	2019	2018
1. Net income state basis	XXX	XXX	XXX	\$ 1,413,840	\$ 1,168,081
2. Effect of state prescribed				-	-
3. Effect of state permitted				-	-
4. Net income, NAIC SAP	XXX	XXX	XXX	<u>\$ 1,413,840</u>	<u>\$ 1,168,081</u>
5. Statutory surplus state basis	XXX	XXX	XXX	\$ 14,032,027	\$ 12,691,530
6. Effect of state prescribed				-	-
7. Effect of state permitted				-	-
8. Statutory surplus, NAIC SAP	XXX	XXX	XXX	<u>\$ 14,032,027</u>	<u>\$ 12,691,530</u>

B. Use of Estimates

The preparation of financial statements in accordance with the NAIC *Accounting Practices and Procedures Manual* requires management to make estimates and assumptions that affect amounts reported in these financial statements and notes. Actual results could differ from the estimates and assumptions used.

C. Accounting Policies

Premiums that are written, assumed and ceded under the Company's insurance policies and reinsurance contracts are earned over the terms of the related policies and contracts on a pro rata basis. Unearned premiums are established as liabilities and represent the portion of premiums written, but not yet earned.

Unlike the recognition of premiums revenue, expenses incurred while producing new insurance business such as commissions and premium taxes are charged to operations as incurred and ceding allowances received or receivable are credited to operations through reductions in expenses incurred.

In addition, the Company uses the following accounting policies:

1. Short-term investments are stated at cost.
2. Bonds with a NAIC rating 1 and 2 are stated at amortized cost using the interest method; all others are stated at the lower of amortized cost or fair value. The Company does not own any SVO Identified Exchange Traded Funds.
3. The Company does not have any investments in common stocks.
4. The Company does not have any investments in preferred stocks.
5. The Company's investment portfolio does not include any mortgage loans.
6. For residential mortgage-backed securities (RMBS), commercial mortgage-backed securities (CMBS) and loan-backed and structured securities (LBASS), the NAIC has retained a third-party investment management firm to assist in the determination of the appropriate NAIC designations and Book Adjusted Carrying Values based on not only on the probability of loss, but also on the severity of loss. Those RMBS, CMBS and LBASS securities that are not modeled but receive a current year NAIC Credit Rating Provider (CRP) rating equal to NAIC 1 and 2 are stated at amortized cost and NAIC 3-6 are stated at lower of amortized cost or fair value. Mandatory convertible bonds are stated at the lower of book value or fair value, regardless of the NAIC designation.
7. The Company does not have any investments in subsidiaries, controlled or affiliated companies.
8. The Company does not have any investments in joint ventures, partnerships or limited liability companies.
9. The Company does not invest in derivative instruments.
10. The Company does not anticipate investment income when evaluating the need for premium deficiency reserves.

NOTES TO FINANCIAL STATEMENTS

- 11. Unpaid losses and loss adjustment expense reserves represent the estimated ultimate net cost of all reported and unreported losses incurred. The Company does not discount loss and loss adjustment expense reserves. The reserves for unpaid losses and loss adjustment expenses include an amount determined using individual case estimates, loss reports, and an amount, based on past experience, for losses incurred but not reported. Those estimates are subject to the effects of trends in loss severity and frequency. Although considerable variability is inherent in such estimates and the ultimate liability may be in excess of or less than the amounts provided, management believes that the reserves for losses and loss adjustment expenses are adequate. The estimates are continually reviewed and adjusted as necessary as experience develops or new information becomes known; such adjustments are reflected in the period determined.
- 12. The Company has a capitalization policy for prepaid expenses and purchases of items such as office equipment, software/hardware, furniture, vehicles, and other equipment and leasehold improvements. The predefined capitalization thresholds under this policy have not changed from those of the prior year.
- 13. The Company is a property and casualty insurance company only and does not write major medical and/or prescription drug coverage.

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 growing concern.

Note 2 – Accounting Changes and Corrections of Errors

Not applicable

Note 3 – Business Combinations and Goodwill

A. Statutory Purchase Method

Not applicable as the Company has never entered into any business combinations.

B. Statutory Mergers

Not applicable

C. Assumption Reinsurance

Not applicable

D. Impairment Loss

Not applicable

Note 4 – Discontinued Operations

A - D. Not applicable

Note 5 – Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

Not applicable

B. Debt Restructuring

Not applicable

C. Reverse Mortgages

Not applicable

D. Loan-Backed Securities

- 1. The Company uses dealer-modeled prepayment assumptions for mortgage-backed and asset-backed securities at the date of purchase to determine effective yields; significant changes in estimated cash flows from the original purchase assumptions are accounted for on a prospective basis.
- 2. The Company had no loan-backed securities with a recognized other-than-temporary impairment (“OTTI”) due to either the intent to sell or the inability or lack of intent to hold to recovery during 2019.
- 3. The Company does not have any loan-backed securities with an OTTI recognized during 2019.

NOTES TO FINANCIAL STATEMENTS

4. The following table shows all loan-backed securities with an unrealized loss:
- a. The aggregate amount of unrealized losses:

1. Less than 12 months\$ (4,575)

2. 12 months or longer(49,513)
- b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 months\$ 2,117,401

2. 12 months or longer3,089,272
5. Based on cash flow projections received from independent sources (which reflect loan to collateral values, subordination, vintage and geographic concentration), implied cash flows inherent in security ratings and analysis of historical payment data, management believes that the Company will recover its cost basis in all securities with unrealized losses as of December 31, 2019. The Company has the intent to hold such securities until they recover in value or mature.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

Not applicable

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not applicable

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not applicable

H. Repurchase Agreements Transactions Accounted for as a Sale

Not applicable

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

Not applicable

J. Real Estate

Not applicable

K. Low-Income Housing Tax Credits

Not applicable

NOTES TO FINANCIAL STATEMENTS

L. Restricted Assets

1. Restricted Assets (Including Pledged)

	Gross (Admitted & Nonadmitted) Restricted							8	9	Percentage	
	Current Year					6	7			10	11
	1	2	3	4	5						
	Total General Account (G/A)	G/A Supporting Protected Cell Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
b. Collateral held under security lending agreements	-	-	-	-	-	-	-	-	-	-	-
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	-	-	-
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-	-
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	-	-	-
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-	-
g. Placed under option contracts	-	-	-	-	-	-	-	-	-	-	-
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock	-	-	-	-	-	-	-	-	-	-	-
i. FHLB capital stock	-	-	-	-	-	-	-	-	-	-	-
j. On deposit with states	2,874,157	-	-	-	2,874,157	2,937,729	(63,572)	-	2,874,157	5.0%	5.1%
k. On deposit with other regulatory bodies	603,471	-	-	-	603,471	600,503	2,968	-	603,471	1.1%	1.1%
l. Pledged collateral to FHLB (including assets backing funding agreements)	-	-	-	-	-	-	-	-	-	-	-
m. Pledged as collateral not captured in other categories	-	-	-	-	-	-	-	-	-	-	-
n. Other restricted assets	-	-	-	-	-	-	-	-	-	-	-
o. Total restricted assets	\$3,477,628	-	-	-	\$3,477,628	\$3,538,232	\$ (60,604)	-	\$3,477,628	6.1%	6.1%

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

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

The Company has no other assets pledged as collateral not captured in other categories.

3. Detail of Other Restricted Assets

The Company has no other restricted assets.

4. Collateral Received and Reflected as Assets Within the Reporting Entity’s Financial Statements

Not applicable

M. Working Capital Finance Investments

Not applicable

N. Offsetting and Netting of Assets and Liabilities

Not applicable

O. 5GI Securities

Not applicable

P. Short Sales

The Company did not have any short sales during 2019.

NOTES TO FINANCIAL STATEMENTS

Q. Prepayment Penalty and Acceleration Fees

The Company did not have any prepayment penalties or acceleration fees during 2019.

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

A. Detail for Those Greater than 10% of Admitted Assets

Not applicable

B. Write-downs for Impairment of Joint Ventures, Partnerships and LLCs

Not applicable

Note 7 – Investment Income

A. Accrued Investment Income

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

B. Amounts Nonadmitted

There are no amounts excluded as the Company’s due and accrued investment income is current.

Note 8 – Derivative Instruments

A - B. Not applicable as the Company does not invest in derivative instruments.

Note 9 – Income Taxes

A. Deferred Tax Assets and Deferred Tax Liabilities

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

	2019			2018			Change		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) Col (7+8) Total
(a) Gross Deferred Tax Assets	\$ 543,965	\$ 1,615	\$ 545,580	\$ 522,871	\$ 1,819	\$ 524,690	\$ 21,094	\$ (204)	\$ 20,890
(b) Statutory Valuation Allowance Adjustment	-	-	-	-	-	-	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a-1b)	543,965	1,615	545,580	522,871	1,819	524,690	21,094	(204)	20,890
(d) Deferred Tax Assets Nonadmitted	39,982	-	39,982	-	-	-	39,982	-	39,982
(e) Subtotal (Net Deferred Tax Assets) (1c-1d)	503,983	1,615	505,598	522,871	1,819	524,690	(18,888)	(204)	(19,092)
(f) Deferred Tax Liabilities	59,770	151	59,921	127,049	2,922	129,971	(67,279)	(2,771)	(70,050)
(g) Net Admitted Deferred Tax Assets/(Net Deferred Tax Liability) (1e-1f)	\$ 444,213	\$ 1,464	\$ 445,677	\$ 395,822	\$ (1,103)	\$ 394,719	\$ 48,391	\$ 2,567	\$ 50,958

NOTES TO FINANCIAL STATEMENTS

2. Admission Calculation Components, SSAP No. 101:

	2019			2018			Change		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) Col (7+8) Total
(a). Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 401,186	\$ -	\$ 401,186	\$ 285,330	\$ -	\$ 285,330	\$ 115,856	\$ -	\$ 115,856
(b). Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below:	42,876	1,615	44,491	151,454	1,819	153,273	(108,578)	(204)	(108,782)
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	42,876	1,615	44,491	151,454	1,819	153,273	(108,578)	(204)	(108,782)
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	2,037,953	XXX	XXX	1,844,522	XXX	XXX	193,431
(c). Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	59,921	-	59,921	86,087	-	86,087	(26,166)	-	(26,166)
(d). Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c))	\$ 503,983	\$ 1,615	\$ 505,598	\$ 522,871	\$ 1,819	\$ 524,690	\$ (18,888)	\$ (204)	\$ (19,092)

3. Other Admissibility Criteria:

	2019	2018
a. Ratio percentage used to determine recovery period and threshold limitation amount	861%	890%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 13,040,683	\$ 12,296,811

4. Impact of Tax Planning Strategies

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

	2019			2018			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
1. Adjusted gross DTAs amount from Note 9A1(c).	\$ 543,965	\$ 1,615	\$ 545,580	\$ 522,871	\$ 1,819	\$ 524,690	\$ 21,094	\$ (204)	\$ 20,890
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e).	\$ 503,983	\$ 1,615	\$ 505,598	\$ 522,871	\$ 1,819	\$ 524,690	(18,888)	(204)	(19,092)
4. Percentage of net adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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

B. The Company has recognized all deferred tax liabilities.

NOTES TO FINANCIAL STATEMENTS

C. Current and deferred income taxes consist of the following major components:

1.

Current Income Tax:		(1)	(2)	(3)
		2019	2018	(Col 1-2) Change
(a)	Federal	\$ 391,116	\$ 342,436	\$ 48,680
(b)	Foreign	-	-	-
(c)	Subtotal	391,116	342,436	48,680
(d)	Federal income tax on net capital (losses) gains	(3,140)	(8,124)	4,984
(e)	Utilization of capital loss carry-forwards	-	-	-
(f)	Other	-	-	-
(g)	Federal and Foreign income taxes incurred	\$ 387,976	\$ 334,312	\$ 53,664

2.

