



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2019
OF THE CONDITION AND AFFAIRS OF THE

Republic-Franklin Insurance Company

NAIC Group Code	0201 (Current)	0201 (Prior)	NAIC Company Code	12475	Employer's ID Number	31-4290270
Organized under the Laws of	Ohio			State of Domicile or Port of Entry		OH
Country of Domicile	United States of America					
Incorporated/Organized	02/10/1949			Commenced Business 02/10/1949		
Statutory Home Office	2 Easton Oval, Suite 225 (Street and Number)			Columbus, OH, US 43219 (City or Town, State, Country and Zip Code)		
Main Administrative Office	180 Genesee Street (Street and Number)					
	New Hartford, NY, US 13413 (City or Town, State, Country and Zip Code)			800-598-8422 (Area Code) (Telephone Number)		
Mail Address	Post Office Box 530 (Street and Number or P.O. Box)			Utica, NY, US 13503-0530 (City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	180 Genesee Street (Street and Number)					
	New Hartford, NY, US 13413 (City or Town, State, Country and Zip Code)			800-598-8422 (Area Code) (Telephone Number)		
Internet Website Address	www.uticanational.com					
Statutory Statement Contact	Sandra Jean Giehl (Name)			315-734-2192 (Area Code) (Telephone Number)		
	sandy.giehl@uticanational.com (E-mail Address)			315-734-2994 (FAX Number)		

OFFICERS

Chairman# & CEO	Richard Patrick Creedon	VP, CFO & Treasurer	Brian Wade Miller Jr.
President# & COO	Kristen Holly Martin	Secretary	Louisa Suzanne Ruffine

OTHER

Steven Paul Guzski, Executive Vice President

DIRECTORS OR TRUSTEES

Clarence William Bachman	Richard Patrick Creedon	Paul Alan Hagstrom, Ph.D.
Gregory Miller Harden	Zelda Jean Holcomb, Ph.D. #	Kristen Holly Martin #
Peter Joseph O'Neill #	Linda Ellen Romano	Eric Keith Scholl

State of New York SS:
County of Oneida

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.

Kristen Holly Martin President & COO	Brian Wade Miller, Jr. VP, CFO & Treasurer	Louisa Suzanne Ruffine Secretary
Subscribed and sworn to before me this		a. Is this an original filing?
day of		b. If no,
		1. State the amendment number.....
		2. Date filed
		3. Number of pages attached.....

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	102,307,220		102,307,220	96,321,134
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	5,709,479		5,709,479	4,432,152
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$				
encumbrances)				
4.2 Properties held for the production of income (less				
\$				
encumbrances)				
4.3 Properties held for sale (less \$				
encumbrances)				
5. Cash (\$	828,448			
, Schedule E - Part 1), cash equivalents				
(\$	100,001			
, Schedule E - Part 2) and short-term				
investments (\$				
, Schedule DA)	928,449		928,449	835,427
6. Contract loans (including \$				
premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)				
9. Receivable for securities				
10. Securities lending reinvested collateral assets (Schedule DL)				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	108,945,149		108,945,149	101,588,713
13. Title plants less \$				
charged off (for Title insurers				
only)				
14. Investment income due and accrued	748,863		748,863	713,580
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	11,228,639	191,794	11,036,844	9,892,521
15.2 Deferred premiums and agents' balances and installments booked but				
deferred and not yet due (including \$	60,517			
earned but unbilled premiums)	709,747	6,724	703,023	638,254
15.3 Accrued retrospective premiums (\$				
) and				
contracts subject to redetermination (\$				
)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	256,826		256,826	224,283
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	1,221,129		1,221,129	1,323,078
19. Guaranty funds receivable or on deposit	1,197,050		1,197,050	1,250,270
20. Electronic data processing equipment and software	32,522		32,522	38,356
21. Furniture and equipment, including health care delivery assets				
(\$				
)	6,388	6,388		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	789,304		789,304	1,113,490
24. Health care (\$				
) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	2,460,798	1,770,556	690,242	911,894
26. Total assets excluding Separate Accounts, Segregated Accounts and				
Protected Cell Accounts (Lines 12 to 25)	127,596,414	1,975,462	125,620,952	117,694,440
27. From Separate Accounts, Segregated Accounts and Protected Cell				
Accounts				
28. Total (Lines 26 and 27)	127,596,414	1,975,462	125,620,952	117,694,440
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)				
2501. Accounts Receivable - Other	497,021	5,512	491,509	714,477
2502. Equities and Deposits in Pools and Associations	201,610	2,877	198,733	197,417
2503. Prepaid Expenses	720,899	720,899		
2598. Summary of remaining write-ins for Line 25 from overflow page	1,041,267	1,041,267		
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	2,460,798	1,770,556	690,242	911,894

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	33,986,323	32,406,684
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)	8,225,104	7,904,375
4. Commissions payable, contingent commissions and other similar charges	1,075,998	937,463
5. Other expenses (excluding taxes, licenses and fees)	1,296,662	1,276,353
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	707,848	781,025
7.1 Current federal and foreign income taxes (including \$ 8,180 on realized capital gains (losses))	918,015	737,286
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$133,925,520 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	16,808,691	15,164,259
10. Advance premium	141,193	117,221
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders	246,785	194,950
12. Ceded reinsurance premiums payable (net of ceding commissions)	230,575	182,957
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)		
14. Amounts withheld or retained by company for account of others	1,626,514	1,390,028
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$ certified) (Schedule F, Part 3, Column 78)	1,053	58,700
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		
20. Derivatives		
21. Payable for securities	3,707	750
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	(221,101)	(253,802)
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	65,047,366	60,898,249
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	65,047,366	60,898,249
29. Aggregate write-ins for special surplus funds	250,146	290,265
30. Common capital stock	3,500,000	3,500,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	5,139,802	5,139,802
35. Unassigned funds (surplus)	51,683,638	47,866,124
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		
36.2 shares preferred (value included in Line 31 \$)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	60,573,586	56,796,191
38. TOTALS (Page 2, Line 28, Col. 3)	125,620,952	117,694,440
DETAILS OF WRITE-INS		
2501. Contingent Balances in Safety Groups	11,910	44,550
2502. Liability for Pension Benefits	(233,011)	(298,352)
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	(221,101)	(253,802)
2901. Reserve for Undeclared Dividends	250,146	290,265
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	250,146	290,265
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above)		

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	32,288,464	30,142,445
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	16,177,735	15,313,874
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	3,847,957	3,576,976
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	11,349,253	10,367,161
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Lines 2 through 5)	31,374,945	29,258,011
7. Net income of protected cells		
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	913,520	884,434
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	3,349,093	3,146,182
10. Net realized capital gains or (losses) less capital gains tax of \$ 8,180 (Exhibit of Capital Gains (Losses))	11,931	96,796
11. Net investment gain (loss) (Lines 9 + 10)	3,361,024	3,242,977
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ 9,445 amount charged off \$ 94,812)	(85,367)	(97,932)
13. Finance and service charges not included in premiums	319,512	329,997
14. Aggregate write-ins for miscellaneous income	(238,652)	(233,164)
15. Total other income (Lines 12 through 14)	(4,506)	(1,099)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	4,270,038	4,126,312
17. Dividends to policyholders	430,777	381,066
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	3,839,260	3,745,247
19. Federal and foreign income taxes incurred	900,643	584,806
20. Net income (Line 18 minus Line 19)(to Line 22)	2,938,617	3,160,441
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	56,796,191	54,503,388
22. Net income (from Line 20)	2,938,617	3,160,441
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 268,239	1,009,088	(517,698)
25. Change in net unrealized foreign exchange capital gain (loss)		
26. Change in net deferred income tax	166,290	102,158
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	(355,278)	(230,383)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	57,647	22,033
29. Change in surplus notes		
30. Surplus (contributed to) withdrawn from protected cells		
31. Cumulative effect of changes in accounting principles		
32. Capital changes:		
32.1 Paid in		
32.2 Transferred from surplus (Stock Dividend)		
32.3 Transferred to surplus		
33. Surplus adjustments:		
33.1 Paid in		
33.2 Transferred to capital (Stock Dividend)		
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders		
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus	(38,969)	(243,748)
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	3,777,395	2,292,803
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	60,573,586	56,796,191
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page		
0599. Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above)		
1401. Gain/Loss on Sale of Assets	841	342
1402. Miscellaneous Income	(239,493)	(233,505)
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	(238,652)	(233,164)
3701. Contingent Balance in Safety Groups	32,640	(15,270)
3702. Pension Benefit Obligation	(65,341)	(9,716)
3703. Pension Expense	(6,268)	(218,762)
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above)	(38,969)	(243,748)

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	32,736,385	30,272,333
2. Net investment income	3,551,503	3,421,452
3. Miscellaneous income	(4,506)	(1,099)
4. Total (Lines 1 through 3)	36,283,382	33,692,686
5. Benefit and loss related payments	14,630,639	14,208,971
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	14,749,200	13,286,777
8. Dividends paid to policyholders	378,942	316,625
9. Federal and foreign income taxes paid (recovered) net of \$8,180 tax on capital gains (losses)	728,094	864,865
10. Total (Lines 5 through 9)	30,486,875	28,677,238
11. Net cash from operations (Line 4 minus Line 10)	5,796,507	5,015,448
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	19,403,713	18,305,286
12.2 Stocks		1,100,000
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)	19,403,713	19,405,286
13. Cost of investments acquired (long-term only):		
13.1 Bonds	25,599,004	23,319,957
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Lines 13.1 to 13.6)	25,599,004	23,319,957
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(6,195,291)	(3,914,671)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	491,806	(800,117)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	491,806	(800,117)
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)	93,022	300,659
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	835,427	534,768
19.2 End of period (Line 18 plus Line 19.1)	928,449	835,427

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

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ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	40,098	23,442	25,597	37,943
2.	Allied lines	60,446	28,593	33,095	55,944
3.	Farmowners multiple peril				
4.	Homeowners multiple peril	1,603,673	788,886	923,109	1,469,449
5.	Commercial multiple peril	9,047,380	4,242,969	4,780,681	8,509,668
6.	Mortgage guaranty				
8.	Ocean marine				
9.	Inland marine	48,293	21,829	24,497	45,624
10.	Financial guaranty				
11.1	Medical professional liability - occurrence				
11.2	Medical professional liability - claims-made				
12.	Earthquake	1,230	533	697	1,065
13.	Group accident and health				
14.	Credit accident and health (group and individual)				
15.	Other accident and health				
16.	Workers' compensation	6,903,562	3,144,456	3,172,711	6,875,306
17.1	Other liability - occurrence	1,517,483	671,616	769,301	1,419,798
17.2	Other liability - claims-made	1,607,868	763,229	749,341	1,621,756
17.3	Excess workers' compensation				
18.1	Products liability - occurrence	15,652	6,069	7,218	14,503
18.2	Products liability - claims-made				
19.1, 19.2	Private passenger auto liability	4,090,404	1,629,544	1,810,276	3,909,673
19.3, 19.4	Commercial auto liability	5,444,044	2,386,596	2,786,071	5,044,569
21.	Auto physical damage	3,507,152	1,418,413	1,690,561	3,235,004
22.	Aircraft (all perils)				
23.	Fidelity		8	3	5
24.	Surety	21,303	18,663	16,174	23,793
26.	Burglary and theft	24,170	18,982	19,115	24,037
27.	Boiler and machinery				
28.	Credit				
29.	International				
30.	Warranty				
31.	Reinsurance - nonproportional assumed property	3	1	2	3
32.	Reinsurance - nonproportional assumed liability				
33.	Reinsurance - nonproportional assumed financial lines				
34.	Aggregate write-ins for other lines of business	133	433	241	325
35.	TOTALS	33,932,896	15,164,259	16,808,691	32,288,464
DETAILS OF WRITE-INS					
3401.	Involuntary Unemployment Insurance	133	433	241	325
3402.	.....			
3403.	.....			
3498.	Summary of remaining write-ins for Line 34 from overflow page				
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	133	433	241	325

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	25,597				25,597
2.	Allied lines	33,095				33,095
3.	Farmowners multiple peril					
4.	Homeowners multiple peril	923,109				923,109
5.	Commercial multiple peril	4,780,681				4,780,681
6.	Mortgage guaranty					
8.	Ocean marine					
9.	Inland marine	24,497				24,497
10.	Financial guaranty					
11.1	Medical professional liability - occurrence					
11.2	Medical professional liability - claims-made					
12.	Earthquake	697				697
13.	Group accident and health					
14.	Credit accident and health (group and individual)					
15.	Other accident and health					
16.	Workers' compensation	3,172,711				3,172,711
17.1	Other liability - occurrence	769,301				769,301
17.2	Other liability - claims-made	749,341				749,341
17.3	Excess workers' compensation					
18.1	Products liability - occurrence	7,218				7,218
18.2	Products liability - claims-made					
19.1, 19.2	Private passenger auto liability	1,810,276				1,810,276
19.3, 19.4	Commercial auto liability	2,786,071				2,786,071
21.	Auto physical damage	1,690,561				1,690,561
22.	Aircraft (all perils)					
23.	Fidelity	3				3
24.	Surety	16,174				16,174
26.	Burglary and theft	19,115				19,115
27.	Boiler and machinery					
28.	Credit					
29.	International					
30.	Warranty					
31.	Reinsurance - nonproportional assumed property	2				2
32.	Reinsurance - nonproportional assumed liability					
33.	Reinsurance - nonproportional assumed financial lines					
34.	Aggregate write-ins for other lines of business	51	190			241
35.	TOTALS	16,808,501	190			16,808,691
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					
38.	Balance (Sum of Line 35 through 37)					16,808,691
DETAILS OF WRITE-INS						
3401.	Involuntary Unemployment Insurance	51	190			241
3402.	.....				
3403.	.....				
3498.	Summary of remaining write-ins for Line 34 from overflow page					
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	51	190			241

