



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

## ANNUAL STATEMENT

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

# The National Mutual Insurance Company

NAIC Group Code 0035 (Current) 0035 (Prior) NAIC Company Code 20184 Employer's ID Number 34-4312510

Organized under the Laws of Ohio, State of Domicile or Port of Entry OH  
Country of Domicile United States of America

Incorporated/Organized 09/14/1914 Commenced Business 01/07/1915

Statutory Home Office \_\_\_\_\_ 1 Insurance Square \_\_\_\_\_, \_\_\_\_\_ Celina, OH, US 45822-1690  
(Street and Number) \_\_\_\_\_ (City or Town, State, Country and Zip Code)

Main Administrative Office \_\_\_\_\_ 1 Insurance Square  
(Street and Number)  
Celina, OH, US 45822-1690 \_\_\_\_\_, 419-586-5181  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 1 Insurance Square, Celina, OH, US 45822-1690  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records \_\_\_\_\_ 1 Insurance Square \_\_\_\_\_  
(City or Town, State, Country and Zip Code) (Street and Number)  
Celina, OH, US 45822-1690 \_\_\_\_\_, \_\_\_\_\_ 419-586-5181-8238 \_\_\_\_\_  
(Area Code) (Telephone Number)

Internet Website Address [www.celinainsurance.com](http://www.celinainsurance.com)

Statutory Statement Contact Michael Stanley Kleinhenz, 419-586-5181-8238  
(Name) (Area Code) (Telephone Number)  
mike.kleinhenz@celinainsurance.com, 419-586-6068  
(E-mail Address) (FAX Number)

## OFFICERS

President William West Montgomery Treasurer Michael Stanley Kleinhenz  
Secretary Suzanne Lynn Wells #

## OTHER

**DIRECTORS OR TRUSTEES**

Philip Marion Fullenkamp Nancy Montgomery Goldberg  
Wesley Moore Jetter John Michael Lazarich  
John Richard Orman

State of Ohio County of Mercer SS: SS

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

William West Montgomery  
Chairman, President, CEO and General Manager

Suzanne Lynn Wells  
Secretary

Michael Stanley Kleinhenz  
Sr. VP - CFO and Treasurer

Subscribed and sworn to before me this  
\_\_\_\_ day of February 2020

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

Yes [ X ] No [ ]

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Lori Homan  
Accountant  
February 28, 2022

## ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY

## ASSETS

|   | Current Year |                         |   | Prior Year                  |
|---|--------------|-------------------------|---|-----------------------------|
|   | 1<br>Assets  | 2<br>Nonadmitted Assets | 3<br>Net Admitted Assets<br>(Cols. 1 - 2) | 4<br>Net Admitted<br>Assets |
| 1. Bonds (Schedule D) .....   | 58,453,797   |                         | 58,453,797                                | 54,518,460                  |
| 2. Stocks (Schedule D):   |              |                         |   |                             |
| 2.1 Preferred stocks .....  | 323,947      |                         | 323,947                                   | 887,564                     |
| 2.2 Common stocks .....   | 9,273,269    | 26,733                  | 9,246,536                                 | 7,706,406                   |
| 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 \$<br>encumbrances) .....  | 1,750,758    |                         | 1,750,758                                 | 1,567,846                   |
| 4.2 Properties held for the production of income (less<br>\$ ..... encumbrances) .....  | 153,858      |                         | 153,858                                   |                             |
| 4.3 Properties held for sale (less \$ .....<br>encumbrances) .....  |              |                         |   |                             |
| 5. Cash (\$ .....(2,697,905) , Schedule E - Part 1), cash equivalents<br>(\$ .....3,532,987 , Schedule E - Part 2) and short-term<br>investments (\$ ..... , Schedule DA) ..... | 835,082      |                         | 835,082                                   | 2,617,524                   |
| 6. Contract loans (including \$ ..... premium notes) .....  |              |                         |   |                             |
| 7. Derivatives (Schedule DB) .....  |              |                         |   |                             |
| 8. Other invested assets (Schedule BA) .....  |              |                         |   |                             |
| 9. Receivable for securities .....  | 29,448       |                         | 29,448                                    |                             |
| 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) .....   | 70,820,160   | 26,733                  | 70,793,427                                | 67,297,800                  |
| 13. Title plants less \$ ..... charged off (for Title insurers<br>only) .....   |              |                         |   |                             |
| 14. Investment income due and accrued .....   | 450,399      |                         | 450,399                                   | 435,183                     |
| 15. Premiums and considerations:  |              |                         |   |                             |
| 15.1 Uncollected premiums and agents' balances in the course of collection .....  | 6,915,642    |                         | 6,915,642                                 | 5,895,782                   |
| 15.2 Deferred premiums and agents' balances and installments booked but<br>deferred and not yet due (including \$ .....<br>earned but unbilled premiums) .....                  | 10,191,285   |                         | 10,191,285                                | 9,720,901                   |
| 15.3 Accrued retrospective premiums (\$ ..... ) and<br>contracts subject to redetermination (\$ ..... ) .....   |              |                         |   |                             |
| 16. Reinsurance:  |              |                         |   |                             |
| 16.1 Amounts recoverable from reinsurers .....  | 5,593,396    |                         | 5,593,396                                 | 4,250,865                   |
| 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 .....   | 780,039      |                         | 780,039                                   | 1,104,371                   |
| 19. Guaranty funds receivable or on deposit .....   |              |                         |   |                             |
| 20. Electronic data processing equipment and software .....   | 86,526       | 6,847                   | 79,679                                    | .117,510                    |
| 21. Furniture and equipment, including health care delivery assets<br>(\$ ..... ) .....   | 228,189      | 228,189                 |   |                             |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates .....  |              |                         |   |                             |
| 23. Receivables from parent, subsidiaries and affiliates .....  | 452,967      |                         | 452,967                                   | 354,327                     |
| 24. Health care (\$ ..... ) and other amounts receivable .....  |              |                         |   |                             |
| 25. Aggregate write-ins for other than invested assets .....  | 251,640      | 251,640                 |   |                             |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and<br>Protected Cell Accounts (Lines 12 to 25) .....   | 95,770,243   | 513,410                 | 95,256,834                                | .89,176,738                 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell<br>Accounts .....  |              |                         |   |                             |
| 28. Total (Lines 26 and 27) .....   | 95,770,243   | 513,410                 | 95,256,834                                | .89,176,738                 |
| <b>DETAILS OF WRITE-INS</b>   |              |                         |   |                             |
| 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. Prepaid Expenses .....  | 251,640      | 251,640                 |   |                             |
| 2502. .....   |              |                         |   |                             |
| 2503. .....   |              |                         |   |                             |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....   |              |                         |   |                             |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....  | 251,640      | 251,640                 |   |                             |