Deferred Tax Assets:		(1)	(2)	(3)
		2019	2018	(Col 1-2) Change
(a)	Ordinary:			
(1)	Discounting of unpaid losses	\$ 256,530	\$ 259,338	\$ (2,808)
(2)	Unearned premium reserve	206,584	196,739	9,845
(3)	Policyholder reserves	-	-	-
(4)	Investments - ordinary	-	-	-
(5)	Deferred acquisition costs	-	-	-
(6)	Policyholder dividends accrual	-	-	-
(7)	Fixed assets	-	-	-
(8)	Compensation and benefits accrual	60,430	50,828	9,602
(9)	Pension accrual	-	-	-
(10)	Receivables - nonadmitted	-	-	-
(11)	Net operating loss carry-forward	-	-	-
(12)	Tax credit carry-forward	-	-	-
(13)	Other (including items <5% of total ordinary tax assets)	20,421	15,966	4,445
(14)	Other assets – nonadmitted			
(99)	Subtotal	\$ 543,965	\$ 522,871	\$ 21,094
(b)	Statutory valuation allowance adjustment	-	-	-
(c)	Nonadmitted	\$ 39,982	-	\$ 39,982
(d)	Admitted ordinary deferred tax assets (2a99-2b-2c)	\$ 503,983	\$ 522,871	\$ (18,888)
(e)	Capital:			
(1)	Investments	\$ 1,615	\$ 1,819	\$ (204)
(2)	Net capital loss carry-forward	-	-	-
(3)	Real Estate	-	-	-
(4)	Other (including items <5% of total capital tax assets)			
(99)	Subtotal	\$ 1,615	\$ 1,819	\$ (204)
(f)	Statutory valuation allowance adjustment	-	-	-
(g)	Nonadmitted	-	-	-
(h)	Admitted capital deferred tax assets (2e99-2f-2g)	\$ 1,615	\$ 1,819	\$ (204)
(i)	Admitted deferred tax assets (2d+2h)	\$ 505,598	\$ 524,690	\$ (19,092)

NOTES TO FINANCIAL STATEMENTS

3.

Deferred Tax Liabilities:		(1) 2019	(2) 2018	(3) (Col 1-2) Change
(a)	Ordinary:			
(1)	Investments	\$ -	\$ -	\$ -
(2)	Fixed assets	-	-	-
(3)	Deferred and uncollected premium	-	-	-
(4)	Policyholder reserves	-	-	-
(5)	Discount of unpaid losses transition	55,702	74,015	(18,313)
(6)	Accruals	-	-	-
(7)	Salvage and subrogation	4,068	-	4,068
(8)	Other (including items <5% of total ordinary tax liabilities)	-	53,034	(53,034)
(99)	Subtotal	\$ 59,770	\$ 127,049	\$ (67,279)
(b)	Capital:			
(1)	Investments	\$ 151	\$ 2,922	\$ (2,771)
(2)	Real estate	-	-	-
(3)	Other (including items <5% of total capital tax liabilities)	-	-	-
(99)	Subtotal	\$ 151	\$ 2,922	\$ (2,771)
(c)	Deferred tax liabilities (3a99+3b99)	\$ 59,921	\$ 129,971	\$ (70,050)

4. Net Deferred Tax Assets/Liabilities (2i-3c) \$ 445,677 \$ 394,719 \$ 50,958

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

The Company’s income tax expense and change in deferred income taxes differs from the amount obtained by applying the federal statutory rate of 21% in 2019 and 2018, respectively, to net income for the following reasons:

	2019	2018
Income taxes at the statutory rate	\$ 378,380	\$ 315,502
Tax exempt income deduction	(32,586)	(32,708)
Other	(48,758)	98,975
Totals	\$ 297,036	\$ 381,769
Federal and foreign income taxes incurred	\$ 391,116	\$ 342,436
Federal income taxes on net capital gains	(3,140)	(8,124)
Change in net deferred income taxes ex. unrealized	(90,940)	47,457
Total statutory income taxes	\$ 297,036	\$ 381,769

E. Operating Loss and Tax Credit Carryforwards

1. At December 31, 2019, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.
2. The amount of federal income taxes incurred and available for recoupment in the event of future net losses:

Year	Amount	Ordinary	Capital
2019	\$ 257,661	\$ 257,661	\$ -
2018	202,479	202,479	-
2017	-	-	-

3. At December 31, 2019, the Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. The Company’s federal income tax return is consolidated.

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

NOTES TO FINANCIAL STATEMENTS

AAG Insurance Agency, Inc.	Great American Life Insurance Company
ABA Insurance Services, Inc.	Great American Lloyd's, Inc.
American Empire Insurance Company	Great American Management Services, Inc.
American Empire Surplus Lines Insurance Company	Great American Protection Insurance Company
American Empire Underwriters, Inc.	Great American Re Inc.
American Financial Enterprises, Inc.	Great American Security Insurance Company
American Financial Group, Inc.	Great American Spirit Insurance Company
American Highways Insurance Agency, Inc.	Great American Underwriters Insurance Company
American Money Management Corporation	Hangar Acquisition Corp.
American Premier Underwriters, Inc.	Hudson Indemnity, Ltd.
American Signature Underwriters, Inc.	Key Largo Group, Inc.
Annuity Investors Life Insurance Company	Lehigh Valley Railroad Company
APU Holding Company	Magnolia Alabama Holdings, Inc.
Bridgefield Casualty Insurance Company	Manhattan National Holding Corporation
Bridgefield Employers Insurance Company	Manhattan National Life Insurance Company
Brothers Pennsylvanian Corporation	Mid-Continent Assurance Company
Brothers Property Corporation	Mid-Continent Casualty Company
Brothers Property Management Corporation	Mid-Continent Excess and Surplus Insurance Company
Ceres Group, Inc.	Mid-Continent Specialty Insurance Services, Inc.
Continental General Corporation	National Interstate Corporation
Crop Managers Insurance Agency, Inc.	National Interstate Insurance Agency, Inc.
Dempsey & Siders Agency, Inc.	National Interstate Insurance Company
Dixie Terminal Corporation	National Interstate Insurance Company of Hawaii, Inc.
Eden Park Insurance Brokers, Inc.	Oklahoma Surety Company
Explorer RV Insurance Agency, Inc.	One East Fourth, Inc.
Farmers Crop Insurance Alliance, Inc.	Owasco River Railway, Inc. (The)
FCIA Management Company, Inc.	PCC Technical Industries, Inc.
GAI Insurance Company, Ltd.	Penn Towers, Inc.
GAI Mexico Holdings, LLC	Pioneer Carpet Mills, Inc.
GAI Warranty Company	Premier Lease & Loan Services Insurance Agency, Inc.
GAI Warranty Company of Florida	Premier Lease & Loan Services of Canada, Inc.
GALIC Brothers, Inc.	Professional Risk Brokers, Inc.
Global Premier Finance Company	QQAgency of Texas, Inc.
Great American Advisors, Inc.	Republic Indemnity Company of America
Great American Agency of Texas, Inc.	Republic Indemnity Company of California
Great American Alliance Insurance Company	Risico Management Corporation
Great American Assurance Company	Safety Claims & Litigation Services, LLC
Great American Casualty Insurance Company	Safety, Claims and Litigation Services, LLC
Great American Contemporary Insurance Company	Skipjack Marina Corp.
Great American E & S Insurance Company	Summit Consulting, LLC
Great American Fidelity Insurance Company	Summit Holding Southeast, Inc.
Great American Financial Resources, Inc.	TEJ Holdings, Inc.
Great American Holding, Inc.	Three East Fourth, Inc.
Great American Insurance Agency, Inc.	TransProtection Service Company
Great American Insurance Company	Triumphe Casualty Company
Great American Insurance Company of New York	Vanliner Insurance Company

2. Pursuant to the tax allocation agreement, the Company's tax expense will be determined based upon its inclusion in the consolidated tax return of AFG and its included subsidiaries. Estimated payments are to be made quarterly during the year. Following year-end, additional settlements will be made on the original due date of the return and, when extended, at the time the return is filed. The method of allocation among the companies under the agreement is based upon separate return calculations with current credit for net losses to the extent the losses provide a benefit in the consolidated tax return.

- G. Federal or Foreign Federal Income Tax Loss Contingencies:
The Company does not have any tax loss contingencies.
- H. Repatriation Transition Tax (RTT) - RTT owed under the TCJA
The Company has no liability under the Repatriation Transition Tax.
- I. Alternative Minimum Tax (AMT Credit)
The Company has no AMT credit.

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

A. Nature of Relationships

The Company's parent company, National Interstate Insurance Company (NIIC) is a wholly owned subsidiary of National Interstate Corporation (the Corporation), an insurance holding company. NIIC also owns 100% of Vanliner Insurance Company (VIC), Triumphe Casualty Company (TCC), and TransProtection Service Company. Other subsidiaries of the Corporation include Hudson Indemnity Limited (HIL), National Interstate Insurance Agency, Inc. (NIIA), Explorer RV Insurance Agency, Inc., American Highways Insurance Agency, Inc., Safety, Claims & Litigation Services, LLC (MT), Safety, Claims and Litigation Services, LLC (OH), and Hudson Management Group, Ltd.

NOTES TO FINANCIAL STATEMENTS

The Company is an indirect 100% owned subsidiary of American Financial Group, Inc. (AFG), a public company (NYSE: AFG), and 100% of the outstanding common stock of the Corporation is directly owned by Great American Holding, Inc., a subsidiary of AFG.

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

Not applicable

C. Change in Terms of Intercompany Arrangements

Not applicable

D. Amounts Due to or from Related Parties

The Company had the following inter-company receivables (payables) at December 31,

	2019	2018
National Interstate Insurance Company	\$ 1,349,424	\$ (403,738)
American Highways Insurance Agency, Inc.	0	395
Triumphe Casualty Company	0	(141)
National Interstate Insurance Agency, Inc.	(153)	103
National Interstate Corporation	(940)	(2,326)
Totals	\$ 1,348,331	\$ (405,707)

These arrangements are subject to written agreements, which require that intercompany balances be settled quarterly.

E. Guarantees or Undertakings for Related Parties

Not applicable (See Note 14A)

F. Management, Service Contracts, Cost Sharing Arrangements

The Company is party with some of its affiliate companies to a Cash Management Agreement under which NIIC manages all cash accounts for the other parties to the Agreement. Expenses incurred and fees charged to the participants are allocated among the parties at cost.

The Company has a cost sharing agreement with some of its affiliates under which costs are allocated between companies to reflect the actual costs to operate each company. Allocated expenses incurred in 2019 related to these agreements amounted to \$3,924,580.

The company has an agreement with American Money Management Corporation (AMMC), a wholly owned subsidiary of AFG whereby AMMC manages the Company's investment portfolio. Fees incurred for these services during 2019 were \$10,695.

G. Nature of Relationships that Could Affect Operations

All outstanding shares of the Company are owned by NIIC (see Note 10A).