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

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN						
Line of Business	1	Reinsurance Assumed		Reinsurance Ceded		6
	Direct Business (a)	2	3	4	5	Net Premiums Written Cols. 1+2+3-4-5
1. Fire	35,841	40,098		(181,893)	217,734	40,098
2. Allied lines	76,116	60,446		(3,074)	79,190	60,446
3. Farmowners multiple peril						
4. Homeowners multiple peril	13,193,204	1,603,673		12,229,911	963,293	1,603,673
5. Commercial multiple peril	101,542,559	9,047,380		92,791,935	8,750,623	9,047,380
6. Mortgage guaranty						
8. Ocean marine						
9. Inland marine	273,942	48,293		271,246	2,696	48,293
10. Financial guaranty						
11.1 Medical professional liability - occurrence						
11.2 Medical professional liability - claims-made						
12. Earthquake	10,636	1,230		10,588	48	1,230
13. Group accident and health						
14. Credit accident and health (group and individual)						
15. Other accident and health						
16. Workers' compensation	46,276,834	6,903,562	1,995	45,305,599	973,230	6,903,562
17.1 Other liability - occurrence	8,131,077	1,517,483		6,373,454	1,757,622	1,517,483
17.2 Other liability - claims-made	21,584,580	1,607,868		18,803,764	2,780,815	1,607,868
17.3 Excess workers' compensation						
18.1 Products liability - occurrence	190,908	15,652		190,908		15,652
18.2 Products liability - claims-made						
19.1, 19.2 Private passenger auto liability	4,402,624	4,090,404		4,288,796	113,828	4,090,404
19.3, 19.4 Commercial auto liability	57,695,765	5,444,044		57,628,244	67,521	5,444,044
21. Auto physical damage	17,894,476	3,507,152		17,620,031	274,446	3,507,152
22. Aircraft (all perils)						
23. Fidelity						
24. Surety	4,716	21,303		4,716		21,303
26. Burglary and theft	2,341	24,170		2,341	0	24,170
27. Boiler and machinery						
28. Credit						
29. International						
30. Warranty						
31. Reinsurance - nonproportional assumed property	XXX	3				3
32. Reinsurance - nonproportional assumed liability	XXX					
33. Reinsurance - nonproportional assumed financial lines	XXX					
34. Aggregate write-ins for other lines of business		133				133
35. TOTALS	271,315,618	33,932,896	1,995	255,336,566	15,981,047	33,932,896
DETAILS OF WRITE-INS						
3401. Involuntary Unemployment Insurance		133				133
3402.						
3403.						
3498. Summary of remaining write-ins for Line 34 from overflow page						
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)		133				133

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

		Losses Paid Less Salvage				5	6	7	8
		1	2	3	4				
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Recovered	Net Payments (Cols. 1 + 2 - 3)	Net Losses Unpaid Current Year (Part 2A , Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire		32,170		32,170	24,138	21,306	35,002	92.2
2.	Allied lines	37,643	47,734	37,643	47,734	9,078	5,504	51,308	91.7
3.	Farmowners multiple peril								
4.	Homeowners multiple peril	9,329,014	757,502	9,329,014	757,502	363,027	276,060	844,469	57.5
5.	Commercial multiple peril	34,619,986	3,484,788	34,619,986	3,484,788	6,959,661	6,175,149	4,269,300	50.2
6.	Mortgage guaranty								
8.	Ocean marine		32		32	2,054	2,160	(75)	
9.	Inland marine	23,668	12,318	23,668	12,318	1,394	1,118	12,594	27.6
10.	Financial guaranty								
11.1	Medical professional liability - occurrence								
11.2	Medical professional liability - claims-made								
12.	Earthquake								
13.	Group accident and health								
14.	Credit accident and health (group and individual)								
15.	Other accident and health								
16.	Workers' compensation	17,349,751	2,598,550	17,355,812	2,592,489	12,835,842	12,746,894	2,681,437	39.0
17.1	Other liability - occurrence	2,859	382,867	15,046	370,680	2,963,071	2,571,442	762,308	53.7
17.2	Other liability - claims-made	6,787,119	566,258	6,787,119	566,258	1,905,314	1,818,575	652,996	40.3
17.3	Excess workers' compensation								
18.1	Products liability - occurrence		27		27	6,840	6,570	297	2.0
18.2	Products liability - claims-made								
19.1, 19.2	Private passenger auto liability	2,412,510	2,454,597	2,412,510	2,454,597	2,968,825	2,994,110	2,429,312	62.1
19.3, 19.4	Commercial auto liability	25,723,303	2,342,568	25,724,268	2,341,603	5,809,853	5,673,336	2,478,121	49.1
21.	Auto physical damage	9,618,512	1,937,474	9,618,512	1,937,474	119,233	95,117	1,961,590	60.6
22.	Aircraft (all perils)		806		806	1,842	1,975	673	
23.	Fidelity		(150)		(150)	939	953	(165)	(3,658.2)
24.	Surety		(247)		(247)	14,769	16,005	(1,484)	(6.2)
26.	Burglary and theft					300	300	0	0.0
27.	Boiler and machinery								
28.	Credit								
29.	International								
30.	Warranty								
31.	Reinsurance - nonproportional assumed property	XXX	0		0			0	3.6
32.	Reinsurance - nonproportional assumed liability	XXX							
33.	Reinsurance - nonproportional assumed financial lines	XXX							
34.	Aggregate write-ins for other lines of business		15		15	144	108	51	15.7
35.	TOTALS	105,904,366	14,617,309	105,923,579	14,598,096	33,986,323	32,406,684	16,177,735	50.1
DETAILS OF WRITE-INS									
3401.	Involuntary Unemployment Insurance		15		15	144	108	51	
3402.	.....							
3403.	.....							
3498.	Summary of remaining write-ins for Line 34 from overflow page								
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)		15		15	144	108	51	15.7

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

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		
		Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire		23,423		23,423	475	715	475	24,138	1,961
2.	Allied lines	347	8,983	347	8,983		95		9,078	1,142
3.	Farmowners multiple peril									
4.	Homeowners multiple peril	2,637,511	305,592	2,637,511	305,592	649,648	57,435	649,648	363,027	85,161
5.	Commercial multiple peril	50,126,628	4,959,501	50,126,628	4,959,501	21,485,564	2,000,160	21,485,564	6,959,661	2,978,460
6.	Mortgage guaranty									
8.	Ocean marine		584		584		1,470		2,054	450
9.	Inland marine	11,060	943	11,060	943	1,924	450	1,924	1,394	844
10.	Financial guaranty									
11.1	Medical professional liability - occurrence									
11.2	Medical professional liability - claims-made									
12.	Earthquake									10
13.	Group accident and health								(a)	
14.	Credit accident and health (group and individual)									
15.	Other accident and health								(a)	
16.	Workers' compensation	72,621,742	11,650,709	72,647,032	11,625,419	6,905,688	1,235,304	6,930,569	12,835,842	2,017,831
17.1	Other liability - occurrence	2,233,436	1,711,198	2,233,436	1,711,198	4,096,264	2,213,872	5,058,264	2,963,071	397,504
17.2	Other liability - claims-made	16,077,745	1,783,519	16,077,745	1,783,519	1,231,290	121,795	1,231,290	1,905,314	847,342
17.3	Excess workers' compensation									
18.1	Products liability - occurrence		3,540		3,540	15,762	3,300	15,762	6,840	13,627
18.2	Products liability - claims-made									
19.1, 19.2	Private passenger auto liability	3,198,368	2,522,935	3,198,368	2,522,935	576,327	445,890	576,327	2,968,825	654,094
19.3, 19.4	Commercial auto liability	48,478,616	4,729,368	48,478,616	4,729,368	10,850,998	1,080,485	10,850,998	5,809,853	1,073,138
21.	Auto physical damage	564,218	106,395	564,218	106,395	99,001	12,838	99,001	119,233	145,142
22.	Aircraft (all perils)		880		880		963		1,842	419
23.	Fidelity		699		699		240		939	655
24.	Surety		11,169		11,169	613	3,600	613	14,769	7,144
26.	Burglary and theft					36	300	36	300	163
27.	Boiler and machinery									
28.	Credit									
29.	International									
30.	Warranty									
31.	Reinsurance - nonproportional assumed property	XXX				XXX				
32.	Reinsurance - nonproportional assumed liability	XXX				XXX				
33.	Reinsurance - nonproportional assumed financial lines	XXX				XXX				
34.	Aggregate write-ins for other lines of business		144		144				144	17
35.	TOTALS	195,949,671	27,819,582	195,974,961	27,794,292	45,913,588	7,178,912	46,900,469	33,986,323	8,225,104
DETAILS OF WRITE-INS										
3401.	Involuntary Unemployment Insurance		144		144				144	17
3402.	.....								
3403.	.....								
3498.	Summary of remaining write-ins for Line 34 from overflow page									
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)		144		144				144	17

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

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	18,316,102			18,316,102
1.2 Reinsurance assumed	2,207,724			2,207,724
1.3 Reinsurance ceded	18,316,102			18,316,102
1.4 Net claim adjustment service (1.1 + 1.2 - 1.3)	2,207,724			2,207,724
2. Commission and brokerage:				
2.1 Direct excluding contingent		35,575,264		35,575,264
2.2 Reinsurance assumed, excluding contingent		5,573,533		5,573,533
2.3 Reinsurance ceded, excluding contingent		35,576,360		35,576,360
2.4 Contingent - direct		7,359,286		7,359,286
2.5 Contingent - reinsurance assumed		770,312		770,312
2.6 Contingent - reinsurance ceded		7,359,286		7,359,286
2.7 Policy and membership fees				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)		6,342,749		6,342,749
3. Allowances to managers and agents		23,245		23,245
4. Advertising		15,825		15,825
5. Boards, bureaus and associations	24	174,715		174,739
6. Surveys and underwriting reports	3,915	350,891		354,805
7. Audit of assureds' records		23,379		23,379
8. Salary and related items:				
8.1 Salaries	1,052,896	2,385,988	18,222	3,457,107
8.2 Payroll taxes	73,633	161,708	666	236,007
9. Employee relations and welfare	161,318	292,545	2,093	455,956
10. Insurance	7,678	45,565	442	53,685
11. Directors' fees	10,397	22,529	1,733	34,658
12. Travel and travel items	16,101	140,086	80	156,266
13. Rent and rent items	39,519	148,544	1,125	189,187
14. Equipment	5,794	14,234	72	20,100
15. Cost or depreciation of EDP equipment and software	144,098	596,468	3,601	744,166
16. Printing and stationery	3,532	22,058	42	25,632
17. Postage, telephone and telegraph, exchange and express	23,588	108,021	4,870	136,479
18. Legal and auditing	4,871	22,121	0	26,993
19. Totals (Lines 3 to 18)	1,547,362	4,547,920	32,946	6,128,229
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$518,900	(24,710)	673,998		649,289
20.2 Insurance department licenses and fees	3,436	77,815		81,251
20.3 Gross guaranty association assessments		17,385		17,385
20.4 All other (excluding federal and foreign income and real estate)		3,467		3,467
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	(21,273)	772,665		751,391
21. Real estate expenses				
22. Real estate taxes				
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses	114,143	(314,082)	79,669	(120,270)
25. Total expenses incurred	3,847,957	11,349,253	112,615	(a) 15,309,824
26. Less unpaid expenses - current year	8,225,104	2,164,568	45,542	10,435,214
27. Add unpaid expenses - prior year	7,904,375	2,146,378	40,121	10,090,874
28. Amounts receivable relating to uninsured plans, prior year				
29. Amounts receivable relating to uninsured plans, current year				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	3,527,227	11,331,062	107,194	14,965,484
DETAILS OF WRITE-INS				
2401. Contributions	1	333		334
2402. Outside Service Fees	97,209	344,700	75,864	517,774
2403. Claims Service Fees	1,024			1,024
2498. Summary of remaining write-ins for Line 24 from overflow page	15,910	(659,115)	3,804	(639,401)
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)	114,143	(314,082)	79,669	(120,270)

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

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) .....188,452	.....193,147
1.1	Bonds exempt from U.S. tax	(a) .....166,789	.....134,706
1.2	Other bonds (unaffiliated)	(a) .....2,951,907	.....3,014,764
1.3	Bonds of affiliates	(a) .....	.....
2.1	Preferred stocks (unaffiliated)	(b) .....	.....
2.11	Preferred stocks of affiliates	(b) .....	.....
2.2	Common stocks (unaffiliated) .....	.....106,874	.....106,874
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) .....7,217	.....7,031
7	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....5,185	.....5,185
10.	Total gross investment income	3,426,424	3,461,707
11.	Investment expenses		(g) .....112,615
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income .....		.....
16.	Total deductions (Lines 11 through 15) .....		.....112,615
17.	Net investment income (Line 10 minus Line 16)		3,349,093
DETAILS OF WRITE-INS			
0901.	Miscellaneous Income .....	.....5,185	.....5,185
0902.	.....	
0903.	.....	
0998.	Summary of remaining write-ins for Line 9 from overflow page		
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	5,185	5,185
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		