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY  
**LIABILITIES, SURPLUS AND OTHER FUNDS**

|   | 1<br>Current Year | 2<br>Prior Year |
|---|-------------------|-----------------|
| 1. Losses (Part 2A, Line 35, Column 8) .....  | 11,631,066        | 11,506,659      |
| 2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) .....   | 3,769,596         | 3,079,172       |
| 3. Loss adjustment expenses (Part 2A, Line 35, Column 9) .....  | 2,229,924         | 2,223,600       |
| 4. Commissions payable, contingent commissions and other similar charges .....  | 646,877           | 651,888         |
| 5. Other expenses (excluding taxes, licenses and fees) .....  | 197,744           | 172,684         |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....  | 438,601           | 407,189         |
| 7.1 Current federal and foreign income taxes (including \$ 20,860 on realized capital gains (losses)) .....   | 132,439           | 170,412         |
| 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 \$ 47,629,350 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) ..... | 23,606,828        | 22,853,477      |
| 10. Advance premium .....   | 639,068           | 759,608         |
| 11. Dividends declared and unpaid:  |                   |                 |
| 11.1 Stockholders .....   |                   |                 |
| 11.2 Policyholders .....  |                   |                 |
| 12. Ceded reinsurance premiums payable (net of ceding commissions) .....  | 6,480,032         | 6,161,422       |
| 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 .....   | 5,789,523         | 5,868,367       |
| 15. Remittances and items not allocated .....   | (50,930)          | 45,066          |
| 16. Provision for reinsurance (including \$ certified) (Schedule F, Part 3, Column 78) .....  | 2,080             | 583             |
| 17. Net adjustments in assets and liabilities due to foreign exchange rates .....   |                   |                 |
| 18. Drafts outstanding .....  | 10,269            | 9,449           |
| 19. Payable to parent, subsidiaries and affiliates .....  | 26,721            | 127,349         |
| 20. Derivatives .....   |                   |                 |
| 21. Payable for securities .....  |                   |                 |
| 22. Payable for securities lending .....  |                   |                 |
| 23. Liability for amounts held under uninsured plans .....  |                   |                 |
| 24. Capital notes \$ and interest thereon \$ .....  |                   |                 |
| 25. Aggregate write-ins for liabilities .....   |                   |                 |
| 26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....   | 55,549,836        | 54,036,924      |
| 27. Protected cell liabilities .....  |                   |                 |
| 28. Total liabilities (Lines 26 and 27) .....   | 55,549,836        | 54,036,924      |
| 29. Aggregate write-ins for special surplus funds .....   |                   |                 |
| 30. Common capital stock .....  |                   |                 |
| 31. Preferred capital stock .....   |                   |                 |
| 32. Aggregate write-ins for other than special surplus funds .....  |                   |                 |
| 33. Surplus notes .....   |                   |                 |
| 34. Gross paid in and contributed surplus .....   |                   |                 |
| 35. Unassigned funds (surplus) .....  | 39,706,997        | 35,139,814      |
| 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) .....  | 39,706,997        | 35,139,814      |
| 38. TOTALS (Page 2, Line 28, Col. 3)  | 95,256,834        | 89,176,738      |
| <b>DETAILS OF WRITE-INS</b>   |                   |                 |
| 2501. ....  |                   |                 |
| 2502. ....  |                   |                 |
| 2503. ....  |                   |                 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....   |                   |                 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)  |                   |                 |
| 2901. ....  |                   |                 |
| 2902. ....  |                   |                 |
| 2903. ....  |                   |                 |
| 2998. Summary of remaining write-ins for Line 29 from overflow page .....   |                   |                 |
| 2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)  |                   |                 |
| 3201. ....  |                   |                 |
| 3202. ....  |                   |                 |
| 3203. ....  |                   |                 |
| 3298. Summary of remaining write-ins for Line 32 from overflow page .....   |                   |                 |
| 3299. Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above)  |                   |                 |