H. Amount Deducted for Investment in Upstream Company

Not applicable

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

Not applicable

J. Write-downs for Impairment of Investments in Affiliates

Not applicable

K. Foreign Insurance Subsidiary Valued Using CARVM

Not applicable

L. Downstream Holding Company Valued Using Look-Through Method

Not applicable

NOTES TO FINANCIAL STATEMENTS

M. Non-insurance Subsidiary, Controlled and Affiliated (SCA) Entity Valuations

Not applicable

N. Insurance SCA Entities Utilizing Prescribed or Permitted Practices

Not applicable

O. SCA and SSAP No. 48 Entity Loss Tracking

Not applicable

Note 11 – Debt

A. The Company does not have any outstanding liability for borrowed money.

B. The Company does not have any agreements with the Federal Home Loan Bank.

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

A. Defined Benefit Plans - The Company does not have any defined benefit plans.

B. Defined Benefit Plan Assets - The Company does not have any defined benefit plans.

C. Defined Benefit Plan Fair Value of Assets - The Company does not have any defined benefit plans.

D. Defined Benefit Plans - Rate of Return on Assets Assumptions - The Company does not have any defined benefit plans.

E. Defined Contribution Plans - The Company does not have any defined contribution plans.

F. Multiemployer Plans - The Company does not have any multiemployer plans.

G. Consolidated / Holding Company Plans

Employee Retirement Plan

AFG has established the American Financial Group, Inc. 401(k) Retirement and Savings Plan (the AFG Plan) for the benefit of employees of AFG and its participating subsidiaries, which includes the Company. The Company transitioned to the AFG Plan on January 1, 2018. Substantially all employees of the Company meeting minimum requirements regarding service are eligible to participate in the AFG Plan. The AFG Plan is a defined contribution plan in which participating employees are entitled to share in contributions made by the Company on their behalf. The AFG Plan has three types of contributions, including (1) Retirement Contributions made by the Company, (2) 401(k) Contributions made by participating employees, and (3) Matching Contributions made by the Company. The benefits for the Retirement Contributions are based on eligible compensation as defined by the AFG Plan for each year of participation. Funding is determined annually. Each AFG participating subsidiary contributes an amount for Retirement Contributions based upon the relationship of its total eligible compensation to total eligible compensation under the AFG Plan for all participating subsidiaries. In addition, participating employees are permitted to make 401(k) Contributions to the AFG Plan. Matching Contributions may be made by the Company based on the amount of 401(k) Contributions made by the participating employees. The AFG Plan costs are funded as they accrue and vested benefits are fully funded. Both Retirement Contributions and Matching Contributions to the Plan are subject to the discretion of the Company. The Company has no liability for future contributions to the AFG Plan. At December 31, 2019, the fair market value of the AFG Plan's Retirement Contribution assets was \$471,118,765 and the fair market value of the AFG Plan's Matching Contributions assets was \$323,507,248. The Company's share of the expense for the plan during 2019 was \$40,706.

Postretirement Benefit Plan

The Company provides postretirement health care and life insurance benefits to employees meeting age and service requirements through plans sponsored by AFG. The retiree medical care plan is a contributory plan covering all eligible employees hired prior to 1993; employees hired after 1992 pay the full cost of retiree medical coverage. The Company has established a cap on the total amount of health care costs that are subsidized for the majority of current retirees. All eligible future retirees receive a flat dollar amount contributed to a Retiree Health Reimbursement Arrangement Account. The Company currently pays the full cost of life insurance coverage for past retirees, but no coverage is provided for new retirees after 2005. The medical plan is funded by monthly payments to a trust. Life insurance benefits are provided by insurance

NOTES TO FINANCIAL STATEMENTS

contracts. AFG has the right to modify or terminate either of these plans in the future. The Company has the right to terminate its participation at any time in the future.

The Company accrues its postretirement benefits over the period the employees qualify for such benefits. At December 31, 2019, the Company's accumulated postretirement benefit obligation was \$4,776 using a discount rate of 2.50% of which \$1,654 is currently accrued. Net postretirement benefit costs for the year ended December 31, 2019, were \$1,584 which includes service cost, interest cost and amortization of the transition obligation.

The weighted average annual assumed rate of increase in the health care cost trend rate is 6.25% for 2020 and is assumed to decrease gradually to 4.50% over 7 years and to remain at that level thereafter. The effect of a 1% increase in the assumed health care cost trend rate for each year would increase the accumulated postretirement benefit obligation at December 31, 2019 by \$5.

H. Postemployment Benefits and Compensated Absences

The Company has accrued for postemployment benefits in accordance with SSAP No. 11.

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

A. Outstanding Shares

The Company has 500,000 Common shares with a par value of \$7 a share, authorized, issued and outstanding at December 31, 2019.

B. Dividend Rate of Preferred Stock

Not applicable as no preferred shares are authorized.

C. Dividend Restrictions

The maximum amount of dividends or distributions which may be paid to stockholders by property/casualty insurance companies domiciled in the State of Ohio without (i) prior approval or (ii) expiration of a 30 day waiting period without disapproval of the Director of Insurance is the greater of net income or 10% of policyholders' surplus as of the preceding December 31, but only to the extent of earned surplus as of the preceding December 31. The maximum amount of ordinary dividends or distributions, which may be paid in 2020 is \$1,413,840.

D. Dates and Amounts of Dividends Paid

The Company did not pay any dividends during the year ended December 31, 2019.

E. Amount of Ordinary Dividends That May Be Paid

Other than the limitations described above in paragraph C, there are no other limitations on the amount of ordinary dividends that may be paid.

F. Restrictions on Unassigned Funds

There are no restrictions on the unassigned funds of the Company other than those described above in paragraph C and these unassigned funds are held for the benefit of the owner and policyholders.

G. Mutual Surplus Advances

Not applicable

H. Company Stock Held for Special Purposes

Not applicable

I. Changes in Special Surplus Funds

Not applicable

J. Changes in Unassigned Funds

Not applicable

K. Surplus Notes

Not applicable

L and M. Quasi Reorganizations

Not applicable

NOTES TO FINANCIAL STATEMENTS

Note 14 – Liabilities, Contingencies and Assessments

A. Contingent Commitments

The Company has no commitments or contingent commitments to affiliates or other entities. The Company has made no guarantees on behalf of its affiliates or on indebtedness of others.

B. Guaranty Fund and Other Assessments

The Company is subject to guaranty fund and other assessments by the states in which it writes business. Guaranty fund assessments should be accrued at the time of the insolvencies. Other assessments should be accrued either at the time the assessments are levied or in the case of premium-based assessments, at the time the premiums are written, or, in the case of loss-based assessments, at the time the losses are incurred.

The Company has accrued a liability for guaranty fund and other assessments of \$96,926 and \$96,642 for the current and prior year, respectively. The liability is included in the taxes, licenses and fees liability. The amounts represent management's best estimates based on information received from the states in which the pooled group (refer to Note 26) writes business and may change due to many factors including the Company's share of the ultimate cost of current insolvencies.

C. Gain Contingencies

Not applicable

D. Extra Contractual Obligation and Bad Faith Losses

Not applicable

E. Product Warranties

Not applicable

F. Joint and Several Liabilities

Not applicable

G. All Other Contingencies

Lawsuits arise against the Company in the normal course of business. Contingent liabilities from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company.

At the end of the current and prior year, the Company had admitted assets of \$11,926,888 and \$12,161,293, respectively, in premiums due from policyholders and agents. The Company routinely assesses the collectability of these receivables. Based upon Company experience, any uncollectable premiums receivable as of the end of the current year are not expected to exceed the nonadmitted amounts totaling \$108,069 and therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial position.

There were no charges to income due to other-than-temporary impairment charges in 2019. Considerations the Company used in the impairment evaluation process included, but were not limited to, whether the issuer is experiencing significant financial difficulties, the economic stability of an entire industry sector or subsection, and the extent to which the unrealized gain is credit-driven or a result of changes in market interest rates. In 2018, the Company recognized other-than-temporary impairment charges of \$8,661 relating to bonds.

Note 15 – Leases

A. Lessee Leasing Arrangements

1. The Company leases office facilities and equipment under a non-cancelable operating lease that expires in July 2023. The lease contains a reasonable escalation in rent over the term of the agreement. Rental expense for the current year and the prior year was \$316,655 and \$321,486, respectively. There are no contingent rental payments or unusual renewal options, unusual restrictions and there has been no early termination of the existing lease.

NOTES TO FINANCIAL STATEMENTS

2. Future minimum rental payments are as follows:

Year	Amount
2020	144,658
2021	147,551
2022	165,842
2023	106,958
2024	-
Thereafter	-
Total	\$ 565,009

3. The Company has not entered into any sale and leaseback arrangements.

B. Lessor Leasing Arrangements

Not applicable

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

1 – 4. Not applicable as the Company has no financial instruments with off-balance sheet risk or financial instruments with concentrations of credit risk.

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

- A. The Company did not sell any receivable balances during 2019.
- B. Transfer and Servicing of Financial Assets – Not applicable.
- C. The Company was not involved in any wash sale transactions during 2019.

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

- A. Administrative Services Only (ASO) Plans
Not applicable
- B. Administrative Services Contract (ASC) Plans
Not applicable
- C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts
Not applicable

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

The Company does not use managing general agents or third party administrators to write or administer their insurance products.

Note 20 – Fair Value Measurements

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

1. Items Measured and Reported at Fair Value by Levels 1, 2 and 3

The Company categorizes its financial instruments, based on the degree of subjectivity inherent in the method by which they are valued, into a fair value hierarchy of three levels. The fair value hierarchy prioritizes the inputs, which refer broadly to assumptions market participants would use in pricing an asset or liability, into three levels. It gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The level in the fair value hierarchy within which a fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical securities that the reporting entity has the ability to access at the measurement date.

Level 2 inputs are inputs other than quoted prices within Level 1 that are observable for the security, either directly or indirectly. Level 2 inputs include quoted prices for similar securities in active markets, quoted prices for identical or similar securities that are not active and observable inputs other than quoted prices, such as interest rate and yield curves.

NOTES TO FINANCIAL STATEMENTS

Level 3 inputs are unobservable inputs for the asset or liability.

The Company did not hold any investments measured at fair value at December 31, 2019.

2. Rollforward of Level 3 Items

The Company did not hold any Level 3 securities carried at fair value during the year ended December 31, 2019.

3. Policy on Transfers Into and Out of Level 3

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred between levels. The Company's policy is to recognize transfers in and transfers out as of the end of the reporting period.

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

The Company's investment manager, American Money Management Corporation ("AMMC") (an affiliate) is responsible for the valuation process and uses data from outside sources (including nationally recognized pricing services and broker/dealers) in establishing fair value. Pricing services use a variety of observable inputs to estimate the fair value of fixed maturities that do not trade on a daily basis. These inputs include, but are not limited to, recent reported trades, benchmark yields, issuer spreads, bids or offers, reference data and measures of volatility. Included in the pricing of mortgage-backed securities are estimates of the rate of future prepayments and defaults of principal over the remaining life of the underlying collateral. Inputs from brokers and independent financial institutions include, but are not limited to, yields or spreads of comparable investments which have recent trading activity, credit quality, duration, credit enhancements, collateral value and estimated cash flows based on inputs including delinquency rates, estimated defaults and losses, and estimates of the rate of future prepayments. Valuation techniques utilized by pricing services and prices obtained from external sources are reviewed by the Company's affiliated investment professionals who are familiar with the securities being priced and the markets in which they trade to ensure the fair value determination is representative of an exit price. To validate the appropriateness of the prices obtained, these investment professionals compare the valuation received to independent third party pricing sources and consider widely published indices (as benchmarks), recent trades, changes in interest rates, general economic conditions and the credit quality of the specific issuers. In addition, AMMC communicates directly with the pricing service regarding the methods and assumptions used in pricing, including verifying, on a test basis, the inputs used by the pricing service to value specific securities.