- (a) Includes \$57,235 accrual of discount less \$289,508 amortization of premium and less \$135,669 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....	.....(1,423)	.....	.....(1,423)	.....	.....
1.1	Bonds exempt from U.S. tax .....	.....32,665	.....	.....32,665	.....	.....
1.2	Other bonds (unaffiliated) .....	.....(11,130)	.....	.....(11,130)	.....	.....
1.3	Bonds of affiliates .....	.....	.....	.....	.....	.....
2.1	Preferred stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.11	Preferred stocks of affiliates .....	.....	.....	.....	.....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....	.....	.....1,277,327	.....
2.21	Common stocks of affiliates .....	.....	.....	.....	.....	.....
3.	Mortgage loans .....	.....	.....	.....	.....	.....
4.	Real estate .....	.....	.....	.....	.....	.....
5.	Contract loans .....	.....	.....	.....	.....	.....
6.	Cash, cash equivalents and short-term investments .....	.....	.....	.....	.....	.....
7.	Derivative instruments .....	.....	.....	.....	.....	.....
8.	Other invested assets .....	.....	.....	.....	.....	.....
9.	Aggregate write-ins for capital gains (losses) .....	.....	.....	.....	.....	.....
10.	Total capital gains (losses)	20,111		20,111	1,277,327	
DETAILS OF WRITE-INS						
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)					

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens.....			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income.....			
4.3 Properties held for sale			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)			
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	191,794	127,049	(64,745)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	6,724	6,310	(414)
15.3 Accrued retrospective premiums and contracts subject to redetermination			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset			
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets	6,388	7,630	1,242
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other than invested assets	1,770,556	1,479,194	(291,361)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,975,462	1,620,184	(355,279)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	1,975,462	1,620,184	(355,279)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)			
2501. Accounts Receivable – Other	5,512	5,512	0
2502. Clearing Accounts	98,011	80,156	(17,856)
2503. Deposits		400	400
2598. Summary of remaining write-ins for Line 25 from overflow page	1,667,032	1,393,127	(273,905)
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	1,770,556	1,479,194	(291,361)

NOTES TO FINANCIAL STATEMENTS

NOTE 1 Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The financial statements of Republic-Franklin Insurance Company are presented on the basis of accounting practices prescribed or permitted by the Ohio Insurance Department.

The Ohio Insurance Department recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under the Ohio Insurance Laws. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Ohio. The state of Ohio has adopted some practices that differ from NAIC SAP; however, none of those changes would impact the financial results of Republic-Franklin Insurance Company.

A reconciliation of net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Ohio is shown below.

	SSAP #	F/S Page	F/S Line #	2019	2018
NET INCOME					
(1) State basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 2,938,617	\$ 3,160,441
(2) State Prescribed Practices that are an increase/ (decrease) from NAIC SAP:				0	0
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP:				0	0
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$ 2,938,617</u>	<u>\$ 3,160,441</u>
SURPLUS					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 60,573,586	\$ 56,796,191
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:				0	0
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP:				0	0
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$ 60,573,586</u>	<u>\$ 56,796,191</u>

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

The preparation of financial statements in compliance with Statutory Accounting Principles (SAP) requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the balance sheet date as well as reported amounts of revenue and expenses during the period covered by the income statement. The actual results could vary from these estimates.

C. Accounting Policy

Premiums are earned over the term of related policies and reinsurance contracts. Unearned premium reserves are established to cover the non-expired portion of premiums written and are computed on a daily pro-rata basis. Expenses incurred with the acquisition of new insurance business, including acquisition cost of commissions, are charged to operations as they are incurred. Expenses incurred are reduced by allowances for ceding commissions as per reinsurance contracts.

The Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost, or the lower of amortized cost or fair market value if defined by the NAIC as non-investment grade (rated 3 through 6).
- (2) Bonds not backed by loans are carried at amortized cost using the scientific yield to worst method. Bonds that are defined by the NAIC as non-investment grade (rated 3 through 6) are carried at the lower of amortized cost or fair market value.
- (3) Common stock is stated at market value.
- (4) Preferred stocks are stated at cost or market value based on their NAIC designation.
- (5) The Company does not own any mortgage loans on real estate.
- (6) Loan-backed securities are stated at either amortized cost, or the lower of amortized cost or fair market value if defined by the NAIC as non-investment grade (rated 3 through 6). The prospective adjustment method is used to value all loan-backed securities.
- (7) The Company does not have any investments in subsidiaries, controlled or affiliated companies.
- (8) The Company has no ownership interests in joint ventures, partnerships or limited liability companies.
- (9) The Company does not own any derivatives.
- (10) The Company anticipates investment income as a factor in the premium deficiency calculation.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) The Company does not have any pharmaceutical rebate receivables.

D. Going Concern

Management's evaluation of the financial condition of the Company did not indicate any going concern issues.

NOTE 2 Accounting Changes and Corrections of Errors

During 2019 there were no material changes due to accounting changes or corrections of errors.

NOTE 3 Business Combinations and Goodwill

The Company did not have any business combinations and does not have any goodwill.

NOTE 4 Discontinued Operations

During the past two financial statement periods, the Company did not have any discontinued operations.

- A. Discontinued Operation Disposed of or Classified as Held for Sale - not applicable
- B. Change in Plan of Sale of Discontinued Operation - not applicable
- C. Nature of Any Significant Continuing Involvement with Discontinued Operations After Disposal - not applicable
- D. Equity Interest Retained in the Discontinued Operation After Disposal - 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) Our asset manager uses a proprietary model for loss assumptions and widely accepted models for prepayment assumptions in valuing mortgage-backed and asset-backed securities with inputs from major third party data providers. The models combine the effects of interest rates, volatility, and pre-payment speeds based on various scenario (Monte Carlo) simulations with resulting effective analytics (spreads, duration, convexity) and cash flows on a monthly basis. Credit sensitive cash flows are calculated using a proprietary model which estimates future loan defaults in terms of timing and severity. Model assumptions are specific to asset class and collateral types and are regularly evaluated and adjusted where appropriate.
 - (2) OTTI Recognized - not applicable
 - (3) OTTI by CUSIP - not applicable
 - (4) Unrealized Losses

NOTES TO FINANCIAL STATEMENTS

a) The aggregate amount of unrealized losses:	
1. Less than 12 Months	\$ 10,873
2. 12 Months or Longer	\$ 29,943
b)The aggregate related fair value of securities with unrealized losses:	
1. Less than 12 Months	\$ 3,369,098
2. 12 Months or Longer	\$ 3,425,117

(5) There are a number of factors considered in determining if an other-than-temporary impairment does not exist for an investment, including but not limited to, debt burden, credit rating, sector, liquidity, financial flexibility, company management, expected earnings and cash flow stream, and economic prospects associated with the investment.

- E. The Company does not have any Dollar Repurchase Agreements and / or Securities Lending Transactions.
- F. The Company does not have any repurchase agreements accounted for as secured borrowing.
- G. The Company does not have any reverse repurchase agreements transactions accounted for as secured borrowing.
- H. The Company does not have any repurchase agreement transactions accounted for as a sale.
- I. The Company does not have any reverse repurchase agreements transactions accounted for as a sale.
- J. The Company does not have any real estate in its portfolio.
- K. The Company does not have any low income housing tax credits (LIHTC) in its portfolio.
- L. Restricted Assets

1. Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted						
	Current Year					6	7
	1	2	3	4	5		
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)
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	\$ 3,100,128				\$ 3,100,128	\$ 3,121,674	\$ (21,546)
k. On deposit with other regulatory bodies							
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	\$ 3,100,128				\$ 3,100,128	\$ 3,121,674	\$ (21,546)

(a) Subset of Column 1

(b) Subset of Column 3

Restricted Asset Category	Current Year			
	8	9	Percentage	
			10	11
	Total Non-admitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Non-admitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown			0.000%	0.000%
b. Collateral held under security lending agreements			0.000%	0.000%
c. Subject to repurchase agreements			0.000%	0.000%
d. Subject to reverse repurchase agreements			0.000%	0.000%
e. Subject to dollar repurchase agreements			0.000%	0.000%
f. Subject to dollar reverse repurchase agreements			0.000%	0.000%
g. Placed under option contracts			0.000%	0.000%
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock			0.000%	0.000%
i. FHLB capital stock			0.000%	0.000%
j. On deposit with states		\$ 3,100,128	2.430%	2.468%
k. On deposit with other regulatory bodies			0.000%	0.000%
l. Pledged collateral to FHLB (including assets backing funding agreements)			0.000%	0.000%
m. Pledged as collateral not captured in other categories			0.000%	0.000%
n. Other restricted assets			0.000%	0.000%
o. Total Restricted Assets		\$ 3,100,128	2.430%	2.468%

(c) Column 5 divided by Asset Page, Column 1, Line 28

(d) Column 9 divided by Asset Page, Column 3, Line 28

2. Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts That Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate) - not applicable
3. Detail of Other Restricted Assets (Contracts That Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate) - not applicable
4. Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements - not applicable

NOTES TO FINANCIAL STATEMENTS

- M. The Company does not have any working capital finance investments.
- N. Offsetting and Netting of Assets and Liabilities - not applicable
- O. 5GI Securities - not applicable
- P. Short Sales - not applicable
- Q. Prepayment Penalty and Acceleration Fees

	General Account	Protected Cell
1. Number of CUSIPs		1
2. Aggregate Amount of Investment Income	\$	11,895

NOTE 6 Joint Ventures, Partnerships and Limited Liability Companies

The Company does not have any investments in joint ventures, partnerships or limited liability companies.

NOTE 7 Investment Income

The Company did not have any due and accrued income that was excluded from surplus.

NOTE 8 Derivative Instruments

- A. Derivatives under SSAP No. 86—Derivatives
 - (1) The Company did not have any derivative financial instruments during the statement period.
 - (8) Not applicable
- B. Derivatives under SSAP No. 108—Derivative Hedging Variable Annuity Guarantees
 - (1) The Company did not have any derivative hedging variable annuity guarantees.

NOTE 9 Income Taxes

- A. The components of the net deferred tax asset/(liability) at the end of current period are as follows:

1.

	As of End of Current Period			12/31/2018			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	(Col. 1 + 2) Total	Ordinary	Capital	(Col. 4 + 5) Total	(Col. 1 - 4) Ordinary	(Col. 2 - 5) Capital	(Col. 7 + 8) Total
(a) Gross Deferred Tax Assets	\$ 1,904,668		\$ 1,904,668	\$ 1,779,494		\$ 1,779,494	\$ 125,174		\$ 125,174
(b) Statutory Valuation Allowance Adjustment									
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 1,904,668		\$ 1,904,668	\$ 1,779,494		\$ 1,779,494	\$ 125,174		\$ 125,174
(d) Deferred Tax Assets Nonadmitted									
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 1,904,668		\$ 1,904,668	\$ 1,779,494		\$ 1,779,494	\$ 125,174		\$ 125,174
(f) Deferred Tax Liabilities	\$ 166,235	\$ 517,304	\$ 683,539	\$ 207,351	\$ 249,065	\$ 456,416	\$ (41,116)	\$ 268,239	\$ 227,123
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability)									
(1e - 1f)	\$ 1,738,433	\$ (517,304)	\$ 1,221,129	\$ 1,572,143	\$ (249,065)	\$ 1,323,078	\$ 166,290	\$ (268,239)	\$ (101,949)

2.

	As of End of Current Period			12/31/2018			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	(Col. 1 + 2) Total	Ordinary	Capital	(Col. 4 + 5) Total	(Col. 1 - 4) Ordinary	(Col. 2 - 5) Capital	(Col. 7 + 8) Total
Admission Calculation Components SSAP No. 101									
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ 1,438,195		\$ 1,438,195	\$ 1,552,730		\$ 1,552,730	\$ (114,535)		\$ (114,535)
(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)	\$ 140,762		\$ 140,762				\$ 140,762		\$ 140,762
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$ 140,762		\$ 140,762				\$ 140,762		\$ 140,762
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	\$ 9,187,116	XXX	XXX	\$ 8,428,423	XXX	XXX	\$ 758,693
(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.	\$ 325,711		\$ 325,711	\$ 226,764		\$ 226,764	\$ 98,947		\$ 98,947
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 1,904,668		\$ 1,904,668	\$ 1,779,494		\$ 1,779,494	\$ 125,174		\$ 125,174

3.

	2019	2018
a. Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	1335.849%	1313.341%
b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 59,319,935	\$ 55,434,756

NOTES TO FINANCIAL STATEMENTS

4.