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY**  
**STATEMENT OF INCOME**

|  | 1<br>Current Year | 2<br>Prior Year |
|--|-------------------|-----------------|
| <b>UNDERWRITING INCOME</b>   |                   |                 |
| 1. Premiums earned (Part 1, Line 35, Column 4).....  | 44,688,620        | 42,588,482      |
| <b>DEDUCTIONS:</b>   |                   |                 |
| 2. Losses incurred (Part 2, Line 35, Column 7).....  | 24,659,891        | 23,345,525      |
| 3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....  | 3,899,671         | 3,708,126       |
| 4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....   | 14,916,819        | 14,320,279      |
| 5. Aggregate write-ins for underwriting deductions.....  |                   |                 |
| 6. Total underwriting deductions (Lines 2 through 5).....  | 43,476,381        | 41,373,930      |
| 7. Net income of protected cells.....  |                   |                 |
| 8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7).....  | 1,212,239         | 1,214,551       |
| <b>INVESTMENT INCOME</b>   |                   |                 |
| 9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....   | 1,841,235         | 1,678,979       |
| 10. Net realized capital gains or (losses) less capital gains tax of \$ 127,693 (Exhibit of Capital Gains (Losses) ).....                                    | 447,870           | 499,626         |
| 11. Net investment gain (loss) (Lines 9 + 10).....   | 2,289,105         | 2,178,606       |
| <b>OTHER INCOME</b>  |                   |                 |
| 12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ 26,604 amount charged off \$ 88,263 ).....                             | (61,658)          | (54,373)        |
| 13. Finance and service charges not included in premiums.....  | 411,188           | 418,785         |
| 14. Aggregate write-ins for miscellaneous income.....  | (5,439)           | (9,220)         |
| 15. Total other income (Lines 12 through 14).....  | 344,090           | 355,192         |
| 16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....     | 3,845,434         | 3,748,349       |
| 17. Dividends to policyholders.....  |                   |                 |
| 18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)..... | 3,845,434         | 3,748,349       |
| 19. Federal and foreign income taxes incurred.....   | 611,746           | 803,677         |
| 20. Net income (Line 18 minus Line 19)(to Line 22).....  | 3,233,688         | 2,944,672       |
| <b>CAPITAL AND SURPLUS ACCOUNT</b>   |                   |                 |
| 21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....  | 35,139,814        | 32,657,081      |
| 22. Net income (from Line 20).....   | 3,233,688         | 2,944,672       |
| 23. Net transfers (to) from Protected Cell accounts.....   |                   |                 |
| 24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 353,287.....   | 1,329,030         | (651,608)       |
| 25. Change in net unrealized foreign exchange capital gain (loss).....   |                   |                 |
| 26. Change in net deferred income tax.....   | 28,955            | 142,146         |
| 27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3).....   | (22,994)          | 48,107          |
| 28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....  | (1,496)           | (583)           |
| 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. Change in surplus as regards policyholders for the year (Lines 22 through 37).....   | 4,567,183         | 2,482,734       |
| 39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....   | 39,706,997        | 35,139,814      |
| <b>DETAILS OF WRITE-INS</b>  |                   |                 |
| 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. Cash Short & Over .....  | (11,602)          | (13,499)        |
| 1402. Miscellaneous .....  | 6,164             | 4,279           |
| 1403.....  |                   |                 |
| 1498. Summary of remaining write-ins for Line 14 from overflow page .....  |                   |                 |
| 1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above).....  | (5,439)           | (9,220)         |
| 3701.....  |                   |                 |
| 3702.....  |                   |                 |
| 3703.....  |                   |                 |
| 3798. Summary of remaining write-ins for Line 37 from overflow page .....  |                   |                 |
| 3799. Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above).....  |                   |                 |

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY**  
**CASH FLOW**

|   | 1<br>Current Year | 2<br>Prior Year |
|---|-------------------|-----------------|
| <b>Cash from Operations</b>   |                   |                 |
| 1. Premiums collected net of reinsurance .....  | 44,149,797        | 43,387,706      |
| 2. Net investment income .....  | 2,348,384         | 2,279,293       |
| 3. Miscellaneous income .....   | 344,090           | 355,192         |
| 4. Total (Lines 1 through 3) .....  | 46,842,272        | 46,022,191      |
| 5. Benefit and loss related payments .....  | 25,187,591        | 22,368,000      |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....                    |                   |                 |
| 7. Commissions, expenses paid and aggregate write-ins for deductions .....                                      | 18,692,141        | 17,574,319      |
| 8. Dividends paid to policyholders .....  |                   |                 |
| 9. Federal and foreign income taxes paid (recovered) net of \$ 129,992 tax on capital gains (losses) .....      | 777,412           | 409,735         |
| 10. Total (Lines 5 through 9) .....   | 44,657,144        | 40,352,055      |
| 11. Net cash from operations (Line 4 minus Line 10) .....   | 2,185,128         | 5,670,136       |
| <b>Cash from Investments</b>  |                   |                 |
| 12. Proceeds from investments sold, matured or repaid:  |                   |                 |
| 12.1 Bonds .....  | 13,851,816        | 16,028,533      |
| 12.2 Stocks .....   | 1,235,692         | 2,165,872       |
| 12.3 Mortgage loans .....   |                   |                 |
| 12.4 Real estate .....  |                   |                 |
| 12.5 Other invested assets .....  |                   | 7,937           |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....                           | 261               |                 |
| 12.7 Miscellaneous proceeds .....   |                   |                 |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7) .....   | 15,087,770        | 18,202,342      |
| 13. Cost of investments acquired (long-term only):  |                   |                 |
| 13.1 Bonds .....  | 17,739,142        | 21,157,852      |
| 13.2 Stocks .....   | 448,138           | 1,437,550       |
| 13.3 Mortgage loans .....   |                   |                 |
| 13.4 Real estate .....  | 413,594           | 58,593          |
| 13.5 Other invested assets .....  |                   | 7,885           |
| 13.6 Miscellaneous applications .....   | 29,448            |                 |
| 13.7 Total investments acquired (Lines 13.1 to 13.6) .....  | 18,630,323        | 22,661,880      |
| 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) .....                                   | (3,542,553)       | (4,459,538)     |
| <b>Cash from Financing and Miscellaneous Sources</b>  |                   |                 |
| 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) .....  | (425,016)         | (199,741)       |
| 17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) ..... | (425,016)         | (199,741)       |
| <b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>                                      |                   |                 |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....       | (1,782,441)       | 1,010,858       |
| 19. Cash, cash equivalents and short-term investments:  |                   |                 |
| 19.1 Beginning of year .....  | 2,617,524         | 1,606,666       |
| 19.2 End of period (Line 18 plus Line 19.1) .....   | 835,082           | 2,617,524       |