Level 1 consists of publicly traded equity securities and highly liquid, direct obligations of the U.S. Government whose fair value is based on quoted prices that are readily and regularly available in an active market. Level 2 primarily consists of financial instruments whose fair value is based on quoted prices in markets that are not active and include U.S. government agency securities, fixed maturity investments and perpetual preferred stocks that are not actively traded. The Company primarily uses the market approach valuation technique for all investments.

5. Derivative Fair Values

Not applicable

B. Other Fair Value Disclosures

The Company has no additional fair value disclosures.

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

The table below reflects, as of December 31, 2019, the fair values and admitted values of all admitted assets that are financial instruments excluding those accounted for under the equity method.

NOTES TO FINANCIAL STATEMENTS

	Fair Value	Admitted Value	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
U.S. Government and government agencies	\$ 2,831,875	\$ 2,822,808	\$ 608,250	\$ 2,223,625	\$ -	\$ -	\$ -
States, municipalities and political subdivisions	7,251,207	7,070,621	-	7,251,207	-	-	-
Residential MBS	8,123,896	8,023,901	-	8,123,896	-	-	-
Collateralized loan obligations	1,471,968	1,499,943	-	1,471,968	-	-	-
Asset backed securities	2,334,635	2,304,400	-	2,334,635	-	-	-
All other bonds	9,691,556	9,351,813	-	9,691,556	-	-	-
Total bonds	\$ 31,705,137	\$ 31,073,486	\$ 608,250	\$ 31,096,887	\$ -	\$ -	\$ -
Cash, cash equivalents & short-term investments	11,045,149	11,045,149	11,045,149	-	-	-	-
Totals	\$ 42,750,286	\$ 42,118,635	\$ 11,653,399	\$ 31,096,887	\$ -	\$ -	\$ -

D. Items for which Not Practicable to Determine Fair Values

Not applicable

E. Instruments Measured at Net Asset Value (NAV)

Not applicable

Note 21 – Other Items

A. Unusual or Infrequent Items

Not applicable

B. Troubled Debt Restructuring for Debtors

Not applicable

C. Other Disclosures

Not applicable

D. Business Interruption Insurance Recoveries

Not applicable

E. State Transferable and Non-Transferable Tax Credits

Not applicable

F. Subprime Mortgage-Related Risk Exposure

1. The Company invests in mortgage-backed securities that could potentially be adversely affected by subprime mortgage exposure. The Company believes that its greatest exposure is to unrealized losses from declines in asset values versus realized losses resulting from defaults or foreclosures. Conservative investment practices limit the Company’s exposure to such losses.
2. The Company does not have any investments with direct exposure in subprime mortgage loans.
3. Direct exposure to subprime mortgage risk through other investments in the following securities:

	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other-Than-Temporary Impairment Losses Recognized
a. Residential mortgage-backed securities	\$ 1,234,853	\$ 1,346,101	\$ 1,392,518	\$ -
b. Commercial mortgage-backed securities	-	-	-	-
c. Collateralized debt obligations	-	-	-	-
d. Structured securities	-	-	-	-
e. Equity investment in SCAs	-	-	-	-
f. Other Assets	-	-	-	-
g. Totals	\$ 1,234,853	\$ 1,346,101	\$ 1,392,518	\$ -

4. The Company has no underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty coverages.

NOTES TO FINANCIAL STATEMENTS

G. Insurance-Linked Securities (ILS) Contracts

Not applicable

H. The Amount that Could Be Realized on Life Insurance Where Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy

Not applicable

Note 22 – Events Subsequent

Subsequent events have been considered through February 21, 2020, the date of issuance of these financial statements. There were no events occurring subsequent to the end of the year that merited recognition or disclosure in these statements.

Note 23 – Reinsurance

A. Unsecured Reinsurance Recoverables

The Company has the following unsecured aggregate reinsurance recoverable for paid and unpaid losses including IBNR, loss adjustment expenses, and unearned premiums from an individual reinsurer, authorized or unauthorized, that exceeds 3% of policyholders’ surplus.

NAIC Code	Federal ID #	Name of Reinsurer	Amount
32620	34-1607395	National Interstate Insurance Co	\$ 43,110,000
25364	13-1675535	Swiss Reinsurance America Corp	2,928,000
10227	13-4924125	Munich Reins America Inc	2,893,000
22039	13-2673100	General Reinsurance Corporation	2,331,000
10357	52-1952955	Renaissance Reinsurance U.S. Inc.	1,617,000
15105	43-0727872	Safety National Casualty Corporation	1,014,000
00000	AA-9991159	Michigan Catastrophic Claims Association	613,000
00000	AA-1340125	Hannover Ruckversicherung AG	587,000

B. Reinsurance Recoverables in Dispute

The Company does not have reinsurance recoverables in dispute for paid losses and loss adjustment expenses that exceed 5% of policyholders' surplus for an individual reinsurer or 10% of policyholders' surplus in aggregate.

C. Reinsurance Assumed and Ceded and Protected Cells

1. The following table summarizes ceded and assumed unearned premiums and the related commission equity at the end of the current year.

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium	Commission	Premium	Commission	Premium	Commission
	Reserve	Equity	Reserve	Equity	Reserve	Equity
Affiliates	\$4,914,537	\$446,128	\$12,364,236	\$1,057,111	\$(7,449,699)	\$(610,983)
All Other	446,499	133,589	3,046,820	231,299	(2,600,321)	(97,710)
Totals	\$5,361,036	\$579,717	\$15,411,056	\$1,288,410	\$(10,050,020)	\$(708,693)

Direct Unearned Premium Reserve: \$14,964,557

2. Amounts accrued at the end of the current year for additional or return on commission resulting from existing contractual arrangements are as follows:

	Direct	Assumed	Ceded	Net
Contingent commissions	\$ -	\$ 10,983	\$ -	\$ 10,983
Sliding scale adjustments	-	-	-	-
Other profit commissions	-	-	-	-
Totals	\$ -	\$ 10,983	\$ -	\$ 10,983

3. The Company does not use protected cells as an alternative to traditional reinsurance.

NOTES TO FINANCIAL STATEMENTS

D. Uncollectible Reinsurance

The Company has no reinsurance in dispute nor does it deem any of its reinsurance recoverables to be uncollectible.

E. Commutation of Ceded Reinsurance

During 2019, the Company commuted several treaties with the reinsurers listed below. The Company recognized the amounts received from the reinsurers as a reduction of losses and loss adjustment expenses paid (thereby reducing losses and loss adjustment expenses incurred) in the current year. The Company also increased its loss and loss adjustment expense reserves by the same amount (thereby increasing losses and loss adjustment expense incurred) to recognize the effect of releasing the reinsurer from its obligation under the treaty. The net effect of the commutations was \$0. The amounts received are shown below by reinsurer and treaty year.

Reinsurer and Treaty Year	Amounts Received
TRAX Insurance Ltd (2015 – 2016)	\$ 117,509
Wheels Ins Ltd (2015 – 2016)	19,612
Total	\$ 137,121

F. Retroactive Reinsurance

Not applicable as the Company does not have any retroactive reinsurance agreements.

G. Reinsurance Accounted for as a Deposit

Not applicable as the Company does not have any reinsurance contracts that are accounted for as deposits.

H. Run-off Agreements

Not applicable as the Company did not have any run-off agreements in the current year.

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not applicable

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

Not applicable

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

A. Method Used to Estimate

The Company has not entered into any contracts that are retrospectively rated or subject to redetermination, however, the Company assumes premium from retrospective policies written by VIC, an affiliated company, due to the intercompany pooling arrangement in which the Company participates (see Note 26).

B. Method Used to Record

The Company records accrued retrospective premium through written premium.

C. Amount and Percent of Net Retrospective Premiums

Net premiums written for 2019 on retrospective policies were \$469,068 or 4.7%, of total net premiums written.

D. Medical Loss Ratio

Not applicable

E. Calculation of Nonadmitted Accrued Retrospective Premiums

Not applicable

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

Not applicable

NOTES TO FINANCIAL STATEMENTS

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

A. The following table provides a reconciliation of the beginning and ending balances for outstanding losses and loss adjustment expenses (LAE), net of reinsurance recoverable, for 2019 and 2018:

	Year Ended December 31	
	2019	2018
Outstanding losses and LAE, net of reinsurance recoverables, at beginning of year	\$ 13,418,769	\$ 12,727,013
Add provision for claims, net of reinsurance, occurring in:		
Current year	6,161,468	5,967,000
Prior years	(600,000)	(403,032)
Net incurred losses during the current year	5,561,468	5,563,968
Deduct payments for claims, net of reinsurance occurring in:		
Current year	1,274,573	1,280,000
Prior years	3,716,226	3,592,212
Net claim payments during the current year	4,990,799	4,872,212
Outstanding losses and LAE, net of reinsurance recoverables, at end of year	\$ 13,989,438	\$ 13,418,769

The foregoing reconciliation shows that \$600,000 of favorable development in the December 31, 2018 balances emerged in 2019 and \$403,032 of favorable development in the December 31, 2017 balances emerged in 2018. The favorable development in 2019 and 2018 resulted from the combination of settling cases and adjusting current estimates of case and incurred but not reported (IBNR) reserves for amounts less than the case and IBNR estimates carried at the end of December 31, 2018 and December 31, 2017, respectively. Management of the Company evaluates case and IBNR estimates based on data from a variety of sources including the Company's historical experience and knowledge of various factors such as the historic loss experience of the industry, trends in claims frequency and severity, the Company's mix of business and claims processing procedures, legislative enactments, judicial decisions, legal developments in imposition of damages and changes and trends in general economic conditions, including the effects of inflation.

B. Significant Change in Methodologies and Assumptions

Not applicable

Note 26 – Intercompany Pooling Arrangements

Effective January 1, 2011, the Company entered into an amended pooling agreement with its parent, NIIC, and NIIC's other two insurance subsidiaries, TCC and VIC. The following summarizes the participation percentages:

Name of Insurer	NAIC Code	% Participation
National Interstate Insurance Company of Hawaii	11051	2%
Triumphe Casualty Company	41106	2%
Vanliner Insurance Company	21172	26%
National Interstate Insurance Company (Lead)	32620	70%

Prior to the pooling of business, each participating company makes cessions, primarily excess of loss arrangements, to various other affiliated and non-affiliated reinsurers under terms of other reinsurance agreements. Each participant records its own Provision for Reinsurance based on its pre-pooling reinsurance activity. These liabilities are not shared with the other pooled participants. In the event that a reinsurance balance becomes uncollectible, the pool members will share the uncollectible balance in accordance with the pooling participation schedule. As of December 31, 2019, under the pooling arrangement, the Company had an \$110,084 receivable due from NIIC, the lead company. Under the pooling arrangement, NIIC had a payable of \$975,903 due to TCC and \$100,031 due to VIC. These amounts are settled on a quarterly basis.

NOTES TO FINANCIAL STATEMENTS

Note 27 – Structured Settlements

A. Reserves Released Due to Purchase of Annuities

During the current year, the Company has purchased one structured settlement from unaffiliated life insurance companies with the claimants as payee. The loss and LAE reserves for these claims are no longer included in the balance sheet as a liability for losses and loss adjustment expenses.

Reserves Eliminated by Annuities	Unrecorded Loss Contingencies
\$ 227,246	\$ -

B. Annuity Insurers with Balances Due Greater than 1% of Policyholders’ Surplus

None

Note 28 – Health Care Receivables

A - B. Not applicable as the Company does not write pharmaceutical or shared risk health insurance coverage.

Note 29 – Participating Policies

Not applicable as the Company does not have participating policies.

Note 30 – Premium Deficiency Reserves

As of December 31, 2019, the Company does not have any premium deficiency reserves.