	As of End of Current Period		12/31/2018		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	(Col. 1 - 3) Ordinary	(Col. 2 - 4) Capital
Impact of Tax Planning Strategies:						
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.						
1. Adjusted Gross DTAs amount from Note 9A1(c)	\$ 1,904,668		\$ 1,779,494		\$ 125,174	
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	\$ 1,904,668		\$ 1,779,494		\$ 125,174	
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

b. Do the Company's tax-planning strategies include the use of reinsurance? Yes [] No [X]

B. Temporary differences for which a DTL has not been established - not applicable

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

1. Current Income Tax

- (a) Federal
- (b) Foreign
- (c) Subtotal
- (d) Federal income tax on net capital gains
- (e) Utilization of capital loss carry-forwards
- (f) Other
- (g) Federal and foreign income taxes incurred

(1) As of End of Current Period	(2) 12/31/2018	(3) (Col. 1 - 2) Change
\$ 909,835	\$ 709,490	\$ 200,345
\$ 909,835	\$ 709,490	\$ 200,345
\$ 8,180	\$ 27,796	\$ (19,616)
\$ (9,192)	\$ (124,684)	\$ 115,492
\$ 908,823	\$ 612,602	\$ 296,221

2. Deferred Tax Assets:

- (a) Ordinary:
 - (1) Discounting of unpaid losses
 - (2) Unearned premium reserve
 - (3) Policyholder reserves
 - (4) Investments
 - (5) Deferred acquisition costs
 - (6) Policyholder dividends accrual
 - (7) Fixed Assets
 - (8) Compensation and benefits accrual
 - (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)
- (99) Subtotal
- (b) Statutory valuation allowance adjustment
- (c) Nonadmitted
- (d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)
- (e) Capital:
 - (1) Investments
 - (2) Net capital loss carry-forward
 - (3) Real estate
 - (4) Other (including items <5% of total ordinary tax assets)
- (99) Subtotal
- (f) Statutory valuation allowance adjustment
- (g) Nonadmitted
- (h) Admitted capital deferred tax assets (2e99 - 2f - 2g)
- (i) Admitted deferred tax assets (2d + 2h)

\$ 708,218	\$ 708,113	\$ 105
\$ 711,895	\$ 641,822	\$ 70,073
\$ 181,036	\$ 225,397	\$ (44,361)
\$ 101,519	\$ 90,846	\$ 10,673
\$ 202,000	\$ 113,315	\$ 88,685
\$ 1,904,668	\$ 1,779,493	\$ 125,175
\$ 1,904,668	\$ 1,779,493	\$ 125,175

3. Deferred Tax Liabilities:

- (a) Ordinary:
 - (1) Investments
 - (2) Fixed Assets
 - (3) Deferred and uncollected premium
 - (4) Policyholder reserves
 - (5) Other (including items <5% of total ordinary tax liabilities)
- (99) Subtotal
- (b) Capital:
 - (1) Investments
 - (2) Real estate
 - (3) Other (including items <5% of total capital tax liabilities)
- (99) Subtotal
- (c) Deferred tax liabilities (3a99 + 3b99)

\$ 20,129	\$ 12,976	\$ 7,153
\$ 146,106	\$ 194,375	\$ (48,269)
\$ 166,235	\$ 207,351	\$ (41,116)
\$ 517,304	\$ 249,065	\$ 268,239
\$ 517,304	\$ 249,065	\$ 268,239
\$ 683,539	\$ 456,416	\$ 227,123
\$ 1,221,129	\$ 1,323,077	\$ (101,948)

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

NOTES TO FINANCIAL STATEMENTS

D. Reconciliation of total statutory income taxes reported to tax at statutory tax rate:
The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory Federal income tax rate to income before income taxes including realized capital gains / losses. The significant items causing this difference are as follows:

Description	Amount	Statutory Rate 21.0% Tax Effect	Effective Tax Rate
Income before taxes (including all realized capital gains / (losses))	3,825,846	803,427	21%
Tax exempt interest	(134,706)	(28,288)	-1%
Proration	33,677	7,072	0%
Nondeductible expenses	37,526	7,880	0%
Prior year true-up of Perms	2,017	743	0%
Non admitted asset	(355,279)	(74,608)	-2%
True-up of deferred taxes	125,271	26,307	1%
Total		<u>742,533</u>	<u>19%</u>
Current federal income tax expense / (benefit)		909,835	24%
Tax expense / (benefit) on realized capital gains / (losses)		8,180	0%
Other, including prior year under accrual (over accrual)		<u>(9,192)</u>	<u>0%</u>
Federal income taxed incurred [expense / (benefit)]		908,823	24%
Change in net deferred income tax [charge / (benefit)]		<u>(166,290)</u>	<u>-4%</u>
Total statutory income taxes		<u>742,533</u>	<u>19%</u>

E. Carry-forwards, recoverable taxes, and IRC §6603 deposits:
1 The Company has no net operating loss carry-forwards available.
The Company has no capital loss carry-forwards available.
The Company has no AMT credit carry-forward.
2 Income taxes, ordinary and capital, available for recoupment in the event of future losses include:

Available from tax year	Ordinary	Capital	Total
2017	864,865		864,865
2018	700,298	27,796	728,094
2019	909,835	8,180	918,015
Total	<u>2,474,998</u>	<u>35,976</u>	<u>2,510,974</u>

3 Deposits admitted under IRC §6603 - not applicable
F. (1) The Company's Federal Income Tax Return is consolidated with the following entities: Utica Mutual Insurance Company, Utica National Insurance Company of Texas, Utica Lloyd's of Texas, Utica Lloyd's, Inc., Utica National Assurance Company, Utica National Insurance Company of Ohio, Utica Specialty Risk Insurance Company, Founders Insurance Company, Founders Insurance Company of Michigan, UNI-Service Operations Co., UNI-Service Life Agency and Pillar Premium Finance Company.
(2) The method of allocation between the companies is subject to written agreement approved by the Board of Directors. Allocation is based upon separate return calculations with current credit for net losses. Inter-Company tax balances are settled within 30 days of the filing of applicable estimated or actual consolidated federal tax return.
G. The Company has no liability for income tax loss contingencies and no increase in such liability is expected.
H. The Company did not have any Repatriation Transition Tax (RTT).
I. Alternative Minimum Tax (AMT) Credit - not applicable

NOTE 10 Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. Not applicable
B. Not applicable
C. Not applicable
D. On December 31, 2019, the Company reported \$789,304 as an amount due from Utica Mutual Insurance Company, the parent company. This amount is due for the pooling and services agreements and settled within a reasonable period, generally within 45 days.
E. Not applicable
F. The Company operates under a pooling agreement as identified in Note 26.
G. All outstanding shares of the Company are owned by Utica Mutual (94%) and Graphic Arts Mutual Insurance Company (6%), insurance companies domiciled in the state of New York.
H. Not applicable
I. Not applicable
J. Not applicable
K. Not applicable
L. Not applicable
M. Not applicable
N. Not applicable
O. Not applicable

NOTE 11 Debt

A. The Company does not have any outstanding debt or capital notes.
B. FHLB (Federal Home Loan Bank) Agreements - not applicable

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

A. Defined Benefit Plan
The Company does not have a defined benefit plan.
B. Not applicable
C. The fair value of each class of plan assets - not applicable
D. Not applicable
E. Defined Contribution Plan - The Company does not have a defined contribution plan.
F. Multiemployer Plans - not applicable
G. Consolidated/Holding Company Plans

The Utica National Insurance Company of Texas, a subsidiary of Utica Mutual, participates in the Retirement Income Plan for Employees of Utica Mutual (RIP), which is a non-contributory defined benefit plan and covers a majority of all employees. Employees hired after January 1, 2007 are not eligible for the Retirement Income Plan. Plan benefits are based on years of service and the employee's compensation during the highest five consecutive out of the last ten years of employment. The Company also participates in the Supplemental Employee Retirement Plan for certain management Employees of the Utica Mutual (SERP), a non-qualified excess plan for certain officers whose benefits were limited by IRS Code Section 401(a)(17) or IRS Code Section 415(b).

The Utica National Insurance Company of Texas does not have any employees and substantially all of the Utica Mutual employees are covered in the Qualified Employee Profit Sharing and Investment Plan sponsored by Utica Mutual Insurance Company ("Company"). Employees can defer up to 50% of their pay into the plan, subject to annual IRS elective deferral limitations. The Company will match from 0% to 125% of the first 4% of employee deferrals, depending upon Company earnings. The Company can also make an additional discretionary contribution.

NOTES TO FINANCIAL STATEMENTS

The Deferred Income Plan allows all officers of the Company to defer part of their annual compensation.

In addition to pension benefits, the Utica National Insurance Company of Texas, as a subsidiary of the Utica Mutual, provides certain health care insurance benefits ("post-retirement") for retired employees through a plan sponsored by Utica Mutual. Substantially all employees may become eligible for these benefits if they reach retirement age while working for Utica Mutual. Alternatively, retirees may elect certain prepaid health care benefits plans. During 2010, Utica Mutual curtailed the life insurance benefits available to retirees. Existing retiree life insurance benefits were settled through the purchase of a single premium life insurance policy.

The Utica National Insurance Company of Texas has no legal obligation for benefits under any of these plans. Utica Mutual Insurance Company allocates pension amounts to the Utica National Insurance Company of Texas based on cost allocations and the pooling agreement ratios.

- H. Postemployment Benefits and Compensated Absences - not applicable
- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) - none

NOTE 13 Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- (1) The Company has 1,000,000 shares of stock authorized, 500,000 shares issued and outstanding. The par value is \$7 per share. All shares are Class A common.
- (2) The Company does not have any preferred stock outstanding.
- (3) The maximum amount of dividends that can be paid by state of Ohio insurance companies to shareholders without the prior approval of the Insurance Commissioner is subject to restrictions relating to statutory surplus. Statutory surplus at December 31, 2019 was \$60,573,586. The maximum dividend payout that may be made without approval is \$6,057,359.
- (4) The Company did not have ordinary dividends.
- (5) The Company does not have any surplus restrictions.
- (6) The Company does not have any restrictions that have been placed on unassigned surplus.
- (7) The Company did not have any advances to surplus not repaid.
- (8) The Company does not have any stock held for special purposes.
- (9) The Company does not have any prior period changes to special surplus funds.
- (10)The Company does not have unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses.
- (11)The Company does not have any surplus notes.
- (12)The Company does not have any impact from any restatement due to prior quasi-reorganizations.
- (13)The Company has not had any quasi-reorganizations in the prior ten years.

NOTE 14 Liabilities, Contingencies and Assessments

- A. The Company has no commitment or contingent commitment to SCA entity, joint venture, partnership or limited liability company.
- B. Assessments

The Company has accrued assessments, generally related to guarantee funds. The total liabilities for these assessments were \$953,400 and the related asset was \$518,900. These assessments are paid within 30 days of them being made by their respective states. Policy surcharge assessments are expected to be realized over a one-year period, while most premium tax credits are realized within 5 years after the assessment has been paid.

- C. The Company does not have any gain contingencies.
- D. Claims related extra contractual obligations and bad faith losses stemming from lawsuits

Direct

(1) The company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits

\$94,274

(2) Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period

0-25 Claims

(3) Indicate whether claim count information is disclosed per claim or per claimant

Per Claimant
- E. The Company does not have any product warranty liability.
- F. The Company does not have any joint and several liabilities.
- G. Various lawsuits against the Company have arisen throughout the course of the Company's business. Contingent liabilities arising from litigation and other business matters are not considered to be material in relationship to the financial position of the Company.

NOTE 15 Leases

- A & B Not applicable - The Company does not have any leasing arrangements.

NOTE 16 Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

The Company does not have financial instruments with off-balance sheet risk or concentration of credit risk.

NOTE 17 Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

- A. The Company does not have any transfer of receivables reported as sales.
- B. The Company does not have servicing assets or servicing liabilities.
- C. The Company does not have wash sales for the period of this statement.

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

- A. ASO Plans - Not applicable
- B. ASC Plans - Not applicable
- C. Medicare or Similarly Structured Cost Based Reimbursement Contract - Not applicable

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

The Company did not have direct premium written or produced by managing general agents or third party administrators.

NOTE 20 Fair Value Measurements

- A. Assets Measured at Fair Value on a Recurring Basis
 - (1) Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Cash Equivalent	\$100,001				\$100,001
Mutual Fund	\$5,709,479				\$5,709,479
Total assets at fair value/NAV	\$5,809,480				\$5,809,480

- b. Liabilities at fair value - not applicable

- (2) Fair Value Measurements in (Level 3) of the Fair Value hierarchy - not applicable
- (3) Not applicable
- (4) The following are the levels of the hierarchy and a brief description of the type of valuation inputs that are used to establish each level:

Pricing Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets that our pricing sources have the ability to access. Since the valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant amount or degree of judgment.

NOTES TO FINANCIAL STATEMENTS

Pricing Level 2 – Valuations based upon quoted prices for similar assets in active markets, quoted prices for identical or similar assets in inactive markets; or valuations based on models where significant inputs are observable (e.g. interest rates, yield curves, prepayment speeds, default rates, loss severities) or can be corroborated by observable market data.

Pricing Level 3 – Valuations that are derived from techniques in which one or more of the significant inputs are unobservable, including broker quotes which are non-binding.

(5) Not applicable

B. Not applicable

C. Aggregate fair value for all financial instruments and the level within the fair value hierarchy in which the fair value measurements in their entirety fall.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$ 106,946,290	\$ 102,307,220	\$ 100,001	\$ 106,846,289			
Common Stock	\$ 5,709,479	\$ 5,709,479	\$ 5,709,479				

D. Not Practicable to Estimate Fair Value - not applicable

E. Not applicable

NOTE 21 Other Items

- A. The Company does not have any extraordinary items to report for the statement periods.
- B. The Company does not have any troubled debt restructurings that occurred during the statement periods.
- C. The Company does not have any other disclosures to report for the statement periods.
- D. The Company does not have business interruption insurance recoveries.
- E. The Company does not have any state transferable tax credits.
- F. The Company does not have any sub-prime mortgage related exposure within its investment portfolio.
- G. The Company does not receive proceeds as the issuer, ceding insurer, or counterparty of insurance-linked securities.
- H. The Company is not an owner and beneficiary of any life insurance policies.