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

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY  
**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 1 - PREMIUMS EARNED

| Line of Business  | 1<br>Net Premiums<br>Written per<br>Column 6, Part 1B | 2<br>Unearned Premiums<br>Dec. 31 Prior Year -<br>per Col. 3,<br>Last Year's Part 1 | 3<br>Unearned Premiums<br>Dec. 31 Current<br>Year - per Col. 5<br>Part 1A | 4<br>Premiums Earned<br>During Year<br>(Cols. 1 + 2 - 3) |
|---|---|---|---|--|
| 1. Fire .....   | 1,271,824   | 719,120   | 731,378   | 1,259,566  |
| 2. Allied lines .....   | 1,053,351   | 558,653   | 634,202   | 977,802  |
| 3. Farmowners multiple peril .....  | 5,131,868   | 2,390,111   | 2,550,308   | 4,971,672  |
| 4. Homeowners multiple peril .....  | 9,380,683   | 5,464,510   | 5,383,852   | 9,461,342  |
| 5. Commercial multiple peril .....  | 4,176,524   | 2,024,219   | 2,358,999   | 3,841,743  |
| 6. Mortgage guaranty .....  |   |   |   |  |
| 8. Ocean marine .....   |   |   |   |  |
| 9. Inland marine .....  | 673,298   | 337,433   | 371,593   | 639,138  |
| 10. Financial guaranty .....  |   |   |   |  |
| 11.1 Medical professional liability - occurrence .....                    |   |   |   |  |
| 11.2 Medical professional liability - claims-made .....                   |   |   |   |  |
| 12. Earthquake .....  | 172,097   | 95,818  | 101,353   | 166,562  |
| 13. Group accident and health .....                                       |   |   |   |  |
| 14. Credit accident and health (group and individual) .....               |   |   |   |  |
| 15. Other accident and health .....                                       |   |   |   |  |
| 16. Workers' compensation .....   | 680,756   | 319,971   | 389,718   | 611,008  |
| 17.1 Other liability - occurrence .....                                   | 1,177,093   | 607,392   | 661,713   | 1,122,773  |
| 17.2 Other liability - claims-made .....                                  |   |   |   |  |
| 17.3 Excess workers' compensation .....                                   |   |   |   |  |
| 18.1 Products liability - occurrence .....                                | 77,715  | 40,377  | 38,536  | 79,557   |
| 18.2 Products liability - claims-made .....                               |   |   |   |  |
| 19.1, 19.2 Private passenger auto liability .....                         | 10,076,364  | 4,894,336   | 4,772,269   | 10,198,430   |
| 19.3, 19.4 Commercial auto liability .....                                | 1,738,267   | 675,805   | 868,419   | 1,545,653  |
| 21. Auto physical damage .....  | 9,825,660   | 4,722,994   | 4,741,160   | 9,807,494  |
| 22. Aircraft (all perils) .....   |   |   |   |  |
| 23. Fidelity .....  |   |   |   |  |
| 24. Surety .....  |   |   |   |  |
| 26. Burglary and theft .....  | 6,471   | 2,737   | 3,328   | 5,880  |
| 27. Boiler and machinery .....  |   |   |   |  |
| 28. Credit .....  |   |   |   |  |
| 29. International .....   |   |   |   |  |
| 30. Warranty .....  |   |   |   |  |
| 31. Reinsurance - nonproportional assumed property .....                  |   |   |   |  |
| 32. Reinsurance - nonproportional assumed liability .....                 |   |   |   |  |
| 33. Reinsurance - nonproportional assumed financial lines .....           |   |   |   |  |
| 34. Aggregate write-ins for other lines of business .....                 |   |   |   |  |
| 35. TOTALS .....  | 45,441,971  | 22,853,477  | 23,606,828  | 44,688,620   |
| <b>DETAILS OF WRITE-INS</b>   |   |   |   |  |
| 3401. .....   |   |   |   |  |
| 3402. .....   |   |   |   |  |
| 3403. .....   |   |   |   |  |
| 3498. Summary of remaining write-ins for Line 34 from overflow page ..... |   |   |   |  |
| 3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) .....        |   |   |   |  |

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY  
**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 1A - RECAPITULATION OF ALL PREMIUMS