Liability carried for premium deficiency reserves	\$ -
Date of the most recent evaluation of this liability	1/17/2020
Was anticipated investment income utilized in the calculation?	Yes [] No [X]

Note 31 – High Deductibles

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

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

ASL #	Annual Statement Line of Business	Gross (of High Deductible) Loss Reserves	Reserve Credit for High Deductibles	Billed Recoverables on Paid Claims	Total High Deductibles and Billed Recoverables
19.4	Commercial Auto	\$ 161,534	\$ 2,750	\$ -	\$ 2,750

2. Unsecured Amounts of High Deductibles

a. Total high deductibles and billed recoverables on paid claims	\$ 2,750
b. Collateral on balance sheet	-
c. Collateral off balance sheet	2,750
d. Total Unsecured deductibles and billed recoverables on paid claims	-
e. Percentage unsecured	0.00%

3. High Deductible Recoverables Amounts on Paid Claims

a. Amount of overdue nonadmitted (either due to aging or collateral)	\$ -
b. Total over 90 days overdue admitted	-
c. Total overdue (a+b)	\$ -

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

Not Applicable

B. Unsecured High Deductibles Recoverables for Individual Obligors Part of a Group Under the Same Management or Control Which are Greater Than 1% of Capital and Surplus

Not Applicable

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

A - C. Not applicable as the Company does not discount its liabilities for unpaid loss and loss adjustment expenses.

NOTES TO FINANCIAL STATEMENTS

Note 33 – Asbestos/Environmental Reserves

A - F. Not applicable as the Company does not have on the books, nor has it ever written an insured for which it has identified a potential for the existence of a liability due to asbestos or environmental losses.

Note 34 – Subscriber Savings Accounts

Not applicable

Note 35 – Multiple Peril Crop Insurance

Not applicable

Note 36 – Financial Guaranty Insurance

The Company does not write financial guaranty insurance.

National Interstate Insurance Company of Hawaii, Inc
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A and 2.

Yes [X] No []

1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

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

1.3

State regulating? Ohio

1.4

Is the reporting entity publicly traded or a member of publicly traded group?

Yes [X] No []

1.5

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

1042046

2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]

2.2

If yes, date of change:

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2016

3.2

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

12/31/2016

3.3

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

11/17/2017

3.4

By what department or departments?
Ohio Department of Insurance

3.5

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

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

3.6

Have all of the recommendations within the latest financial examination report been complied with?

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

4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11

sales of new business?

Yes [X] No []

4.12

renewals?

Yes [X] No []

4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21

sales of new business?

Yes [] No [X]

4.22

renewals?

Yes [] No [X]

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?
If the answer is YES, complete and file the merger history data file with the NAIC.

Yes [] No [X]

5.2

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

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

6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [] No [X]

6.2

If yes, give full information:

7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [] No [X]

7.2

If yes,

7.21

State the percentage of foreign control

%

7.22

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

1	2
Nationality	Type of Entity

8.1

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

Yes [] No [X]

8.2

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

8.3

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

Yes [X] No []

8.4

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

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC
American Money Management Corporation	Cincinnati, OH	NO	NO	NO	YES
Great American Advisors, Inc.	Cincinnati, OH	NO	NO	NO	YES

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young LLP, 221 East 4th Street Suite 2900, Cincinnati, OH, 45202

10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes [] No [X]

10.2

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

10.3

Has the insurer been granted any exemptions related to other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation?

Yes [] No [X]

10.4

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

National Interstate Insurance Company of Hawaii, Inc
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

10.5

Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes [☐] No [☒ X] N/A [☐]

10.6

If the response to 10.5 is no or n/a, please explain:
The Audit Committee of American Financial Group, Inc., the Company's SOX compliant ultimate parent, is deemed to serve as the Company's Audit Committee for the purposes of compliance with Ohio insurance law

11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Lisa Hays, Vice President - Great American Insurance Company 301 East 4th Street, Cincinnati, OH 45202

12.1

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

Yes [☐] No [☒ X]

12.11

Name of real estate holding company

12.12

Number of parcels involved

0

12.13

Total book/adjusted carrying value

\$

0

12.2

If yes, provide explanation

13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1

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

13.2

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

Yes [☐] No [☐]

13.3

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

Yes [☐] No [☐]

13.4

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

Yes [☐] No [☐] N/A [☐]

14.1

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

Yes [☒ X] No [☐]

(a)

Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b)

Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c)

Compliance with applicable governmental laws, rules and regulations;

(d)

The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e)

Accountability for adherence to the code.

14.11

If the response to 14.1 is no, please explain:

14.2

Has the code of ethics for senior managers been amended?

Yes [☐] No [☒ X]

14.21

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

14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [☐] No [☒ X]

14.31

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

15.1

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

Yes [☐] No [☒ X]

15.2

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

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

BOARD OF DIRECTORS

16.

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

Yes [☒ X] No [☐]

17.

Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?

Yes [☒ X] No [☐]

18.

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

Yes [☒ X] No [☐]

FINANCIAL

19.

Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

Yes [☐] No [☒ X]

20.1

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

20.11

To directors or other officers

\$

0

20.12

To stockholders not officers

\$

0

20.13

Trustees, supreme or grand (Fraternal only)

\$

0

20.2

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

20.21

To directors or other officers

\$

0

20.22

To stockholders not officers

0

20.23

Trustees, supreme or grand (Fraternal only)

0

21.1

Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting in the statement?

Yes [☐] No [☒ X]

21.2

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

21.21

Rented from others

\$

0

21.22

Borrowed from others

\$

0

21.23

Leased from others

\$

0

21.24

Other

\$

0

22.1

Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments?

Yes [☐] No [☒ X]

22.2

If answer is yes:

22.21

Amount paid as losses or risk adjustment

\$

0

22.22

Amount paid as expenses

\$

0

22.23

Other amounts paid

\$

0

National Interstate Insurance Company of Hawaii, Inc
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

23.1	Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?	Yes [X]	No []
23.2	If yes, indicate any amounts receivable from parent included in the Page 2 amount:	\$	1,349,424

INVESTMENT

24.01	Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)?	Yes [X]	No []									
24.02	If no, give full and complete information, relating thereto:											
24.03	For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).											
24.04	Does the company's security lending program meet the requirements for a conforming program as outlined in the <i>Risk-Based Capital Instructions</i> ?	Yes []	No [] N/A [X]									
24.05	If answer to 24.04 is yes, report amount of collateral for conforming programs.	\$	0									
24.06	If answer to 24.04 is no, report amount of collateral for other programs	\$	0									
24.07	Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?	Yes []	No [] N/A [X]									
24.08	Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?	Yes []	No [] N/A [X]									
24.09	Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?	Yes []	No [] N/A [X]									
24.10	For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:											
24.101	Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	\$	0									
24.102	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	\$	0									
24.103	Total payable for securities lending reported on the liability page:	\$	0									
25.1	Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.)	Yes [X]	No []									
25.2	If yes, state the amount thereof at December 31 of the current year:											
25.21	Subject to repurchase agreements	\$	0									
25.22	Subject to reverse repurchase agreements	\$	0									
25.23	Subject to dollar repurchase agreements	\$	0									
25.24	Subject to reverse dollar repurchase agreements	\$	0									
25.25	Placed under option agreements	\$	0									
25.26	Letter stock or securities restricted as sale – excluding FHLB Capital Stock	\$	0									
25.27	FHLB Capital Stock	\$	0									
25.28	On deposit with states	\$	2,874,157									
25.29	On deposit with other regulatory bodies	\$	603,471									
25.30	Pledged as collateral – excluding collateral pledged to an FHLB	\$	0									
25.31	Pledged as collateral to FHLB – including assets backing funding agreements	\$	0									
25.32	Other	\$	0									
25.3	For category (25.26) provide the following:											
	<table><tr><td>1</td><td>2</td><td>3</td></tr><tr><td>Nature of Restriction</td><td>Description</td><td>Amount</td></tr><tr><td></td><td></td><td>\$</td></tr></table>	1	2	3	Nature of Restriction	Description	Amount			\$		
1	2	3										
Nature of Restriction	Description	Amount										
		\$										
26.1	Does the reporting entity have any hedging transactions reported on Schedule DB?	Yes []	No [X]									
26.2	If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?	Yes []	No [] N/A [X]									
	If no, attach a description with this statement.											

Lines 26.3 through 26.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

26.3

Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a results of interest rate sensitivity?

Yes ☐

No ☐

26.4

If the response to 26.3 is yes, does the reporting entity utilize:

26.41

Special accounting provision of SSAP No. 108

Yes ☐

No ☐

26.42

Permitted accounting practice

Yes ☐

No ☐

26.43

Other accounting guidance

Yes ☐

No ☐

26.5

By responding yes to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following:

Yes ☐

No ☐

•

The reporting entity has obtained explicit approval from the domiciliary state.

•

Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.

•

Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guidance Conditional Tail Expectation Amount.

•

Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.

27.1

Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes ☐

No ☒

27.2

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

\$

0

28.

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

Yes ☒

No ☐

28.01

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

1	2
Name of Custodian(s)	Custodian's Address
The Bank of New York Mellon	1 Wall Street New Yotk, NY 10286

National Interstate Insurance Company of Hawaii, Inc
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

28.02

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

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

28.03

Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

Yes [] No [X]

28.04

If yes, give full and complete information relating thereto:

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

28.05

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

1 Name of Firm or Individual	2 Affiliation
American Money Management Corporation	A

28.0597

For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's invested assets?

Yes [] No [X]

28.0598

For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?

Yes [] No [X]

28.06

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

1	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed
161853	American Money Management Corporation	54930048Y5YTQDRCSM84	SEC	DS

29.1

Does the reporting entity have any diversified mutual funds reported in Schedule D-Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?

Yes [] No [X]

29.2

If yes, complete the following schedule:

1 CUSIP	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
		\$
29.2999 TOTAL		\$

29.3

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

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

30.

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

		1	2	3
		Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	\$ 31,073,486	\$ 31,705,137	\$ 631,651
30.2	Preferred Stocks	\$ 0	\$ 0	\$ 0
30.3	Totals	\$ 31,073,486	\$ 31,705,137	\$ 631,651

30.4

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

The source used to determine the fair value is primarily from pricing services and to a lesser extent broker quotes when necessary.

31.1

Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?

Yes [X] No []

31.2

If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

Yes [] No [X]

31.3

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

For the securities that were priced using broker prices, the investment professionals affiliated with the reporting entity obtain data from brokers that are familiar with the securities being priced and the markets in which they trade.

32.1

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

Yes [X] No []

32.2

If no, list exceptions:

33.

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

a.

Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.

b.

Issuer or obligor is current on all contracted interest and principal payments.

c.

The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities?

Yes [] No [X]

34.

By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

a.

The security was purchased prior to January 1, 2018.

b.

The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.

c.

The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.

d.

The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

National Interstate Insurance Company of Hawaii, Inc
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

Has the reporting entity self-designated PLGI securities?

Yes [☐] No [☒ X]

35. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

a. The shares were purchased prior to January 1, 2019.

b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.

c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.

d. The fund only or predominantly holds bonds in its portfolio.

e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.

f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria?

Yes [☐] No [☒ X]

OTHER

36.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?