NOTE 22 Events Subsequent

Subsequent events have been considered through February 14, 2020 for the statutory statement issued on February 15, 2020. The Company did not have any material events to report for this annual statement period.

A-H The Company did not write any accident and health insurance premium that is subject to Section 9010 of the federal Affordable Care Act – Not applicable.

Type II - Nonrecognized Subsequent Events:

- A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)? No
- H. Would reporting the ACA assessment as of Dec. 31, 2019 have triggered an RBC action level (YES/NO)? No

NOTE 23 Reinsurance

- A. Unsecured Reinsurance Recoverables
The Company has the following individual reinsurers that have unsecured aggregate recoverables for losses, paid or unpaid, including IBNR, loss adjustment expenses and unearned premiums that exceed 3% of policyholders' surplus:

Group Code	Company Code	FEIN	Company	Amount
0031	22039	13-2673100	General Reinsurance Corp	\$ 2,397,680
0361	11452	06-0384680	Hartford Steam Boiler Insp & Ins Co	\$ 2,016,732
0065	21482	05-0316605	FM Global	\$ 1,941,497
0000	00000	AA-1340125	Hannover Ruckversicherungs Ag	\$ 1,913,384

- B. The Company has no reinsurance recoverable in dispute which exceeded 5% of policyholders' surplus.

C. Reinsurance Assumed and Ceded

(1)

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$ 16,808,691		\$ 129,655,841		\$ (112,847,150)	
b. All Other	\$ 353	\$ 194	\$ 4,269,679	\$ 646,064	\$ (4,269,326)	\$ (645,870)
c. Total	\$ 16,809,044	\$ 194	\$ 133,925,520	\$ 646,064	\$ (117,116,476)	\$ (645,870)
d. Direct Unearned Premium Reserve						\$ 133,925,167

- (2) The additional return commission, predicated on loss experience or on any other form of profit sharing arrangements on the annual statement as a result of existing contractual arrangements is calculated as follows:

	Direct	Assumed	Ceded	Net
a. Contingent Commission	\$ 7,359,286	\$ 770,312	\$ 7,359,286	\$ 770,312
b. Sliding Scale Adjustments				
c. Other Profit Commission Arrangements			\$ (566)	\$ 566
d. TOTAL	\$ 7,359,286	\$ 770,312	\$ 7,358,720	\$ 770,878

(3) Not applicable

D. Uncollectible Reinsurance

- (1) The Company has written off in the current year reinsurance balances due from the companies listed below, the amount of: \$ 34,278

Which is reflected as:

- a. Losses incurred \$ 34,199
- b. Loss adjustment expenses incurred \$ 79
- c. Premiums earned
- d. Other

NOTES TO FINANCIAL STATEMENTS

e. Company	Amount	Company	Amount	Company	Amount
Abeille Assurances	\$ (341)	Groupama	\$ 195	Philadelphia Reins. Corp.	\$ (181)
Agf London Ltd	\$ (650)	Hassneh Ins. Co.	\$ (234)	Phoenix Life Assurance	\$ (297)
Alea Europe Limited	\$ 310	Heartland Group	\$ (354)	Pine Top Ins. Co.	\$ 389
Am Prudence Sa	\$ 1,272	Home Ins Co	\$ (135)	Protective National Ins. Co	\$ 325
Arion Insurance Co. Ltd.	\$ (229)	Imperial Casualty	\$ (131)	Prudential Assurance	\$ (398)
Atlas Assurance Company Ltd	\$ (127)	Ina Ireland	\$ (111)	Realex Grp Nv	\$ (220)
Axa Marine & Aviation	\$ 1,129	Irb Brasil Resseguros Sa	\$ 921	Riverstone Insurance (Uk)	\$ (99)
Axa Provincial Insurance Plc	\$ 1,481	Israel Re	\$ (86)	Rmca Reinsurance Ltd.	\$ 876
Axa Reassurances	\$ (1,157)	Kansa Reinsurance Co	\$ 2,518	S.I.S. Assurance	\$ 244
Bellefonte Insurance Co.	\$ 1,690	Korea Automobile Ins. Co	\$ 358	S.N.L. Ins. Co.	\$ (93)
Belvedere Insurance Company	\$ (725)	Laurentian General Insurance C	\$ (101)	Scan Re Ins. Co	\$ 87
Bothnia International	\$ 418	Lloyd'S Of London	\$ 24,503	Seneca Insurance Company, Inc	\$ (134)
British Law Ins.CO.	\$ 709	Lmi Insurance Company	\$ 749	Sentry Insurance	\$ 204
Cambridge Reins. Ltd.	\$ (466)	Maidstone Ins. Co.	\$ (265)	Sparebank 1 Skadef	\$ 127
Candon Syndicate	\$ (571)	Markel Internation Insurance	\$ (166)	Sparkassen-Vers Allgemeine Ve	\$ 227
Chorley Company Limited	\$ (93)	Mentor Ins. Co.	\$ (1,070)	Sphere Drake Ins (Bermuda) Ltd	\$ 322
Cie. Transcontinentale De Reas	\$ 567	Mercantile & General	\$ 1,400	Sphere Drake Ins Co Plc.	\$ 3,117
Constellation Reinsurance	\$ 1,053	Mid Far East Int'L Rein. Pool	\$ 530	St. Paul Casualty	\$ (142)
Constitution Insurance	\$ 271	Midland Ins. Co.	\$ 4,838	St. Paul Fire And Marine	\$ (685)
Constitution State Ins. Co.	\$ (689)	Mill Ri Gruppo Riassicurativo	\$ (132)	Stockholm Re (Natl.Underw.)	\$ (467)
Continental Insurance Co. (Uk)	\$ 3,090	Millers National Ins. Co.	\$ (82)	Top Intl.	\$ 872
Copenhagen Reins.	\$ (127)	Mission Re	\$ 3,547	Transit Casualty Co.	\$ (77)
Delta American Reinsurance	\$ (519)	Mitsui Sumitomo Ins Co	\$ 1,241	Travelers Indemnity	\$ (16,798)
Dominion Ins Co Of America	\$ (183)	Mutual Fire	\$ 201	Trent Ins. Co.	\$ 74
Elders Insurance Company	\$ 322	Nem Re-Insurance Corp	\$ (362)	Uni Polaris	\$ 2,526
English & American Ins. Co.	\$ 1,980	New England Reinsurance Corp	\$ (2,395)	Vara-Pooli	\$ 735
English & Scottish	\$ (91)	Nippon Ins Co (Europe) Ltd	\$ (654)	Walton Insurance Co.	\$ (686)
Ergo Versicherung Ag	\$ 518	North Atlantic	\$ (431)	Wasa Inter. (Uk) Ins. Co. Ltd.	\$ 106
Excess and Treaty Mgmt	\$ 540	Northeastern Ins. Co.	\$ 423	West Africa Intl. Ins.	\$ (265)
Finland General	\$ (117)	Northwestern National	\$ 837	Westport Insurance Corporation	\$ (890)
First New York Syndicate	\$ (313)	Orion Insurance Company	\$ 416	All Others	\$ (198)
Fremont Indemnity Co	\$ 387	Pa (Gi) Limited	\$ 418		
G.E.S.B.	\$ 265	Paladin Reins. Corp.	\$ (313)	Total Uncollectible Reinsurance	\$ 34,278

- E. The Company did not commute any ceded reinsurance for the statement periods.
- F. The Company does not have any retroactive reinsurance for the statement periods.
- G. The Company does not have any reinsurance accounted for as a deposit.
- H. The Company did not enter into any transfers of property and casualty run-off agreements.
- I. The Company did not have any of its certified reinsurers downgraded or status subject to revocation.
- J. The Company did not have any retroactive reinsurance agreements covering asbestos and pollution liabilities which qualify for reinsurer aggregation.

NOTE 24 Retrospectively Rated Contracts & Contracts Subject to Redetermination

- A. The Company estimates accrued retrospective premium adjustments through the review of each individual retrospectively rated risk, comparing case basis loss development with that anticipated in the policy contract to arrive at the best estimate of return or additional retrospective premium.
- B. The Company records accrued retrospective premium as an adjustment to earned premium.
- C. See Schedule P – Part 7A.
- D. The Company did not have any medical loss ratio rebates required pursuant to the Public Health Service Act.
- E. The Company did not have any non-admitted retrospective premiums as of December 31, 2019.
- F. Risk Sharing Provisions of the Affordable Care Act

(1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions (YES/NO)?

Yes [] No [X]

(2-5) The Company did not write any accident and health insurance premium that is subject to the Affordable Care Act - Not applicable

NOTE 25 Change in Incurred Losses and Loss Adjustment Expenses

Loss and loss adjustment expense reserves are stated at the Company’s estimate of the ultimate cost of settling all incurred but unpaid claims, net of ceded reinsurance and anticipated salvage and subrogation. Loss and loss adjustment expense reserves are reported on an undiscounted basis, with the exception of workers compensation pension type claims, which have been discounted on a tabular basis. Activity with respect to loss and loss adjustment expense reserves for the past two years is displayed below:

Loss & LAE Reserves (amounts in thousands)	2019	2018
Unpaid Losses & LAE - January 1	\$ 40,311	\$ 38,796
Loss & LAE Incurred / Current Accident Year	21,961	19,980
Loss & LAE Incurred / Prior Accident Years	(1,935)	(1,089)
Loss & LAE Payments / Current Accident Year	(7,725)	(7,181)
Loss & LAE Payments / Prior Accident Years	<u>(10,401)</u>	<u>(10,195)</u>
Losses & LAE - December 31	\$ 42,211	\$ 40,311

Premium accruals are not material relative to the amount of reserve strengthening, since the base of retrospectively rated policies is negligible.

NOTE 26 Intercompany Pooling Arrangements

- A. Utica Mutual, the lead company, operates under a pooling agreement that shares premiums; losses, expenses and other related insurance operations with its other affiliated entities. The agreement states the following percentages of participation:

NAIC Co. Code	Name	Percentage
25976	Utica Mutual Insurance Company	84%
25984	Graphic Arts Mutual Insurance Company	5%
12475	Republic-Franklin Insurance Company	3%
10675	Utica National Assurance Company	2%
43478	Utica National Insurance Company of Texas	1%
14249	Founders Insurance Company	5%

- B. The pooling agreement covering the members outlined above and covers premiums, losses and LAE for all lines of business and the majority of operating expenses. The significant insurance operations and related transactions are also subject to this pooling agreement.
- C. The lead company, Utica Mutual, has individual reinsurance contracts to cover casualty, property and catastrophes as well as other reinsurance programs and facultative placements with several reinsurance companies which are with all non-affiliated entities. The cession to those reinsurance companies is prior to the cessions of pooled business within the group.
- D. As indicated above, the lead company, Utica Mutual, has individual reinsurance contracts to cover casualty, property and catastrophes as well as other reinsurance programs and facultative placements with several reinsurance companies which are with all non-affiliated entities. The cession to those reinsurance companies is prior to the cessions of pooled business within the group. Each member of the pooling agreement has a right of direct recovery of reinsurance collectibles from a reinsurance company under the various treaties and/or facultative placements.

NOTES TO FINANCIAL STATEMENTS

- E. There were no discrepancies with the pooling entities on the assumed or ceded transactions between affiliated companies.
- F. The Provision for Reinsurance (Schedule F, Part 3) is not pooled among the members of the group. Each company prepares Schedule F on a separate basis prior to the pooling. The companies and their respective Provision for Reinsurance are as follows:

NAIC Co. Code	Name	Provision for Reinsurance
25976	Utica Mutual Insurance Company	\$ 3,862,039
25984	Graphic Arts Mutual Insurance Company	266,645
12475	Republic-Franklin Insurance Company	1,053
10675	Utica National Assurance Company	48
43478	Utica National Insurance Company of Texas	0
14249	Founders Insurance Company	0

The companies within the Utica National Insurance Group (as identified above in item A) do share proportionally according to the pooling agreement, in the handling of uncollectible reinsurance. Uncollectible reinsurance is handled in accordance with SSAP #62, paragraph 58, by processing the amount through the accounts, exhibits and schedules in which they were originally recorded.

- G. The amounts due to/(from) Utica Mutual Insurance Company and its affiliated entities participating in the intercompany pool as of December 31, 2019 are:

Utica Mutual Insurance Company	\$ (10,640,250)
Graphic Arts Mutual Insurance Company	1,582,378
Republic-Franklin Insurance Company	789,304
Utica National Assurance Company	564,252
Utica National Insurance Company of Texas	438,474
Utica National Insurance Company of Ohio	3,403,350
Utica Speciality Risk Insurance Company	450,528
Utica Lloyd's of Texas	849,391
Founders Insurance Company	2,615,751

NOTE 27 Structured Settlements

27A. The Company has eliminated the following in loss reserves because it has purchased annuities, and it is contingently liable for the shown amount in the event the issuers of the annuities fail to perform.