| Line of Business   | 1<br>Amount Unearned<br>(Running One Year<br>or Less from Date<br>of Policy) (a) | 2<br>Amount Unearned<br>(Running More Than<br>One Year from<br>Date of Policy) (a) | 3<br>Earned But Unbilled<br>Premium | 4<br>Reserve for Rate<br>Credits and<br>Retrospective<br>Adjustments Based<br>on Experience | 5<br>Total Reserve for<br>Unearned Premiums<br>Cols. 1 + 2 + 3 + 4 |
|--|--|--|-------------------------------------|---|--|
| 1. Fire .....  | 731,378  |  |                                     |   | .731,378   |
| 2. Allied lines .....  | 634,202  |  |                                     |   | .634,202   |
| 3. Farmowners multiple peril .....   | 2,550,308  |  |                                     |   | 2,550,308  |
| 4. Homeowners multiple peril .....   | 5,383,852  |  |                                     |   | 5,383,852  |
| 5. Commercial multiple peril .....   | 2,358,999  |  |                                     |   | 2,358,999  |
| 6. Mortgage guaranty .....   |  |  |                                     |   |  |
| 8. Ocean marine .....  |  |  |                                     |   |  |
| 9. Inland marine .....   | 371,593  |  |                                     |   | .371,593   |
| 10. Financial guaranty .....   |  |  |                                     |   |  |
| 11.1 Medical professional liability - occurrence .....                       |  |  |                                     |   |  |
| 11.2 Medical professional liability - claims-made .....                      |  |  |                                     |   |  |
| 12. Earthquake .....   | 101,353  |  |                                     |   | .101,353   |
| 13. Group accident and health .....  |  |  |                                     |   |  |
| 14. Credit accident and health (group and<br>individual) .....               |  |  |                                     |   |  |
| 15. Other accident and health .....  |  |  |                                     |   |  |
| 16. Workers' compensation .....  | 389,718  |  |                                     |   | .389,718   |
| 17.1 Other liability - occurrence .....                                      | 661,713  |  |                                     |   | .661,713   |
| 17.2 Other liability - claims-made .....                                     |  |  |                                     |   |  |
| 17.3 Excess workers' compensation .....                                      |  |  |                                     |   |  |
| 18.1 Products liability - occurrence .....                                   | 38,536   |  |                                     |   | .38,536  |
| 18.2 Products liability - claims-made .....                                  |  |  |                                     |   |  |
| 19.1, 19.2 Private passenger auto liability .....                            | 4,772,269  |  |                                     |   | 4,772,269  |
| 19.3, 19.4 Commercial auto liability .....                                   | 868,419  |  |                                     |   | .868,419   |
| 21. Auto physical damage .....   | 4,741,160  |  |                                     |   | 4,741,160  |
| 22. Aircraft (all perils) .....  |  |  |                                     |   |  |
| 23. Fidelity .....   |  |  |                                     |   |  |
| 24. Surety .....   |  |  |                                     |   |  |
| 26. Burglary and theft .....   | 3,328  |  |                                     |   | .3,328   |
| 27. Boiler and machinery .....   |  |  |                                     |   |  |
| 28. Credit .....   |  |  |                                     |   |  |
| 29. International .....  |  |  |                                     |   |  |
| 30. Warranty .....   |  |  |                                     |   |  |
| 31. Reinsurance - nonproportional assumed<br>property .....                  |  |  |                                     |   |  |
| 32. Reinsurance - nonproportional assumed<br>liability .....                 |  |  |                                     |   |  |
| 33. Reinsurance - nonproportional assumed<br>financial lines .....           |  |  |                                     |   |  |
| 34. Aggregate write-ins for other lines of business .....                    |  |  |                                     |   |  |
| 35. TOTALS .....   | 23,606,828   |  |                                     |   | 23,606,828   |
| 36. Accrued retrospective premiums based on experience .....                 |  |  |                                     |   |  |
| 37. Earned but unbilled premiums .....                                       |  |  |                                     |   |  |
| 38. Balance (Sum of Line 35 through 37) .....                                |  |  |                                     |   | 23,606,828   |
| <b>DETAILS OF WRITE-INS</b>  |  |  |                                     |   |  |
| 3401. .....  |  |  |                                     |   |  |
| 3402. .....  |  |  |                                     |   |  |
| 3403. .....  |  |  |                                     |   |  |
| 3498. Summary of remaining write-ins for Line 34<br>from overflow page ..... |  |  |                                     |   |  |
| 3499. Totals (Lines 3401 thru 3403 plus 3498)(Line<br>34 above) .....        |  |  |                                     |   |  |

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

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY  
**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 1B - PREMIUMS WRITTEN