\$ 36,265

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

1 Name	2 Amount Paid
INSURANCE SERVICES OFFICE, INC	\$ 26,785

37.1 Amount of payments for legal expenses, if any?

\$ 0

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

1 Name	2 Amount Paid
	\$

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

\$ 0

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

1 Name	2 Amount Paid
	\$

National Interstate Insurance Company of Hawaii, Inc
GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?		Yes [☐]	No [☒]	
1.2	If yes, indicate premium earned on U.S. business only.	\$		0	
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$		0	
1.31	Reason for excluding:				
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$		0	
1.5	Indicate total incurred claims on all Medicare Supplement insurance.	\$		0	
1.6	Individual policies:				
	Most current three years:				
1.61	Total premium earned	\$		0	
1.62	Total incurred claims	\$		0	
1.63	Number of covered lives			0	
	All years prior to most current three years:				
1.64	Total premium earned	\$		0	
1.65	Total incurred claims	\$		0	
1.66	Number of covered lives			0	
1.7	Group policies:				
	Most current three years:				
1.71	Total premium earned	\$		0	
1.72	Total incurred claims	\$		0	
1.73	Number of covered lives			0	
	All years prior to most current three years:				
1.74	Total premium earned	\$		0	
1.75	Total incurred claims	\$		0	
1.76	Number of covered lives			0	
2.	Health Test:				
		1	2		
		Current Year	Prior Year		
2.1	Premium Numerator	\$	0	\$	0
2.2	Premium Denominator	\$	9,714,976	\$	9,164,530
2.3	Premium Ratio (2.1/2.2)		0.0%		0.0%
2.4	Reserve Numerator	\$	24,395	\$	16,125
2.5	Reserve Denominator	\$	18,903,975	\$	18,098,266
2.6	Reserve Ratio (2.4/2.5)		0.1%		0.1%
3.1	Does the reporting entity issue both participating and non-participating policies?			Yes [☐]	No [☒]
3.2	If yes, state the amount of calendar year premiums written on:				
3.21	Participating policies			\$	0
3.22	Non-participating policies			\$	0
4.	FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:				
4.1	Does the reporting entity issue assessable policies?			Yes [☐]	No [☐]
4.2	Does the reporting entity issue non-assessable policies?			Yes [☐]	No [☐]
4.3	If assessable policies are issued, what is the extent of the contingent liability of the policyholders?				%
4.4	Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.			\$	0
5.	FOR RECIPROCAL EXCHANGES ONLY:				
5.1	Does the exchange appoint local agents?			Yes [☐]	No [☐]
5.2	If yes, is the commission paid:				
5.21	Out of Attorney's-in-fact compensation			Yes [☐]	No [☐]
5.22	As a direct expense of the exchange			Yes [☐]	No [☐]
5.3	What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?				N/A [☒]
5.4	Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?			Yes [☐]	No [☒]
5.5	If yes, give full information:				
6.1	What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?				
	<u>The Company is party to an intercompany pooling agreement where it retains no more than \$20,000 per occurrence. In addition, the pool purchases up to \$20M per person WC coverage and up to \$55M multiple person WC coverage subject to a \$15M maximum any one life.</u>				
6.2	Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:				
	<u>The Company obtains its results from Reinsurer and/or its Broker using RMS RiskLink model v18 for Hurricane and v18 for EQ to help identify locations of concentrations. In addition to RMS, AIR Touchstone v5 results were attained and produced significantly lower PMLs in the 20 through 500 year return periods. Company also limits writing of property insurance in HI and costal areas on the mainland and purchases facultative when applicable.</u>				
6.3	What provision has this reporting entity made (such as catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?				
	<u>The Company purchases up to \$12M in Cat reinsurance limit in excess of \$500K for property in HI and for select products located on the Mainland. In addition, all other property has catastrophe protection in excess of \$500K retention. In addition, the Company maintains property per risk protection \$14.9M xs \$100K (minimum retention and varies by product).</u>				
6.4	Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?			Yes [☒]	No [☐]

National Interstate Insurance Company of Hawaii, Inc
GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

6.5	If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss:			
7.1	Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer’s losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?	Yes [X]	No []	
7.2	If yes, indicate the number of reinsurance contracts containing such provisions.			35
7.3	If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?	Yes [X]	No []	
8.1	Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured?	Yes []	No [X]	
8.2	If yes, give full information			
9.1	Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results: (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term; (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer; (c) Aggregate stop loss reinsurance coverage; (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party; (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity?	Yes [X]	No []	
9.2	Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where: (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.	Yes [X]	No []	
9.3	If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9: (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income; (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and (c) A brief discussion of management’s principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.			
9.4	Except for transactions meeting the requirements of paragraph 37 of SSAP No. 62R, <i>Property and Casualty Reinsurance</i> , has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either: (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles (“SAP”) and as a deposit under generally accepted accounting principles (“GAAP”); or (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?	Yes []	No [X]	
9.5	If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.			
9.6	The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria: (a) The entity does not utilize reinsurance; or (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.	Yes []	No [X]	
10.	If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?	Yes [X]	No []	N/A []
11.1	Has the reporting entity guaranteed policies issued by any other entity and now in force?	Yes []	No [X]	
11.2	If yes, give full information			
12.1	If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for: 12.11 Unpaid losses 12.12 Unpaid underwriting expenses (including loss adjustment expenses)	\$		0
12.2	Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?	\$		0
12.3	If the reporting entity underwrites commercial insurance risks, such as workers’ compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?	Yes []	No [X]	N/A []
12.4	If yes, provide the range of interest rates charged under such notes during the period covered by this statement: 12.41 From 12.42 To			%
12.5	Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity’s reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?		Yes [X]	No []
12.6	If yes, state the amount thereof at December 31 of current year: 12.61 Letters of Credit 12.62 Collateral and other funds	\$		300,000
		\$		665,813

National Interstate Insurance Company of Hawaii, Inc
GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

13.1	Largest net aggregate amount insured in any one risk (excluding workers' compensation):	\$	20,000				
13.2	Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?	Yes []	No [X]				
13.3	State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.		2				
14.1	Is the reporting entity a cedant in a multiple cedant reinsurance contract?	Yes [X]	No []				
14.2	If yes, please describe the method of allocating and recording reinsurance among the cedants: The allocation would be based on the percentage of the individual company's claim to the total of all claims.						
14.3	If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?	Yes [X]	No []				
14.4	If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?	Yes []	No []				
14.5	If the answer to 14.4 is no, please explain:						
15.1	Has the reporting entity guaranteed any financed premium accounts?	Yes []	No [X]				
15.2	If yes, give full information						
16.1	Does the reporting entity write any warranty business?	Yes []	No [X]				
	If yes, disclose the following information for each of the following types of warranty coverage:						
		1	2	3	4	5	
		Direct Losses Incurred	Direct Losses Unpaid	Direct Written Premium	Direct Premium Unearned	Direct Premium Earned	
16.11	Home	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
16.12	Products	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
16.13	Automobile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
16.14	Other*	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
	* Disclose type of coverage:						
17.1	Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F-Part 3 that is exempt from the statutory provision for unauthorized reinsurance?					Yes []	No [X]
	Incurring but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from the statutory provision for unauthorized reinsurance. Provide the following information for this exemption:						
17.11	Gross amount of unauthorized reinsurance in Schedule F-Part 3 exempt from the statutory provision for unauthorized reinsurance	\$				0	
17.12	Unfunded portion of Interrogatory 17.11	\$				0	
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11	\$				0	
17.14	Case reserves portion of Interrogatory 17.11	\$				0	
17.15	Incurring but not reported portion of Interrogatory 17.11	\$				0	
17.16	Unearned premium portion of Interrogatory 17.11	\$				0	
17.17	Contingent commission portion of Interrogatory 17.11	\$				0	
18.1	Do you act as a custodian for health savings accounts?					Yes []	No [X]
18.2	If yes, please provide the amount of custodial funds held as of the reporting date.	\$				0	
18.3	Do you act as an administrator for health savings accounts?					Yes []	No [X]
18.4	If yes, please provide the balance of the funds administered as of the reporting date.	\$				0	
19.	Is the reporting entity licensed or chartered, registered, qualified, eligible, or writing business in at least 2 states?					Yes [X]	No []
19.1	If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity?					Yes []	No []

National Interstate Insurance Company of Hawaii, Inc
FIVE-YEAR HISTORICAL DATA

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

	1 2019	2 2018	3 2017	4 2016	5 2015
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	39,593,662	38,797,790	37,325,916	36,271,809	41,020,391
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	6,271,998	5,021,610	5,699,054	5,440,256	4,690,548
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	388,646	384,125	447,975	394,239	406,935
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	17,485	11,081	7,957	1,442	2,667
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
6. Total (Line 35).....	46,271,792	44,214,606	43,480,902	42,107,746	46,120,542
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	8,513,084	8,032,385	7,792,828	7,258,020	6,919,111
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	1,317,866	1,147,480	1,321,291	1,447,331	1,410,879
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	101,581	99,143	117,264	120,436	104,216
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	17,485	11,081	7,957	1,442	2,667
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
12. Total (Line 35).....	9,950,016	9,290,089	9,239,339	8,827,228	8,436,873
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	1,282,253	966,562	446,632	100,193	(194,986)
14. Net investment gain (loss) (Line 11).....	1,110,365	1,069,123	958,463	969,820	865,614
15. Total other income (Line 15).....	(587,662)	(525,167)	(349,642)	(389,420)	(283,622)
16. Dividends to policyholders (Line 17).....					
17. Federal and foreign income taxes incurred (Line 19).....	391,116	342,436	370,655	134,564	38,652
18. Net income (Line 20).....	1,413,840	1,168,081	684,797	546,030	348,354
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	56,805,740	55,827,332	55,947,490	57,366,641	53,746,423
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	2,024,872	2,058,849	1,968,867	1,840,280	1,816,235
20.2 Deferred and not yet due (Line 15.2).....	9,902,016	10,102,444	11,857,826	10,762,036	10,905,855
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	42,773,714	43,135,802	43,255,819	44,133,654	41,039,935
22. Losses (Page 3, Line 1).....	11,380,265	10,998,502	10,599,965	10,173,570	9,403,598
23. Loss adjustment expenses (Page 3, Line 3).....	2,609,173	2,420,267	2,127,048	1,977,164	2,114,173
24. Unearned premiums (Page 3, Line 9).....	4,914,537	4,679,497	4,553,938	4,109,504	3,800,881
25. Capital paid up (Page 3, Lines 30 & 31).....	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
26. Surplus as regards policyholders (Page 3, Line 37).....	14,032,027	12,691,530	12,691,671	13,232,987	12,706,488
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	3,837,544	2,111,559	1,034,407	1,135,862	10,836
Risk-Based Capital Analysis					
28. Total adjusted capital.....	14,032,027	12,691,530	12,691,671	13,232,987	12,706,488
29. Authorized control level risk-based capital.....	1,515,140	1,382,211	1,951,958	1,828,157	1,713,498
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....	73.7	92.5	77.7	82.9	82.6
31. Stocks (Lines 2.1 & 2.2).....					
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....					
33. Real estate (Lines 4.1, 4.2 & 4.3).....					
34. Cash, cash equivalents and short-term investments (Line 5).....	26.2	7.5	22.3	17.1	17.4
35. Contract loans (Line 6).....					
36. Derivatives (Line 7).....					
37. Other invested assets (Line 8).....					
38. Receivables for securities (Line 9).....	0.1				
39. Securities lending reinvested collateral assets (Line 10).....					
40. Aggregate write-ins for invested assets (Line 11).....					
41. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Sch. D, Summary, Line 12, Col. 1).....					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1).....					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1).....					
45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10).....					
46. Affiliated mortgage loans on real estate.....					
47. All other affiliated.....					
48. Total of above lines 42 to 47.....	0	0	0	0	0
49. Total investment in parent included in Lines 42 to 47 above.....					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0).....	0.0				