	Loss Reserves Eliminated by Annuities	Unrecorded Loss Contingencies
27A. Structured Settlements	\$ 4,302,723	\$ 2,981,492

27B. The Company has annuities from the following insurance companies which exceed 1% of policyholders' surplus:

	Licensed in Company's State of Domicile Yes/No	Statement Value (i.e., Present Value) of Annuities
27B. Life Insurance Company And Location		
Genworth Financial, Lynchburg, VA	No	\$ 1,038,042
Symetra, Seattle, WA	Yes	\$ 795,746
Metropolitan Life Insurance Co, New York, NY	No	\$ 609,782

NOTE 28 Health Care Receivables

The Company does not have any health care receivables.

NOTE 29 Participating Policies

The Company does not have participating policies.

NOTE 30 Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves
2. Date of the most recent evaluation of this liability12/31/2019
3. Was anticipated investment income utilized in the calculation?Yes [X] No []

NOTE 31 High Deductibles

- A. As of December 31, 2019 the amount of reserve credit recorded for high deductibles on unpaid claims was zero and the amount billed and recoverable on paid claims was zero.
- B. The Company does not have any unsecured high deductible recoverables for individual obligors part of a group under the same management or control which are greater than 1% of capital and surplus.

NOTE 32 Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

The Company discounts unpaid loss and loss adjustment expenses pertaining to workers' compensation pension type case reserves, where applicable, on a tabular basis using the mortality table specified by the statistical reporting agencies to each state at rates of interest ranging from 3.0% to 6.0% as specified. Additionally, the assumed IBNR reserves of the National Workers' Compensation Pool have been discounted for pension type cases at a rate of 5.0%, using tabular values provided by the NWC Pool. The total amount of tabular pension discount reflected in the liabilities of this financial statement as of December 31, 2019 is \$325,000.

NOTES TO FINANCIAL STATEMENTS

A. Tabular Discount

	Tabular Discount Included in Schedule P, Part 1*	
	(1) Case	(2) IBNR
1. Homeowners/Farmowners		
2. Private Passenger Auto Liability/Medical		
3. Commercial Auto/Truck Liability/Medical		
4. Workers' Compensation	\$ 226,000	\$ 99,000
5. Commercial Multiple Peril		
6. Medical Professional Liability - occurrence		
7. Medical Professional Liability - claims-made		
8. Special Liability		
9. Other Liability - occurrence		
10. Other Liability - claims-made		
11. Special Property		
12. Auto Physical Damage		
13. Fidelity, Surety		
14. Other (including Credit, Accident & Health)		
15. International		
16. Reinsurance Nonproportional Assumed Property		
17. Reinsurance Nonproportional Assumed Liability		
18. Reinsurance Nonproportional Assumed Financial Lines		
19. Products Liability - occurrence		
20. Products Liability - claims-made		
21. Financial Guaranty/Mortgage Guaranty		
22. Warranty		
23. Total	\$ 226,000	\$ 99,000

* Must exclude medical loss reserves and all loss adjustment expense reserves.

B. Nontabular Discount - Not applicable

C. Nontabular Discount - Not applicable

NOTE 33 Asbestos/Environmental Reserves

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

The Company has exposure to asbestos claims. This exposure arises primarily from the sale of general liability policies to manufacturers and suppliers that may have used/sold products that may have contained asbestos. Claimants have sued these manufacturers/suppliers for damages they allegedly received as a result of claimed exposure to these products.

Aggregate asbestos reserves have been established based on a stochastic model valuation. The Company reserves to the best point estimate of reasonable range of estimates after adjusting for reinsurance.

Effective 1/1/12, Utica entered into a reinsurance agreement with National Indemnity Company (NICO), a subsidiary of Berkshire Hathaway Group, which reinsures Utica's current asbestos losses up to a contract limit of \$475,985,800 for certain policies from 2003 and prior.

(1) Direct

	2015	2016	2017	2018	2019
a. Beginning reserves:	\$ 9,446,822	\$ 9,824,854	\$ 7,545,220	\$ 7,691,824	\$ 7,081,435
b. Incurred losses and loss adjustment expense:	\$ 1,461,903	\$ (7,442)	\$ 523,864	\$ (331)	\$ 64
c. Calendar year payments for losses and loss adjustment expenses:	\$ 1,083,871	\$ 2,272,192	\$ 377,260	\$ 610,058	\$ 721,485
d. Ending reserves:	\$ 9,824,854	\$ 7,545,220	\$ 7,691,824	\$ 7,081,435	\$ 6,360,014

(2) Assumed Reinsurance

	2015	2016	2017	2018	2019
a. Beginning reserves:	\$ 470,399	\$ 504,784	\$ 411,104	\$ 427,537	\$ 326,632
b. Incurred losses and loss adjustment expense:	\$ 113,516	\$ 39,269	\$ 131,719	\$ (63,562)	\$ 12,842
c. Calendar year payments for losses and loss adjustment expenses:	\$ 79,131	\$ 132,949	\$ 115,286	\$ 37,343	\$ 44,331
d. Ending reserves:	\$ 504,784	\$ 411,104	\$ 427,537	\$ 326,632	\$ 295,143

(3) Net of Ceded Reinsurance

	2015	2016	2017	2018	2019
a. Beginning reserves:	\$ 108,123	\$ 59,831	\$ 123,433	\$ 156,017	\$ 177,276
b. Incurred losses and loss adjustment expense:	\$ (53,804)	\$ 72,324	\$ 45,738	\$ 22,982	\$ 29,237
c. Calendar year payments for losses and loss adjustment expenses:	\$ (5,512)	\$ 8,722	\$ 13,154	\$ 1,723	\$ 880
d. Ending reserves:	\$ 59,831	\$ 123,433	\$ 156,017	\$ 177,276	\$ 205,633

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

(1) Direct Basis:	\$ 3,868,895
(2) Assumed Reinsurance Basis:	\$ 227,282
(3) Net of Ceded Reinsurance Basis:	\$ 195,802

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

(1) Direct Basis:	\$ 2,490,480
(2) Assumed Reinsurance Basis:	\$ 3,338
(3) Net of Ceded Reinsurance Basis:	\$ 2,071

NOTES TO FINANCIAL STATEMENTS

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

The Company has exposure to hazardous waste clean up claims. This exposure arises primarily from the sale of general liability policies.

Hazardous waste clean up claims are defined as losses related directly or indirectly to the cost of remediation of a site arising from past operations or waste disposal of hazardous materials or substances.

Hazardous waste clean up claims are reserved by evaluating coverage, liability and damages.

Factors considered in evaluating coverage include whether the facts indicate an "occurrence" has taken place as that term is defined in general liability policies, whether there is a pollution exclusion in the policy, what policies are triggered, whether there is property damage as that term is defined in the policy, whether in the case of property damage the damage is confined to the insured own property, the law of the jurisdiction applicable to the claim, and possibly other factors.

Factors considered, in evaluating liability include whether the insured produced toxic or hazardous products or substances or owns property on which such toxic substances are located, the toxicity of such substances and the quantity attributable to the insured, whether the injuries alleged are causally connected to the substance attributed to the insured, the number and relative liability of other defendants, the probability of other causes and possibly other factors.

Factors considered in evaluating damages in the case of a hazardous waste clean up claim include the cost to remediate the site, monitoring costs, damages to material resources, administrative costs, etc.

The relatively small volume of environmental losses are reserved on a case occurrence basis. IBNR reserves are carried to maintain a reasonable survival ratio.

(1) Direct

	2015	2016	2017	2018	2019
a. Beginning reserves:	\$ 492,293	\$ 442,874	\$ 397,913	\$ 383,723	\$ 374,864
b. Incurred losses and loss adjustment expense:	\$ 3,224	\$ (35,738)	\$ (7,049)	\$ 31,015	\$ 3,004
c. Calendar year payments for losses and loss adjustment expenses:	\$ 52,643	\$ 9,223	\$ 7,141	\$ 39,874	\$ 18,487
d. Ending reserves:	\$ 442,874	\$ 397,913	\$ 383,723	\$ 374,864	\$ 359,381

(2) Assumed Reinsurance

	2015	2016	2017	2018	2019
a. Beginning reserves:	\$ 121,066	\$ 161,438	\$ 149,304	\$ 194,813	\$ 154,783
b. Incurred losses and loss adjustment expense:	\$ 63,287	\$ 1,462	\$ 46,898	\$ (36,583)	\$ 1,452
c. Calendar year payments for losses and loss adjustment expenses:	\$ 22,915	\$ 13,596	\$ 1,389	\$ 3,447	\$ 1,486
d. Ending reserves:	\$ 161,438	\$ 149,304	\$ 194,813	\$ 154,783	\$ 154,749

(3) Net of Ceded Reinsurance

	2015	2016	2017	2018	2019
a. Beginning reserves:	\$ 402,876	\$ 354,444	\$ 363,112	\$ 374,737	\$ 391,566
b. Incurred losses and loss adjustment expense:	\$ (5,108)	\$ (5,026)	\$ 30,872	\$ 45,782	\$ 20,966
c. Calendar year payments for losses and loss adjustment expenses:	\$ 43,324	\$ (13,694)	\$ 19,247	\$ 28,953	\$ 16,775
d. Ending reserves:	\$ 354,444	\$ 363,112	\$ 374,737	\$ 391,566	\$ 395,757

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

(1) Direct Basis:	\$ 235,063
(2) Assumed Reinsurance Basis:	\$ 151,521
(3) Net of Ceded Reinsurance Basis:	\$ 310,534

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

(1) Direct Basis:	\$ 68,310
(2) Assumed Reinsurance Basis:	\$ 2,225
(3) Net of Ceded Reinsurance Basis:	\$ 56,191

NOTE 34 Subscriber Savings Accounts

The Company is not a reciprocal insurance company and has no surplus identified as subscriber savings accounts.

NOTE 35 Multiple Peril Crop Insurance

The Company does not have multiple peril crop insurance for this statement period.

NOTE 36 Financial Guaranty Insurance

The Company does not have any financial guaranty insurance for the financial statement period.
A(1)b, A(1)c, A(2)b, A(3)b and B: Not applicable

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 ☒ 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 ☒ No ☐ N/A ☐

1.3

State Regulating?

Ohio

1.4

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

Yes ☐ No ☒

1.5

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

2.1

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

Yes ☐ No ☒

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.

12/31/2014

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.

12/31/2014

3.3

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

06/30/2016

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 ☒

3.6

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

Yes ☐ No ☐ N/A ☒

4.1

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

Yes ☐ No ☒
Yes ☐ 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?
4.22 renewals?

Yes ☐ No ☒
Yes ☐ No ☒

5.1

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

Yes ☐ No ☒

5.2

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

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

6.1

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

Yes ☐ No ☒

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 ☒

7.2

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

1 Nationality	2 Type of Entity

%

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL INTERROGATORIES

8.1

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

Yes [] No [X]

8.2

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

8.3

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

Yes [] No [X]

8.4

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

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

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Grant Thornton LLP, 90 State House Square, 10th Floor, Hartford, CT 06103

10.1

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

Yes [] No [X]

10.2

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

10.3

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

Yes [] No [X]

10.4

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

10.5

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

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

10.6

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

11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

Mark Littmann, FACS, MAAA, PricewaterhouseCoopers, LLP, 185 Asylum Street, Hartford, CT 06103

12.1

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

Yes [] No [X]

12.11

Name of real estate holding company

12.12

Number of parcels involved

12.13

Total book/adjusted carrying value

\$

12.2

If, yes provide explanation:

13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1

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

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 [X] No []

14.21

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

The Code of Conduct was amended in April 2019 to require all employees and directors to notify the Company within thirty days after they have been subject to an injunction, judgment or decree involving a violation of antifraud, antitrust or insurance laws, or if a company they served as an officer, director or owner has been placed in bankruptcy or receivership or had its charter revoked.

14.3

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

Yes [] No [X]

14.31

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

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers\$

20.12 To stockholders not officers\$

20.13 Trustees, supreme or grand (Fraternal Only)\$
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers\$

20.22 To stockholders not officers\$

20.23 Trustees, supreme or grand (Fraternal Only)\$
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others\$

21.22 Borrowed from others\$

21.23 Leased from others\$

21.24 Other\$
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment\$

22.22 Amount paid as expenses\$

22.23 Other amounts paid\$
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$789,304

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 [] No [X]
- 24.02 If no, give full and complete information relating thereto
Securities are held in custodial accounts with the Bank of New York Mellon, New York, NY, except those on deposit with state or other regulatory bodies.
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] N/A [X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]
- 24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL INTERROGATORIES

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

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

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

25.2	If yes, state the amount thereof at December 31 of the current year:	25.21 Subject to repurchase agreements	\$
		25.22 Subject to reverse repurchase agreements	\$
		25.23 Subject to dollar repurchase agreements	\$
		25.24 Subject to reverse dollar repurchase agreements	\$
		25.25 Placed under option agreements	\$
		25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock	\$
		25.27 FHLB Capital Stock	\$
		25.28 On deposit with states	\$3,100,004
		25.29 On deposit with other regulatory bodies	\$
		25.30 Pledged as collateral - excluding collateral pledged to an FHLB	\$
		25.31 Pledged as collateral to FHLB - including assets backing funding agreements	\$
		25.32 Other	\$

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....

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

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

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 result 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 Guideline 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 that 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 [X]

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

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

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

1 Name of Custodian(s)	2 Custodian's Address
Bank of New York Mellon	One Wall Street, New York, NY
.....

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL 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
Conning Asset Management	U.....

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

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?..... Yes [X] No []

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
107423	Conning, Inc.	549300Z0G14KK37BDV40	SEC	NO.....