| Line of Business  | 1<br>Direct Business (a) | Reinsurance Assumed  |                          | Reinsurance Ceded  |                        | 6<br>Net Premiums<br>Written<br>Cols. 1+2+3-4-5 |
|---|--------------------------|----------------------|--------------------------|--------------------|------------------------|---|
|   |                          | 2<br>From Affiliates | 3<br>From Non-Affiliates | 4<br>To Affiliates | 5<br>To Non-Affiliates |   |
| 1. Fire .....   | 1,826,993                | 2,778,455            |                          | 2,468,835          | 864,789                | 1,271,824                                       |
| 2. Allied lines .....   | 919,510                  | 2,965,277            |                          | 2,044,740          | 786,697                | 1,053,351                                       |
| 3. Farmowners multiple peril .....  |                          | 17,288,576           |                          | 9,961,862          | 2,194,846              | 5,131,868                                       |
| 4. Homeowners multiple peril .....  | 25,237,509               | 7,055,228            |                          | 18,209,562         | 4,702,492              | 9,380,683                                       |
| 5. Commercial multiple peril .....  |                          | 14,345,992           |                          | 8,107,370          | 2,062,098              | 4,176,524                                       |
| 6. Mortgage guaranty .....  |                          |                      |                          |                    |                        |   |
| 8. Ocean marine .....   |                          |                      |                          |                    |                        |   |
| 9. Inland marine .....  | 663,098                  | 1,765,444            |                          | 1,306,991          | 448,253                | .673,298  |
| 10. Financial guaranty .....  |                          |                      |                          |                    |                        |   |
| 11.1 Medical professional liability - occurrence .....                    |                          |                      |                          |                    |                        |   |
| 11.2 Medical professional liability - claims-made .....                   |                          |                      |                          |                    |                        |   |
| 12. Earthquake .....  | 295,218                  | 327,725              |                          | 334,070            | 116,776                | 172,097   |
| 13. Group accident and health .....                                       |                          |                      |                          |                    |                        |   |
| 14. Credit accident and health (group and individual) .....               |                          |                      |                          |                    |                        |   |
| 15. Other accident and health .....                                       |                          |                      |                          |                    |                        |   |
| 16. Workers' compensation .....   |                          | 2,517,716            |                          | 1,321,467          | 515,493                | .680,756  |
| 17.1 Other liability - occurrence .....                                   | 1,224,077                | 2,839,875            |                          | 2,284,945          | 601,914                | 1,177,093                                       |
| 17.2 Other liability - claims-made .....                                  |                          |                      |                          |                    |                        |   |
| 17.3 Excess workers' compensation .....                                   |                          |                      |                          |                    |                        |   |
| 18.1 Products liability - occurrence .....                                |                          | 240,353              |                          | 150,859            | 11,778                 | 77,715  |
| 18.2 Products liability - claims-made .....                               |                          |                      |                          |                    |                        |   |
| 19.1, 19.2 Private passenger auto liability .....                         | 13,597,521               | 16,474,227           |                          | 19,560,000         | 435,384                | .10,076,364                                     |
| 19.3, 19.4 Commercial auto liability .....                                |                          | 5,340,905            |                          | 3,374,283          | 228,355                | 1,738,267                                       |
| 21. Auto physical damage .....  | 13,617,537               | 16,928,552           |                          | 19,073,340         | 1,647,089              | 9,825,660                                       |
| 22. Aircraft (all perils) .....   |                          |                      |                          |                    |                        |   |
| 23. Fidelity .....  |                          |                      |                          |                    |                        |   |
| 24. Surety .....  |                          |                      |                          |                    |                        |   |
| 26. Burglary and theft .....  |                          | 19,033               |                          | 12,562             |                        | 6,471   |
| 27. Boiler and machinery .....  |                          |                      |                          |                    |                        |   |
| 28. Credit .....  |                          |                      |                          |                    |                        |   |
| 29. International .....   |                          |                      |                          |                    |                        |   |
| 30. Warranty .....  |                          |                      |                          |                    |                        |   |
| 31. Reinsurance - nonproportional assumed property .....                  | XXX                      |                      |                          |                    |                        |   |
| 32. Reinsurance - nonproportional assumed liability .....                 | XXX                      |                      |                          |                    |                        |   |
| 33. Reinsurance - nonproportional assumed financial lines .....           | XXX                      |                      |                          |                    |                        |   |
| 34. Aggregate write-ins for other lines of business .....                 |                          |                      |                          |                    |                        |   |
| 35. TOTALS .....  | 57,381,463               | 90,887,357           |                          | 88,210,885         | 14,615,963             | 45,441,971                                      |
| <b>DETAILS OF WRITE-INS</b>   |                          |                      |                          |                    |                        |   |
| 3401. ....  |                          |                      |                          |                    |                        |   |
| 3402. ....  |                          |                      |                          |                    |                        |   |
| 3403. ....  |                          |                      |                          |                    |                        |   |
| 3498. Summary of remaining write-ins for Line 34 from overflow page ..... |                          |                      |                          |                    |                        |   |
| 3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) .....        |                          |                      |                          |                    |                        |   |

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

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

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

## ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY

## UNDERWRITING AND INVESTMENT EXHIBIT

## PART 2 - LOSSES PAID AND INCURRED

| Line of Business  | Losses Paid Less Salvage |                             |                               |  | 5          | 6          | 7          | 8<br>Percentage of<br>Losses Incurred<br>(Col. 7, Part 2) to<br>Premiums Earned<br>(Col. 4, Part 1) |
|---|--------------------------|-----------------------------|-------------------------------|--|------------|------------|------------|---|
|   | 1<br>Direct Business     | 2<br>Reinsurance<br>Assumed | 3<br>Reinsurance<br>Recovered | 4<br>Net Payments<br>(Cols. 1 + 2 - 3) |            |            |            |   |
| 1. Fire .....   | 451,742                  | 474,089                     | 633,022                       | 292,809                                | .74,940    | 21,866     | .345,883   | 27.5  |
| 2. Allied lines .....   | 953,458                  | 1,020,473                   | 1,523,198                     | .450,733                               | .49,978    | .13,207    | .487,504   | 49.9  |
| 3. Farmowners multiple peril .....  |                          | 9,779,199                   | 7,286,690                     | 2,492,509                              | 580,082    | .592,151   | 2,480,441  | 49.9  |
| 4. Homeowners multiple peril .....  | 22,948,265               | 2,878,105                   | 19,795,615                    | 6,030,755                              | 1,187,195  | 1,687,185  | 5,530,764  | 58.5  |
| 5. Commercial multiple peril .....  |                          | 6,691,511                   | 4,766,974                     | 1,924,537                              | 846,655    | .716,916   | 2,054,276  | 53.5  |
| 6. Mortgage guaranty .....  |                          |                             |                               |  |            |            |            |   |
| 8. Ocean marine .....   |                          |                             |                               |  |            |            |            |   |
| 9. Inland marine .....  | 151,640                  | 240,272                     | .267,168                      | .124,744                               | .7,237     | 9,112      | .122,869   | 19.2  |
| 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 .....   |                          | 502,159                     | 331,425                       | .170,734                               | 526,217    | .504,042   | .192,909   | 31.6  |
| 17.1 Other liability - occurrence .....                                   | 8,037                    | .69,499                     | .57,201                       | .20,335                                | .417,287   | .326,217   | .111,405   | 9.9   |
| 17.2 Other liability - claims-made .....                                  |                          |                             |                               |  |            |            |            |   |
| 17.3 Excess workers' compensation .....                                   |                          |                             |                               |  |            |            |            |   |
| 18.1 Products liability - occurrence .....                                |                          |                             |                               |  | .34,000    | .28,900    | .5,100     | 6.4   |
| 18.2 Products liability - claims-made .....                               |                          |                             |                               |  |            |            |            |   |
| 19.1, 19.2 Private passenger auto liability .....                         | 9,850,226                | 10,452,130                  | 13,447,999                    | 6,854,357                              | 6,671,353  | .6,548,111 | 6,977,599  | 68.4  |
| 19.3, 19.4 Commercial auto liability .....                                |                          | 1,446,747                   | .954,850                      | .491,897                               | .584,062   | .455,254   | .620,705   | 40.2  |
| 21. Auto physical damage .....  | 7,971,301                | 10,347,929                  | 12,637,157                    | 5,682,074                              | .288,737   | .240,376   | .5,730,435 | 58.4  |
| 22. Aircraft (all perils) .....   |                          |                             |                               |  |            |            |            |   |
| 23. Fidelity .....  |                          |                             |                               |  |            |            |            |   |
| 24. Surety .....  |                          |                             |                               |  |            |            |            |   |
| 26. Burglary and theft .....  |                          |                             |                               |  |            |            |            |   |
| 27. Boiler and machinery .....  |                          |                             |                               |  |            |            |            |   |
| 28. Credit .....  |                          |                             |                               |  |            |            |            |   |
| 29. International .....   |                          |                             |                               |  |            |            |            |   |
| 30. Warranty .....  |                          |                             |                               |  |            |            |            |   |
| 31. Reinsurance - nonproportional assumed property .....                  | XXX                      |                             |                               |  |            |            |            |   |
| 32. Reinsurance - nonproportional assumed liability .....                 | XXX                      |                             |                               |  | .363,322   | .363,322   |            |   |
| 33. Reinsurance - nonproportional assumed financial lines .....           | XXX                      |                             |                               |  |            |            |            |   |
| 34. Aggregate write-ins for other lines of business .....                 |                          |                             |                               |  |            |            |            |   |
| 35. TOTALS .....  | 42,334,668               | 43,902,114                  | 61,701,297                    | 24,535,484                             | 11,631,066 | 11,506,659 | 24,659,891 | 55.2  |
| <b>DETAILS OF WRITE-INS</b>   |                          |                             |                               |  |            |            |            |   |
| 3401. ....  |                          |                             |                               |  |            |            |            |   |
| 3402. ....  |                          |                             |                               |  |            |            |            |   |
| 3403. ....  |                          |                             |                               |  |            |            |            |   |
| 3498. Summary of remaining write-ins for Line 34 from overflow page ..... |                          |                             |                               |  |            |            |            |   |
| 3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) .....        |                          |                             |                               |  |            |            |            |   |

## ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL 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<br>Direct     | 2<br>Reinsurance<br>Assumed | 3<br>Deduct<br>Reinsurance<br>Recoverable | 4<br>Net Losses Excl.<br>Incurred But Not<br>Reported<br>(Cols. 1 + 2 - 3) | 5<br>Direct               | 6<br>Reinsurance<br>Assumed | 7<br>Reinsurance<br>Ceded |            |           |
| 1. Fire .....   | 128,157         | 102,623                     | 159,240                                   | 71,540   | 10,200                    | .800                        | 7,600                     | 74,940     | 6,800     |
| 2. Allied lines .....   | 55,844          | 74,499                      | 95,664                                    | 34,678   | 37,875                    | .70,125                     | .92,700                   | 49,978     | 3,400     |
| 3. Farmowners multiple peril .....                                  |                 | 1,085,908                   | 768,391                                   | .317,517   |                           | 1,068,250                   | .805,685                  | 580,082    | 140,624   |
| 4. Homeowners multiple peril .....                                  | 2,079,146       | 218,380                     | 1,734,231                                 | .563,295   | 2,567,600                 | 331,190                     | 2,274,890                 | 1,187,195  | 317,900   |
| 5. Commercial multiple peril .....                                  |                 | 1,975,783                   | 1,329,728                                 | .646,055   |                           | 687,000                     | 486,400                   | 846,655    | 117,300   |
| 6. Mortgage guaranty .....  |                 |                             |   |  |                           |                             |                           |            |           |
| 7. Ocean marine .....   |                 |                             |   |  |                           |                             |                           |            |           |
| 9. Inland marine .....  | 12,847          | 8,046                       | 15,356                                    | 5,537  | 2,450                     | 2,550                       | 3,300                     | 7,237      |           |
| 10. Financial guaranty .....  |                 |                             |   |  |                           |                             |                           |            |           |
| 11.1 Medical professional liability - occurrence .....              |                 |                             |   |  |                           |                             |                           |            |           |
| 11.2 Medical professional liability - claims-made .....             |                 |                             |   |  |                           |                             |                           |            |           |
| 12. Earthquake .....  |                 |                             |   |  |                           |                             |                           |            |           |
| 13. Group accident and health .....                                 |                 |                             |   |  |                           |                             |                           | (a)        |           |
| 14. Credit accident and health (group and individual) .....         |                 |                             |   |  |                           |                             |                           | (a)        |           |
| 15. Other accident and health .....                                 |                 |                             |   |  |                           |                             |                           | (a)        |           |
| 16. Workers' compensation .....                                     | 10,266          | 942,430                     | 628,779                                   | .323,917   |                           | 595,000                     | 392,700                   | 526,217    | 96,900    |
| 17.1 Other liability - occurrence .....                             | 360,001         | 114,814                     | 322,728                                   | .152,087   | 515,550                   | 478,850                     | 729,200                   | 417,287    | 210,800   |
| 17.2 Other liability - claims-made .....                            |                 |                             |   |  |                           |                             |                           |            |           |
| 17.3 Excess workers' compensation .....                             |                 |                             |   |  |                           |                             |                           |            |           |
| 18.1 Products liability - occurrence .....                          |                 | 35,000                      | 23,100                                    | .11,900  |                           | 65,000                      | 42,900                    | 34,000     | 18,700    |
| 18.2 Products liability - claims-made .....                         |                 |                             |   |  |                           |                             |                           |            |           |
| 19.1, 19.2 Private passenger auto liability .....                   | 6,070,360       | 7,126,008                   | 8,763,575                                 | .4,432,793   | 3,452,475                 | 3,404,375                   | .4,618,290                | 6,671,353  | 1,093,100 |
| 19.3, 19.4 Commercial auto liability .....                          | 5,174           | 686,657                     | 456,608                                   | .235,222   |                           | 1,026,000                   | .677,160                  | 584,062    | 142,800   |
| 21. Auto physical damage .....                                      | 357,525         | 585,273                     | 630,261                                   | .312,537   | 122,200                   | .4,790                      | .150,790                  | 288,737    | .81,600   |
| 22. Aircraft (all perils) .....                                     |                 |                             |   |  |                           |                             |                           |            |           |
| 23. Fidelity .....  |                 |                             |   |  |                           |                             |                           |            |           |
| 24. Surety .....  |                 |                             |   |  |                           |                             |                           |            |           |
| 26. Burglary and theft .....  |                 |                             |   |  |                           |                             |                           |            |           |
| 27. Boiler and machinery .....                                      |                 |                             |   |  |                           |                             |                           |            |           |
| 28. Credit .....  |                 |                             |   |  |                           |                             |                           |            |           |
| 29. International .....   |                 |                             |   |  |                           |                             |                           |            |           |
| 30. Warranty .....  |                 |                             |   |  |                           |                             |                           |            |           |
| 31. Reinsurance - nonproportional assumed property .....            | XXX             |                             |   |  | XXX                       |                             |                           |            |           |
| 32. Reinsurance - nonproportional assumed liability .....           | XXX             | 28,594                      | 18,872                                    | 9,722  | XXX                       | 1,040,000                   | 686,400                   | 363,322    |           |
| 33. Reinsurance - nonproportional assumed financial lines .....     | XXX             |                             |   |  | XXX                       |                             |                           |            |           |
| 34. Aggregate write-ins for other lines of business .....           |                 |                             |   |  |                           |                             |                           |            |           |
| 35. TOTALS .....  | 9,079,320       | 12,984,015                  | 14,946,535                                | 7,116,801  | 6,708,350                 | 8,773,930                   | 10,968,015                | 11,631,066 | 2,229,924 |
| <b>DETAILS OF WRITE-INS</b>   |                 |                             |   |  |                           |                             |                           |            |           |
| 3401. ....  |                 |                             |   |  |                           |                             |                           |            |           |
| 3402. ....  |                 |                             |   |  |                           |                             |                           |            |           |
| 3403. ....  |                 |                             |   |  |                           |                             |                           |            |           |
| 3498. Summary of remaining write-ins for Line 34 from overflow page |                 |                             |   |  |                           |                             |                           |            |           |
| 3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)        |                 |                             |   |  |                           |                             |                           |            |           |