National Interstate Insurance Company of Hawaii, Inc
FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2019	2018	2017	2016	2015
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24).....	0				
52. Dividends to stockholders (Line 35).....		(1,200,000)	(1,300,000)		
53. Change in surplus as regards policyholders for the year (Line 38).....	1,340,497	(141)	(541,316)	526,499	540,751
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	23,818,592	26,905,308	17,120,820	21,655,403	18,518,109
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	2,550,471	2,842,394	2,808,520	2,463,667	2,651,589
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	64,926	65,738	40,041	82,899	42,338
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	2,628	1,088	102		2,110
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
59. Total (Line 35).....	26,436,618	29,814,527	19,969,483	24,201,969	21,214,146
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	3,559,949	3,370,789	3,671,321	3,654,838	3,571,722
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	422,563	526,295	685,689	740,798	751,160
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	34,469	61,143	31,348	34,522	26,856
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	2,628	1,088	102		2,110
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
65. Total (Line 35).....	4,019,609	3,959,314	4,388,461	4,430,158	4,351,847
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1).....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2).....	45.3	47.5	54.7	61.0	62.4
68. Loss expenses incurred (Line 3).....	11.9	13.2	12.3	9.2	12.7
69. Other underwriting expenses incurred (Line 4).....	29.6	28.7	27.9	28.6	27.2
70. Net underwriting gain (loss) (Line 8).....	13.2	10.5	5.1	1.2	(2.3)
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0).....	34.8	34.0	30.3	32.0	30.4
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	57.2	60.7	67.1	70.2	75.1
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35, divided by Page 3, Line 37, Col. 1 x 100.0).....	70.9	73.2	72.8	66.7	66.4
One Year Loss Development (\$000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11).....	(701)	(482)	(113)	375	414
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year-end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100).....	(5.5)	(3.8)	(0.9)	3.0	3.4
Two Year Loss Development (\$000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	(1,135)	(556)	316	801	1,069
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior-year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0).....	(8.9)	(4.2)	2.5	6.6	9.5

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

Yes [] No []

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported- Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX.....	XXX.....	XXX.....	48.....	16.....	10.....	3.....	7.....	.....	.....3.....	46.....	XXX.....
2. 2010.....	13,255.....	5,992.....	7,263.....	8,868.....	4,384.....	1,583.....	1,052.....	475.....	.....	.....132.....	5,490.....	XXX.....
3. 2011.....	14,657.....	7,641.....	7,016.....	11,171.....	6,632.....	2,075.....	1,545.....	450.....	.....	.....140.....	5,518.....	XXX.....
4. 2012.....	14,240.....	7,072.....	7,168.....	13,272.....	9,196.....	1,683.....	1,220.....	381.....	.....	.....120.....	4,921.....	XXX.....
5. 2013.....	16,492.....	8,649.....	7,843.....	8,735.....	4,149.....	1,220.....	748.....	397.....	.....	.....120.....	5,454.....	XXX.....
6. 2014.....	19,539.....	11,407.....	8,132.....	12,696.....	8,530.....	1,434.....	1,041.....	429.....	.....	.....134.....	4,988.....	XXX.....
7. 2015.....	23,715.....	15,319.....	8,396.....	10,448.....	6,326.....	934.....	606.....	480.....	.....	.....143.....	4,930.....	XXX.....
8. 2016.....	24,327.....	15,808.....	8,519.....	9,036.....	5,643.....	799.....	551.....	507.....	.....	.....154.....	4,147.....	XXX.....
9. 2017.....	14,516.....	5,721.....	8,795.....	6,196.....	3,196.....	504.....	350.....	486.....	.....	.....122.....	3,641.....	XXX.....
10. 2018.....	14,872.....	5,708.....	9,165.....	4,633.....	2,384.....	323.....	234.....	441.....	.....	.....96.....	2,780.....	XXX.....
11. 2019.....	16,049.....	6,334.....	9,715.....	2,044.....	1,111.....	126.....	93.....	309.....	.....	.....49.....	1,275.....	XXX.....
12. Totals.....	XXX.....	XXX.....	XXX.....	87,146.....	51,568.....	10,690.....	7,441.....	4,363.....	0.....	1,213.....	43,190.....	XXX.....

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....	295	127	517	412	14	4	15	7	4	0	1	294	XXX.....
2. 2010.....	223	184	81	32	5	2	7	3	3	0	2	97	XXX.....
3. 2011.....	57	12	129	42	4	1	10	2	7	0	2	150	XXX.....
4. 2012.....	68	27	173	48	3	1	29	10	14		1	202	XXX.....
5. 2013.....	157	64	349	207	11	3	41	16	26	(0)	4	294	XXX.....
6. 2014.....	237	101	477	226	15	6	56	18	36		7	472	XXX.....
7. 2015.....	504	235	573	206	28	4	143	76	62	(0)	11	789	XXX.....
8. 2016.....	948	484	1,141	502	66	24	212	98	97	0	28	1,354	XXX.....
9. 2017.....	1,589	761	1,707	664	92	35	435	203	105	0	35	2,264	XXX.....
10. 2018.....	2,323	1,103	2,794	1,429	119	49	634	258	155	(0)	52	3,187	XXX.....
11. 2019.....	2,486	1,280	5,093	2,395	157	80	987	362	283		95	4,887	XXX.....
12. Totals...	8,888	4,378	13,035	6,164	513	210	2,568	1,054	792	0	236	13,989	XXX.....

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior..	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	.....	.....	.....XXX.....	273.....	21.....
2. 2010.	11,245.....	5,658.....	5,587.....	84.8.....	94.4.....	76.9.....	.....	.....	.....0.02.....	88.....	10.....
3. 2011.	13,902.....	8,234.....	5,669.....	94.9.....	107.8.....	80.8.....	.....	.....	.....0.02.....	132.....	18.....
4. 2012.	15,623.....	10,501.....	5,123.....	109.7.....	148.5.....	71.5.....	.....	.....	.....0.02.....	166.....	36.....
5. 2013.	10,935.....	5,188.....	5,748.....	66.3.....	60.0.....	73.3.....	.....	.....	.....0.02.....	236.....	58.....
6. 2014.	15,381.....	9,921.....	5,460.....	78.7.....	87.0.....	67.1.....	.....	.....	.....0.02.....	388.....	84.....
7. 2015.	13,173.....	7,453.....	5,719.....	55.5.....	48.7.....	68.1.....	.....	.....	.....0.02.....	636.....	153.....
8. 2016.	12,804.....	7,303.....	5,501.....	52.6.....	46.2.....	64.6.....	.....	.....	.....0.02.....	1,102.....	252.....
9. 2017.	11,114.....	5,209.....	5,905.....	76.6.....	91.0.....	67.1.....	.....	.....	.....0.02.....	1,871.....	394.....
10. 2018.	11,423.....	5,456.....	5,967.....	76.8.....	95.6.....	65.1.....	.....	.....	.....0.02.....	2,586.....	601.....
11. 2019.	11,483.....	5,322.....	6,161.....	71.6.....	84.0.....	63.4.....	.....	.....	.....0.02.....	3,903.....	984.....
12. Totals	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	0.....	0.....	XXX.....	11,380.....	2,609.....

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	One Year	Two Year
1. Prior.....	5,587	5,486	4,890	4,748	4,690	4,754	4,717	4,713	4,689	4,664	(25)	(49)
2. 2010.....	4,944	4,858	5,023	4,919	5,070	5,134	5,145	5,145	5,110	5,109	(2)	(36)
3. 2011.....	XXX	4,253	4,454	4,752	4,942	5,108	5,269	5,273	5,220	5,212	(8)	(61)
4. 2012.....	XXX	XXX	4,404	4,405	4,622	4,732	4,927	4,882	4,844	4,727	(117)	(155)
5. 2013.....	XXX	XXX	XXX	5,114	5,203	5,278	5,403	5,424	5,410	5,325	(86)	(99)
6. 2014.....	XXX	XXX	XXX	XXX	5,338	5,274	5,206	5,211	5,115	4,994	(120)	(217)
7. 2015.....	XXX	XXX	XXX	XXX	XXX	5,348	5,336	5,296	5,232	5,177	(55)	(118)
8. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	5,243	5,188	5,069	4,897	(171)	(291)
9. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,424	5,384	5,314	(70)	(110)
10. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,418	5,371	(47)	XXX
11. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,570	XXX	XXX
12. Totals.....											(701)	(1,135)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		
1. Prior.....	000	1,603	2,728	3,460	3,893	4,110	4,184	4,279	4,336	4,374	XXX	XXX
2. 2010.....	1,490	2,645	3,365	4,143	4,679	4,841	4,906	4,959	4,994	5,014	XXX	XXX
3. 2011.....	XXX	1,577	2,609	3,433	4,137	4,661	4,923	4,997	5,036	5,068	XXX	XXX
4. 2012.....	XXX	XXX	1,342	2,342	3,192	3,827	4,220	4,378	4,476	4,540	XXX	XXX
5. 2013.....	XXX	XXX	XXX	1,589	2,804	3,688	4,332	4,677	4,899	5,057	XXX	XXX
6. 2014.....	XXX	XXX	XXX	XXX	1,349	2,471	3,337	3,997	4,366	4,559	XXX	XXX
7. 2015.....	XXX	XXX	XXX	XXX	XXX	1,246	2,529	3,560	4,107	4,451	XXX	XXX
8. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	1,239	2,371	3,084	3,640	XXX	XXX
9. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,239	2,467	3,154	XXX	XXX
10. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,007	2,339	XXX	XXX
11. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	966	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)									
	1	2	3	4	5	6	7	8	9	10
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1. Prior.....	3,080	2,316	1,151	630	155	214	172	163	127	113
2. 2010.....	2,312	1,438	930	257	152	138	121	104	54	53
3. 2011.....	XXX	1,810	1,042	573	309	154	205	187	123	95
4. 2012.....	XXX	XXX	2,201	1,148	615	379	391	322	258	144
5. 2013.....	XXX	XXX	XXX	2,388	1,305	762	562	408	316	167
6. 2014.....	XXX	XXX	XXX	XXX	2,714	1,600	954	645	456	289
7. 2015.....	XXX	XXX	XXX	XXX	XXX	2,695	1,531	940	588	433
8. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	2,786	1,805	1,232	752
9. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,037	1,886	1,275
10. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,091	1,743
11. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,321

National Interstate Insurance Company of Hawaii, Inc
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