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

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
922908-71-0	Vanguard 500 Index Fund	5,709,479
29.2999 - Total		5,709,479

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
500 Index Fund Admiral Shares (VFIAX)	Apple Inc.	262,636	12/01/3120 ...

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL INTERROGATORIES

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	102,307,220	106,846,289	4,539,068
30.2 Preferred stocks			
30.3 Totals	102,307,220	106,846,289	4,539,068

30.4 Describe the sources or methods utilized in determining the fair values:
Statement Values have been determined in accordance with the guidelines of the NAIC. The fair market value is primarily determined by widely accepted third party vendors, followed by a hierarchy using broker/dealer quotes, index pricing, analytical methods and historical pricing.

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:
Prices are obtained from the dealers/market makers for these securities. These prices are non-binding, but represent their best estimate of fair value per market conditions.

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 of each self-designated 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 a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
Has the reporting entity self-designated PLGI securities? Yes [] No [X]

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?\$153,508

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	2
Name	Amount Paid
Insurance Services Office Inc	38,377
.....	

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL INTERROGATORIES

37.1 Amount of payments for legal expenses, if any?\$17,851

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
Hunton Andrews Kurth LLP	6,048
.....

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

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
.....
.....

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2

If yes, indicate premium earned on U. S. business only.

\$ _____

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$ _____

1.31 Reason for excluding

.....

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$ _____

1.5

Indicate total incurred claims on all Medicare Supplement Insurance.

\$ _____

1.6

Individual policies:

Most current three years:

1.61 Total premium earned

\$ _____

1.62 Total incurred claims

\$ _____

1.63 Number of covered lives

.....

All years prior to most current three years

1.64 Total premium earned

\$ _____

1.65 Total incurred claims

\$ _____

1.66 Number of covered lives

.....

1.7

Group policies:

Most current three years:

1.71 Total premium earned

\$ _____

1.72 Total incurred claims

\$ _____

1.73 Number of covered lives

.....

All years prior to most current three years

1.74 Total premium earned

\$ _____

1.75 Total incurred claims

\$ _____

1.76 Number of covered lives

.....

2.

Health Test:

1

Current Year

2

Prior Year

2.1 Premium Numerator

.....

.....

2.2 Premium Denominator

27,932,568

25,742,456

2.3 Premium Ratio (2.1/2.2)

0.000

0.000

2.4 Reserve Numerator

.....

.....

2.5 Reserve Denominator

52,924,534

50,181,616

2.6 Reserve Ratio (2.4/2.5)

0.000

0.000

3.1

Does the reporting entity issue both participating and non-participating policies?

Yes [] No [X]

3.2

If yes, state the amount of calendar year premiums written on:

3.21 Participating policies

\$ _____

3.22 Non-participating policies

\$ _____

4.

For mutual reporting Entities and Reciprocal Exchanges Only:

4.1

Does the reporting entity issue assessable policies?

Yes [] No []

4.2

Does the reporting entity issue non-assessable policies?

Yes [] No []

4.3

If assessable policies are issued, what is the extent of the contingent liability of the policyholders?

%

4.4

Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.

\$ _____

5.

For Reciprocal Exchanges Only:

5.1

Does the Exchange appoint local agents?

Yes [] No []

5.2

If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation.....

Yes [] No [] N/A []

5.22 As a direct expense of the exchange.....

Yes [] No [] N/A []

5.3

What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

.....

5.4

Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?

Yes [] No []

5.5

If yes, give full information

.....

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

6.1

What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
The Company purchases Excess of Loss Reinsurance

6.2

Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process.
The Company has reviewed property catastrophe model results provided by its reinsurance intermediary, Willis Re, Philadelphia, PA. Willis reviewed the Company's probable maximum property loss using the RiskLink system of RMS v17 and AIR's Touchstone v5. The models indicated that the probable maximum loss would be caused by a hurricane striking Long Island, New York, where the Company has significant exposed personal and commercial lines property values.

6.3

What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
The Company purchases Catastrophe Reinsurance

6.4

Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?

Yes [X] No []

6.5

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

7.1

Has this reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss ratio cap, an aggregate limit or any similar provisions)?.....

Yes [] No [X]

7.2

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

7.3

If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?.....

Yes [] No []

8.1

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

Yes [] No [X]

8.2

If yes, give full information
.....

9.1

Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
(a) A contract term longer than two years and the contract is 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 [] No [X]

9.2

Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.

Yes [] No [X]

9.3

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

9.4

Except for transactions meeting the requirements of paragraph 37 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

Yes [] No [X]

9.5

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

9.6

The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
(a) The entity does not utilize reinsurance; or,
(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]
Yes [] No [X]
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 []

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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

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

12.1If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11Unpaid losses\$

12.12Unpaid underwriting expenses (including loss adjustment expenses)\$

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

12.3If 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 []

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

12.41From%

12.42To.....%

12.5Are 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 []

12.6If yes, state the amount thereof at December 31 of the current year:

12.61Letters of credit\$88,163

12.62Collateral and other funds.....\$

13.1Largest net aggregate amount insured in any one risk (excluding workers' compensation):\$360,000

13.2Does 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]

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

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

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

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

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

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

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

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

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

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

* Disclose type of coverage:
.....

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

17.1

Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that is exempt from the statutory provision for unauthorized reinsurance?

Yes [] No [X]

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

17.11

Gross amount of unauthorized reinsurance in Schedule F - Part 3 exempt from the statutory provision for unauthorized reinsurance

\$

17.12

Unfunded portion of Interrogatory 17.11

\$

17.13

Paid losses and loss adjustment expenses portion of Interrogatory 17.11.....

\$

17.14

Case reserves portion of Interrogatory 17.11

\$

17.15

Incurred but not reported portion of Interrogatory 17.11

\$

17.16

Unearned premium portion of Interrogatory 17.11

\$

17.17

Contingent commission portion of Interrogatory 17.11

\$

18.1

Do you act as a custodian for health savings accounts?

Yes [] No [X]

18.2

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

\$

18.3

Do you act as an administrator for health savings accounts?

Yes [] No [X]

18.4

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

\$

19.

Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?

Yes [X] No []

19.1

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

Yes [] No []

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

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

	1 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)	157,862,795	148,226,359	134,569,406	126,899,230	112,242,145
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	21,974,741	19,116,401	17,380,582	16,671,517	16,544,385
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	125,386,816	112,542,379	103,072,771	95,646,107	90,141,600
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	26,152	29,378	33,366	31,298	31,743
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	3	3	3	4	3
6. Total (Line 35)	305,250,509	279,914,521	255,056,129	239,248,156	218,959,875
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)	19,579,014	18,568,544	17,512,544	15,897,223	14,580,124
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	3,681,389	3,171,762	3,146,839	2,958,913	2,829,596
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	10,651,053	9,413,015	8,450,474	7,728,409	7,201,301
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	21,436	24,662	28,660	26,592	27,037
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	3	3	3	4	3
12. Total (Line 35)	33,932,896	31,177,986	29,138,520	26,611,142	24,638,061
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	913,520	884,434	283,240	74,010	(236,417)
14. Net investment gain or (loss) (Line 11)	3,361,024	3,242,977	2,908,862	2,695,066	2,638,811
15. Total other income (Line 15)	(4,506)	(1,099)	2,977	79,969	143,434
16. Dividends to policyholders (Line 17)	430,777	381,066	246,362	266,333	300,198
17. Federal and foreign income taxes incurred (Line 19)	900,643	584,806	1,023,133	789,009	49,702
18. Net income (Line 20)	2,938,617	3,160,441	1,925,583	1,793,704	2,195,928
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	125,620,952	117,694,440	112,605,146	107,593,340	104,332,678
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	11,036,844	9,892,521	8,949,078	7,884,168	7,980,606
20.2 Deferred and not yet due (Line 15.2)	703,023	638,254	636,846	598,915	580,748
20.3 Accrued retrospective premiums (Line 15.3)					
21. Total liabilities excluding protected cell business (Page 3, Line 26)	65,047,366	60,898,249	58,101,758	55,191,804	53,887,043
22. Losses (Page 3, Line 1)	33,986,323	32,406,684	31,252,404	30,015,045	28,537,561
23. Loss adjustment expenses (Page 3, Line 3)	8,225,104	7,904,375	7,543,413	7,243,805	7,307,825
24. Unearned premiums (Page 3, Line 9)	16,808,691	15,164,259	14,128,718	12,922,766	12,054,079
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)	60,573,586	56,796,191	54,503,388	52,401,536	50,445,635
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	5,796,507	5,015,448	4,398,229	4,934,836	169,348
Risk-Based Capital Analysis					
28. Total adjusted capital	60,573,586	56,796,191	54,503,388	52,401,536	50,445,635
29. Authorized control level risk-based capital	4,443,052	4,223,818	4,089,843	3,632,236	3,465,631
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0					
30. Bonds (Line 1)	93.9	94.8	93.5	94.6	94.5
31. Stocks (Lines 2.1 & 2.2)	5.2	4.4	5.9	5.2	4.8
32. Mortgage loans on real estate (Lines 3.1 and 3.2)					
33. Real estate (Lines 4.1, 4.2 & 4.3)					
34. Cash, cash equivalents and short-term investments (Line 5)	0.9	0.8	0.5	0.2	0.7
35. Contract loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)					
38. Receivables for securities (Line 9)					
39. Securities lending reinvested collateral assets (Line 10)					
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Schedule D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1)					
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. Total of above Lines 42 to 47					
49. Total Investment in Parent included in Lines 42 to 47 above					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)					

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2019	2 2018	3 2017	4 2016	5 2015
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	1,009,088	(517,698)	872,969	530,429	(157,038)
52. Dividends to stockholders (Line 35)					
53. Change in surplus as regards policyholders for the year (Line 38)	3,777,395	2,292,803	2,101,853	1,955,901	1,409,834
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)	60,620,411	63,432,723	53,106,790	55,398,086	49,470,615
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	11,709,519	9,842,341	8,539,224	9,272,394	9,040,619
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	48,192,128	49,530,756	40,718,495	30,970,307	55,527,541
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	(382)	2,568	353	8,226	7,085
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0				0
59. Total (Line 35)	120,521,675	122,808,388	102,364,862	95,649,011	114,045,861
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)	8,325,654	8,413,454	8,040,729	7,798,379	7,964,462
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	2,029,696	1,871,809	1,736,113	1,724,289	1,597,390
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	4,243,128	3,871,764	3,557,756	2,834,503	3,309,435
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	(382)	2,568	353	8,226	7,085
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0				0
65. Total (Line 35)	14,598,096	14,159,594	13,334,952	12,365,397	12,878,373
Operating Percentages (Page 4) (Line divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	50.1	50.8	52.2	53.8	53.0
68. Loss expenses incurred (Line 3)	11.9	11.9	12.3	11.7	12.5
69. Other underwriting expenses incurred (Line 4)	35.1	34.4	34.5	34.2	35.5
70. Net underwriting gain (loss) (Line 8)	2.8	2.9	1.0	0.3	(1.0)
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)	33.5	33.3	33.1	32.8	33.7
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	62.0	62.7	64.4	65.5	65.5
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	56.0	54.9	53.5	50.8	48.8
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)	(1,696)	(942)	(310)	(369)	(528)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0)	(3.0)	(1.7)	(0.6)	(0.7)	(1.1)
Two Year Loss Development (\$000 omitted)					
76. Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(2,172)	(669)	(644)	(1,178)	(1,226)
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)	(4.0)	(1.3)	(1.3)	(2.4)	(2.6)

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

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

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
	1 Direct and Assumed	2 Ceded	3 Net (1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported Direct and Assumed
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid Cols (4 - 5 + 6 - 7 + 8 - 9)	
1. Prior.....	XXX	XXX	XXX	1,008	599	322	254	99	20	10	556	XXX
2. 2010.....	21,845	1,175	20,670	10,809	549	1,906	95	1,602	5	502	13,668	XXX
3. 2011.....	22,312	1,249	21,063	14,315	1,575	1,850	61	1,723	4	579	16,247	XXX
4. 2012.....	21,832	1,300	20,531	11,798	453	1,488	23	1,340	4	573	14,146	XXX
5. 2013.....	22,776	1,425	21,351	9,921	129	1,336	13	1,497	1	507	12,612	XXX
6. 2014.....	24,080	1,325	22,756	11,303	506	1,244	24	1,367	4	509	13,380	XXX
7. 2015.....	25,162	1,351	23,810	11,336	166	1,276	19	1,130	3	544	13,554	XXX
8. 2016.....	27,150	1,408	25,742	10,917	118	1,146	13	1,254	0	510	13,186	XXX
9. 2017.....	29,362	1,429	27,933	9,895	94	843	3	1,427	0	543	12,069	XXX
10. 2018.....	31,629	1,487	30,142	9,338	189	625	3	1,428	1	552	11,199	XXX
11. 2019.....	33,979	1,691	32,288	6,337	122	264	2	1,249	0	283	7,725	XXX
12. Totals	XXX	XXX	XXX	106,976	4,500	12,301	510	14,116	42	5,111	128,342	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR						
	13	14	15	16	17	18	19	20	21	22			
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded				Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
1. Prior.....	3,000	625	6,025	4,192	156	23	2,765	2,436	385	250	28	4,805	XXX
2. 2010.....	273		192	20	22	2	46	2	23		9	531	XXX
3. 2011.....	261		285	29	21	0	62	3	25		11	622	XXX
4. 2012.....	233		309	31	29		66	3	28		15	630	XXX
5. 2013.....	410		415	42	35		90	5	41		22	943	XXX
6. 2014.....	750	29	606	58	64	1	138	5	55		30	1,520	XXX
7. 2015.....	1,388	272	817	75	105	2	239	11	80	0	40	2,269	XXX
8. 2016.....	1,762	0	1,195	101	172	0	364	15	160		62	3,536	XXX
9. 2017.....	2,266	9	1,788	150	271		583	21	230		109	4,957	XXX
10. 2018.....	3,136	38	3,575	272	341	0	1,084	38	373	0	191	8,162	XXX
11. 2019.....	4,872	208	7,051	472	359	2	1,790	64	911	2	454	14,236	XXX
12. Totals	18,349	1,179	22,257	5,441	1,573	31	7,227	2,604	2,312	252	973	42,211	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	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. Prior.....	XXX	XXX	XXX	XXX	XXX	XXX			XXX	4,208	597
2. 2010.....	14,873	674	14,199	68.1	57.4	68.7			3.0	444	87
3. 2011.....	18,542	1,672	16,870	83.1	133.8	80.1			3.0	517	105
4. 2012.....	15,290	514	14,776	70.0	39.5	72.0			3.0	511	119
5. 2013.....	13,744	189	13,555	60.3	13.2	63.5			3.0	783	160
6. 2014.....	15,526	626	14,900	64.5	47.3	65.5			3.0	1,269	250
7. 2015.....	16,371	548	15,823	65.1	40.6	66.5			3.0	1,859	411
8. 2016.....	16,969	248	16,721	62.5	17.6	65.0			3.0	2,855	680
9. 2017.....	17,302	277	17,026	58.9	19.3	61.0			3.0	3,894	1,063
10. 2018.....	19,901	540	19,361	62.9	36.3	64.2			3.0	6,402	1,760
11. 2019.....	22,833	872	21,961	67.2	51.6	68.0			3.0	11,244	2,992
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX			XXX	33,986	8,225