		1 Active Status (a)	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Pur- chasing Groups (Incl. in Col. 2)
			2 Direct Premiums Written	3 Direct Premiums Earned						
States, Etc.										
1.	Alabama.....AL	N								
2.	Alaska.....AK	N								
3.	Arizona.....AZ	N								
4.	Arkansas.....AR	N								
5.	California.....CA	N								
6.	Colorado.....CO	N								
7.	Connecticut.....CT	N								
8.	Delaware.....DE	N								
9.	District of Columbia.....DC	N								
10.	Florida.....FL	N								
11.	Georgia.....GA	N								
12.	Hawaii.....HI	L	1,723,743	1,733,353		1,041,129	1,414,424	3,194,036	150	717,336
13.	Idaho.....ID	N								
14.	Illinois.....IL	N								
15.	Indiana.....IN	N								
16.	Iowa.....IA	N								
17.	Kansas.....KS	N								
18.	Kentucky.....KY	N								
19.	Louisiana.....LA	N								
20.	Maine.....ME	N								
21.	Maryland.....MD	N								
22.	Massachusetts.....MA	N								
23.	Michigan.....MI	L	20,753,730	18,582,606		4,604,160	10,123,093	18,843,252	25	10,501,753
24.	Minnesota.....MN	N								
25.	Mississippi.....MS	N								
26.	Missouri.....MO	N								
27.	Montana.....MT	N								
28.	Nebraska.....NE	N								
29.	Nevada.....NV	N								
30.	New Hampshire.....NH	N								
31.	New Jersey.....NJ	L	13,074,180	15,241,644		15,891,667	14,220,465	27,876,956		5,171,650
32.	New Mexico.....NM	N								
33.	New York.....NY	N								
34.	North Carolina.....NC	N								
35.	North Dakota.....ND	N								
36.	Ohio.....OH	L								
37.	Oklahoma.....OK	N								
38.	Oregon.....OR	N								
39.	Pennsylvania.....PA	N								
40.	Rhode Island.....RI	N								
41.	South Carolina.....SC	N								
42.	South Dakota.....SD	N								
43.	Tennessee.....TN	N								
44.	Texas.....TX	N								
45.	Utah.....UT	N								
46.	Vermont.....VT	N								
47.	Virginia.....VA	N								
48.	Washington.....WA	N								
49.	West Virginia.....WV	N								
50.	Wisconsin.....WI	N								
51.	Wyoming.....WY	N								
52.	American Samoa.....AS	N								
53.	Guam.....GU	N								
54.	Puerto Rico.....PR	N								
55.	US Virgin Islands.....VI	N								
56.	Northern Mariana Islands..MP	N								
57.	Canada.....CAN	N								
58.	Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0	0	0
59.	Totals.....	XXX	35,551,653	35,557,603	0	21,536,956	25,757,982	49,914,244	175	16,390,739

DETAILS OF WRITE-INS

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

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....	4
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - See DSLI).....	0
D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile.....	0

R - Registered - Non-domiciled RRGs.....	0
Q - Qualified - Qualified or accredited reinsurer.....	0
N - None of the above - Not allowed to write business in the state.....	53

(b) Explanation of Basis of Allocation of Premiums by States, etc.

- Fire - Location of property
- Allied Lines - Location of property
- Commercial multiperil - Location of property
- Inland marine - Location of property
- Workers' Compensation - Location of risk
- Other Liability - Location of risk
- Auto Liability - Location of primary garage
- Auto Physical - Location of primary garage
- Boiler and machinery - Location of property

Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group

Part 1 - Organizational Chart

	Domiciliary Location	FEIN	NAIC Co. Code
American Financial Group, Inc.	OH	31-1544320	
American Financial Enterprises, Inc.	CT	31-0996797	
American Money Management Corporation	OH	31-0828578	
American Real Estate Capital Company, LLC	OH	27-1577326	
Mid-Market Capital Partners, LLC	DE	27-2829629	
APU Holding Company	OH	41-2112001	
American Premier Underwriters, Inc.	PA	23-6000765	
Lehigh Valley Railroad Company	PA	13-6400464	
Pennsylvania Lehigh Oil & Gas Holdings LLC	PA	46-1665396	
Magnolia Alabama Holdings, Inc.	DE	20-1548213	
Magnolia Alabama Holdings LLC	AL	20-1574094	
Michigan Oil & Gas Holdings, LLC	MI	46-1852532	
Ohio Oil & Gas Holdings, LLC	OH	46-1480078	
The Owasco River Railway, Inc.	NY	13-6021353	
PCC Technical Industries, Inc.	DE	76-0080537	
Pennsylvania Oil & Gas Holdings, LLC	PA	46-3246684	
Pennsylvania-Reading Seashore Lines (66.67%)	NJ	23-6000766	
GAI Insurance Company, Ltd. *	BMU	98-1073776	
Hangar Acquisition Corp.	OH	31-1446308	
Premier Lease & Loan Services Insurance Agency, Inc.	WA	91-1242743	
Premier Lease & Loan Services of Canada, Inc.	WA	91-1508644	
Dixie Terminal Corporation	OH	31-0823725	
GAI Holding Bermuda Ltd. (77%) ^	BMU	98-0606803	
GAI Indemnity, Ltd. #	GBR	98-0556144	
Neon Capital Limited	GBR		
NCM Holdings (U.K.) Limited	GBR		
Neon Capital Managers	GBR		
Neon Holdings (U.K.) Limited	GBR		
Lavenham Underwriting Limited #	GBR	98-0412245	
Neon Italy S.R.L. (60%)	ITA		
Neon Management Services Limited	GBR		
Neon Sapphire Underwriting Limited	GGY		
Neon Service Company (U.K.) Limited	GBR		
Studio Marketform SRL	ITA		
Neon Underwriting Bermuda Limited	BMU		
Neon Underwriting Limited	GBR		
Orca Insurance Agency A/S (89.425%)	DNK		
Sampford Underwriting Limited #	GBR	98-0431601	
Xenon Agency Limited	GBR		
Helium Holdings Limited	BMU		
Neon Employee Ownership LLC (23.35%)	DE		
GAI Australia Pty Ltd	AUS		

* Denotes insurer
@ Company affiliated but not owned
Participant in Lloyd's Syndicate 2468
Subsidiaries 100% owned by respective parent unless otherwise stated
^ Total percentage owned by respective parent and other affiliated companies.

Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group

Part 1 - Organizational Chart

	Domiciliary Location	FEIN	NAIC Co. Code
American Financial Group, Inc.	OH	31-1544320	
Great American Financial Resources, Inc. ^	DE	06-1356481	
AAG Insurance Agency, Inc.	KY	31-1422717	
Ceres Group, Inc.	DE	34-1017531	
Continental General Corporation	NE	47-0717079	
QQAgency of Texas, Inc.	TX	34-1947042	
Great American Advisors, Inc.	OH	31-1395344	
Great American Life Insurance Company *	OH	13-1935920	63312
Annuity Investors Life Insurance Company *	OH	31-1021738	93661
Bay Bridge Marina Hemingway's Restaurant, LLC (85%)	MD	27-4078277	
Bay Bridge Marina Management, LLC (85%)	MD	27-0513333	
Brothers Management, LLC	FL	20-1246122	
Charleston Harbor Fishing, LLC	SC	81-3737639	
GALIC - Bay Bridge Marina, LLC	MD	20-4604276	
GALIC Brothers, Inc.	OH	31-1391777	
Manhattan National Holding Corporation	OH	26-3260520	
Manhattan National Life Insurance Company *	OH	45-0252531	67083
Skipjack Holding Company, LLC	MD	84-2654660	
Skipjack Marina Corp.	MD	52-2179330	
Great American Holding, Inc.	OH	42-1575938	
ABA Insurance Services, Inc.	OH	80-0333563	
Agricultural Services, LLC	OH	27-3062314	
Great American Holding (Europe) Limited	GBR		
Great American Europe Limited	GBR		
Great American International Insurance (EU) Designated Activity Company *	IRL		
Great American International Insurance (UK) Limited* (f/k/a Insurance (GB) Limited)	GBR		
Great American Specialty & Affinity Limited	GBR		
Mid-Continent Casualty Company *	OH	73-0556513	23418
Mid-Continent Assurance Company *	OH	73-1406844	15380
Mid-Continent Excess and Surplus Insurance Company *	DE	38-3803661	13794
Mid-Continent Specialty Insurance Services, Inc.	OK	30-0571535	
Oklahoma Surety Company *	OH	73-0773259	23426
National Interstate Corporation	OH	34-1607394	
American Highways Insurance Agency, Inc.	OH	34-1899058	
Explorer RV Insurance Agency, Inc.	OH	31-1548235	
Hudson Indemnity, Ltd. *	CYM	98-0191335	
Hudson Management Group, Ltd.	VIR	66-0660039	
National Interstate Insurance Agency, Inc.	OH	34-1607396	
Commercial For Hire Transportation Purchasing Group @	SC	36-4670968	
National Interstate Insurance Company *	OH	34-1607395	32620
National Interstate Insurance Company of Hawaii, Inc. *	OH	99-0345306	11051
TransProtection Service Company	MO	43-1254631	
Triumphe Casualty Company *	OH	95-3623282	41106
Vanliner Insurance Company *	MO	86-0114294	21172
Safety Claims & Litigation Services, LLC	MT	20-5546054	
Safety, Claims and Litigation Services, LLC	OH	46-4570914	
Republic Indemnity Company of America *	CA	95-2801326	22179
Republic Indemnity Company of California *	CA	31-1054123	43753
Summit Consulting, LLC	FL	59-1683711	
Heritage Summit Healthcare, LLC	FL	59-3385208	
Summit Real Estate Holdings, LLC	FL	82-2462705	
Summit Holding Southeast, Inc.	FL	59-3409855	
Bridgefield Employers Insurance Company*	FL	59-1835212	10701
Bridgefield Casualty Insurance Company*	FL	59-3269531	10335

* Denotes insurer
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Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group

Part 1 - Organizational Chart

	Domiciliary Location	FEIN	NAIC Co. Code
American Financial Group, Inc.	OH	31-1544320	
Great American Insurance Company *	OH	31-0501234	16691
American Empire Insurance Company *	OH	31-0973761	37990
American Empire Underwriters, Inc.	TX	59-1671722	
American Empire Surplus Lines Insurance Company *	DE	31-0912199	35351
American Signature Underwriters, Inc.	OH	31-1463075	
Brothers Property Corporation	OH	59-2840291	
Brothers Pennsylvanian Corporation	PA	25-1754638	
Brothers Property Management Corporation	OH	59-2840294	
Crop Managers Insurance Agency, Inc.	KS	31-1277904	
CropSurance Agency, LLC	OH	83-1767590	
Dempsey & Siders Agency, Inc.	OH	31-0589001	
Human and Social Services Risk Purchasing Group, LLC	OH	84-2358400	
Eden Park Insurance Brokers, Inc.	CA	31-1341668	
El Aguila, Compañía de Seguros, S.A. de C.V. *	MEX		
Farmers Crop Insurance Alliance, Inc.	KS	39-1404033	
FCIA Management Company, Inc.	NY	13-3628555	
Foreign Credit Insurance Association @	NY		
GAI Mexico Holdings, LLC	DE	81-0814136	
GAI Warranty Company	OH	31-1753938	
GAI Warranty Company of Florida	FL	31-1765544	
Global Premier Finance Company	OH	61-1329718	
Great American Agency of Texas, Inc.	TX	74-2693636	
Great American Alliance Insurance Company *	OH	95-1542353	26832
Great American Assurance Company *	OH	15-6020948	26344
Great American Casualty Insurance Company *	OH	61-0983091	39896
Great American Contemporary Insurance Company *	OH	36-4079497	10646
Great American E & S Insurance Company *	DE	31-0954439	37532
Great American Fidelity Insurance Company *	DE	31-1036473	41858
Great American Insurance Agency, Inc.	OH	31-1652643	
Great American Insurance Company of New York *	NY	13-5539046	22136
Great American Lloyd's, Inc.	TX	31-1073664	
Great American Management Services, Inc.	OH	31-0856644	
Great American Protection Insurance Company *	OH	31-1288778	38580
Great American Re Inc.	DE	31-0918893	
Great American Security Insurance Company *	OH	31-1209419	31135
Great American Spirit Insurance Company *	OH	31-1237970	33723
Great American Underwriters Insurance Company *	OH	83-1694393	16618
Key Largo Group, Inc.	FL	59-1263251	
PLLS Canada Insurance Brokers Inc.	CAN	871850814	
Professional Risk Brokers, Inc.	IL	31-1293064	
One East Fourth, Inc.	OH	31-0686194	
Pioneer Carpet Mills, Inc.	OH	31-0883227	
TEJ Holdings, Inc.	OH	31-1119320	
Three East Fourth, Inc.	OH	31-0728327	

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^ Total percentage owned by respective parent and other affiliated companies.

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