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 2010	2 2011	3 2012	4 2013	5 2014	6 2015	7 2016	8 2017	9 2018	10 2019	11 One Year	12 Two Year
1. Prior.....	30,091	31,911	32,106	32,063	31,766	31,796	31,530	31,763	31,914	31,803	(111)	39
2. 2010.....	12,832	12,853	12,854	12,897	12,654	12,582	12,548	12,633	12,633	12,580	(54)	(53)
3. 2011.....	XXX	15,390	15,366	15,549	15,389	15,263	15,344	15,238	15,236	15,147	(89)	(92)
4. 2012.....	XXX	XXX	13,117	13,669	13,705	13,691	13,602	13,472	13,500	13,415	(85)	(58)
5. 2013.....	XXX	XXX	XXX	12,622	12,483	12,242	12,140	12,174	12,154	12,021	(133)	(152)
6. 2014.....	XXX	XXX	XXX	XXX	14,169	14,065	13,824	13,783	13,649	13,495	(154)	(288)
7. 2015.....	XXX	XXX	XXX	XXX	XXX	14,899	15,180	14,830	14,705	14,621	(85)	(209)
8. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	15,635	15,600	15,343	15,312	(31)	(288)
9. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	16,445	15,862	15,373	(488)	(1,071)
10. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	18,032	17,566	(466)	XXX
11. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	19,807	XXX	XXX
12. Totals											(1,696)	(2,172)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1	2	3	4	5	6	7	8	9	10		
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		
1. Prior.....	.000	6,432	17,731	20,877	22,671	24,124	25,053	25,788	26,395	26,871	XXX	XXX
2. 2010.....	3,682	6,222	8,116	9,653	10,622	11,201	11,481	11,699	12,010	12,070	XXX	XXX
3. 2011.....	XXX	5,099	8,190	10,339	11,875	13,015	13,778	14,229	14,415	14,528	XXX	XXX
4. 2012.....	XXX	XXX	4,242	7,288	9,319	10,926	11,774	12,241	12,650	12,810	XXX	XXX
5. 2013.....	XXX	XXX	XXX	3,653	6,247	7,976	9,069	10,245	10,784	11,115	XXX	XXX
6. 2014.....	XXX	XXX	XXX	XXX	4,699	7,530	9,435	10,760	11,541	12,017	XXX	XXX
7. 2015.....	XXX	XXX	XXX	XXX	XXX	5,156	8,247	10,032	11,394	12,428	XXX	XXX
8. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	4,996	8,283	10,408	11,932	XXX	XXX
9. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,393	8,700	10,642	XXX	XXX
10. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6,080	9,771	XXX	XXX
11. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6,477	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.....	11,686	10,540	4,940	3,972	3,278	2,633	2,361	2,440	2,401	2,225
2. 2010.....	5,361	3,441	2,048	1,422	769	508	366	308	273	217
3. 2011.....	XXX	5,697	3,360	2,199	1,474	843	615	470	378	316
4. 2012.....	XXX	XXX	5,002	3,175	1,879	1,206	830	580	492	343
5. 2013.....	XXX	XXX	XXX	5,451	3,300	1,894	1,150	883	676	461
6. 2014.....	XXX	XXX	XXX	XXX	5,662	3,308	1,997	1,372	984	686
7. 2015.....	XXX	XXX	XXX	XXX	XXX	5,764	3,582	2,198	1,484	974
8. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	6,115	3,900	2,307	1,447
9. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,030	3,844	2,204
10. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,513	4,355
11. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	8,309

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories									
States, Etc.	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 Purchasing Groups (Included in Column 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	N							
2. Alaska	AK	N							
3. Arizona	AZ	N							
4. Arkansas	AR	N							
5. California	CA	N							
6. Colorado	CO	N							
7. Connecticut	CT	L	29,062,259	28,233,986	88,984	12,086,761	15,881,318	26,398,315	153,179
8. Delaware	DE	L	1,290,079	1,432,702	2,053	454,753	461,627	2,212,316	3,243
9. District of Columbia	DC	L	212,164	197,625		1,049	19,998	42,628	77
10. Florida	FL	N							
11. Georgia	GA	L	12,864,342	12,171,635	189	6,270,897	5,574,436	11,876,661	40,132
12. Hawaii	HI	N							
13. Idaho	ID	N							
14. Illinois	IL	L	8,963,035	8,285,503	29,287	3,275,984	4,282,078	4,935,364	30,417
15. Indiana	IN	L	1,189,529	1,059,828		118,223	49,287	234,948	1,642
16. Iowa	IA	N							
17. Kansas	KS	L	151,441	154,619		9,552	494,151	813,908	440
18. Kentucky	KY	N							
19. Louisiana	LA	N							
20. Maine	ME	N							
21. Maryland	MD	L	5,723,587	5,706,664	19,718	3,356,575	2,205,659	7,963,209	11,189
22. Massachusetts	MA	L	18,056,062	16,943,896	67,760	5,132,774	5,161,351	11,777,078	38,406
23. Michigan	MI	L	2,846,657	2,841,262		673,182	2,550,237	3,026,203	4,117
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	L	1,339,194	1,182,727	3,326	584,545	1,121,626	982,082	3,800
31. New Jersey	NJ	L	58,303,166	54,625,230	630,091	24,796,666	14,725,001	57,346,595	93,204
32. New Mexico	NM	N							
33. New York	NY	L	78,767,602	75,815,715	1,625,167	23,570,291	30,714,068	77,129,853	251,100
34. North Carolina	NC	L	8,254,531	8,071,775	5,537	4,863,887	3,899,783	4,021,134	45,949
35. North Dakota	ND	N							
36. Ohio	OH	L	8,263,333	7,801,175	79,885	3,440,729	4,090,545	4,582,339	27,715
37. Oklahoma	OK	N							
38. Oregon	OR	N							
39. Pennsylvania	PA	L	11,759,406	11,344,861	32,086	8,102,137	8,439,330	12,058,516	48,224
40. Rhode Island	RI	L	440,268	397,513	3,704	171,786	148,117	459,028	3,457
41. South Carolina	SC	L	785,762	444,775		13,151	114,879	104,784	831
42. South Dakota	SD	N							
43. Tennessee	TN	L	2,100,880	1,952,686	88	990,466	1,068,334	2,409,306	8,669
44. Texas	TX	L	14,914,306	13,063,008	2,292	5,525,732	6,692,287	8,644,141	50,087
45. Utah	UT	N							
46. Vermont	VT	N							
47. Virginia	VA	L	5,248,311	5,236,601	11,757	2,342,667	3,064,968	3,556,856	21,659
48. Washington	WA	N							
49. West Virginia	WV	N							
50. Wisconsin	WI	L	779,704	755,826		122,560	202,914	1,287,994	1,863
51. Wyoming	WY	N							
52. American Samoa	AS	N							
53. Guam	GU	N							
54. Puerto Rico	PR	N							
55. U.S. Virgin Islands	VI	N							
56. Northern Mariana Islands	MP	N							
57. Canada	CAN	N							
58. Aggregate other alien ..	OT	XXX							
59. Totals	XXX	271,315,618	257,719,612	2,601,922	105,904,366	110,961,995	241,863,259	839,400	
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX								
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX								

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....22

E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - see DSLI).....

D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile.....

R - Registered - Non-domiciled RRGs.....

Q - Qualified - Qualified or accredited reinsurer.

N - None of the above - Not allowed to write business in the state35

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

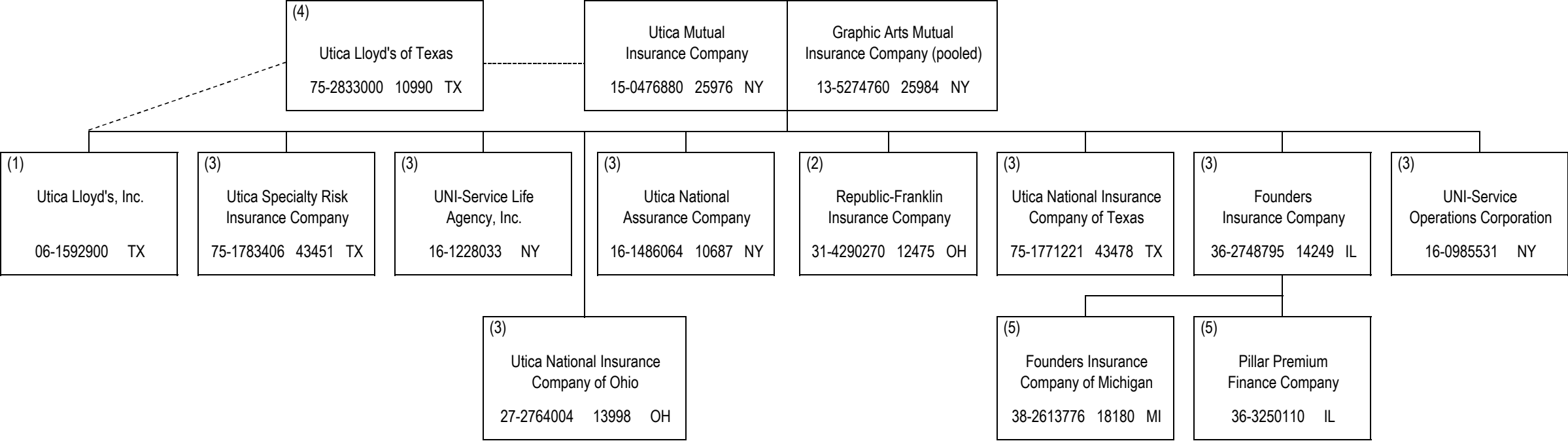
All of the premiums with respect to every kind of insurance are allocated to the state in which the property or insured is located.

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

PART 1 - ORGANIZATIONAL CHART

UTICA NATIONAL INSURANCE GROUP ORGANIZATION STRUCTURE DECEMBER 31, 2019

88



1. Owned 100% by Utica Mutual Insurance Company; operates as attorney-in-fact for Utica Lloyd's of Texas.
2. Owned 94% by Utica Mutual Insurance Company and 6% by Graphic Arts Mutual Insurance Company.
3. Owned 100% by Utica Mutual Insurance Company.

4. A Texas Lloyd's association of twelve underwriters under sponsorship of the Utica Mutual Insurance Company.
5. Owned 100% by Founders Insurance Company.
6. Shares common management with the group.

(6)
Utica National Group Foundation, Inc.
16-1313450 NY

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
2504.	Miscellaneous Office Equipment	943,256	943,256		
2505.	Clearing Accounts	98,011	98,011		
2597.	Summary of remaining write-ins for Line 25 from overflow page	1,041,267	1,041,267		

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

		1	2	3	4
		Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
2404.	Services Performed		(664,447)		(664,447)
2405.	Intercompany Adjustments		0		0
2406.	Interest Expense	0		3,804	3,804
2407.	Miscellaneous Expense	(253)	5,332		5,079
2408.	Change in ULAE Reserves	16,163			16,163
2497.	Summary of remaining write-ins for Line 24 from overflow page	15,910	(659,115)	3,804	(639,401)

Additional Write-ins for Exhibit of Nonadmitted Assets Line 25

		1	2	3
		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
2504.	Equities and Deposits in Pools and Associations	2,877	2,017	(860)
2505.	Miscellaneous Office Equipment	943,256	1,035,770	92,514
2506.	Prepaid Expenses	720,899	355,340	(365,559)
2597.	Summary of remaining write-ins for Line 25 from overflow page	1,667,032	1,393,127	(273,905)

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