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

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY  
**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 3 - EXPENSES

|   | 1<br>Loss Adjustment<br>Expenses | 2<br>Other Underwriting<br>Expenses | 3<br>Investment<br>Expenses | 4<br>Total     |
|---|----------------------------------|-------------------------------------|-----------------------------|----------------|
| 1. Claim adjustment services:   |                                  |                                     |                             |                |
| 1.1 Direct .....  | 2,164,759                        |                                     |                             | 2,164,759      |
| 1.2 Reinsurance assumed .....   | 2,109,740                        |                                     |                             | 2,109,740      |
| 1.3 Reinsurance ceded .....   | 3,086,706                        |                                     |                             | 3,086,706      |
| 1.4 Net claim adjustment service (1.1 + 1.2 - 1.3) .....                                | 1,187,792                        |                                     |                             | 1,187,792      |
| 2. Commission and brokerage:  |                                  |                                     |                             |                |
| 2.1 Direct excluding contingent .....   |                                  | 9,092,556                           |                             | 9,092,556      |
| 2.2 Reinsurance assumed, excluding contingent .....                                     |                                  | 12,478,490                          |                             | 12,478,490     |
| 2.3 Reinsurance ceded, excluding contingent .....                                       |                                  | 14,641,038                          |                             | 14,641,038     |
| 2.4 Contingent - direct .....   |                                  | 653,371                             |                             | 653,371        |
| 2.5 Contingent - reinsurance assumed .....  |                                  | 1,392,569                           |                             | 1,392,569      |
| 2.6 Contingent - reinsurance ceded .....  |                                  | 1,383,287                           |                             | 1,383,287      |
| 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) .....        |                                  | 7,592,662                           |                             | 7,592,662      |
| 3. Allowances to managers and agents .....  |                                  |                                     |                             |                |
| 4. Advertising .....  |                                  | 108,340                             |                             | 108,340        |
| 5. Boards, bureaus and associations .....   | 43,766                           | 263,647                             |                             | 307,412        |
| 6. Surveys and underwriting reports .....   |                                  | 539,487                             |                             | 539,487        |
| 7. Audit of assureds' records .....   |                                  | 5,636                               |                             | 5,636          |
| 8. Salary and related items:  |                                  |                                     |                             |                |
| 8.1 Salaries .....  | 1,714,739                        | 3,182,402                           | 15,349                      | 4,912,491      |
| 8.2 Payroll taxes .....   | 118,987                          | 220,430                             | 1,002                       | 340,419        |
| 9. Employee relations and welfare .....   | 299,573                          | 592,012                             | 2,104                       | 893,689        |
| 10. Insurance .....   | 24,572                           | 66,434                              |                             | 91,006         |
| 11. Directors' fees .....   | 19,379                           | 52,395                              |                             | 71,774         |
| 12. Travel and travel items .....   | 84,116                           | 175,338                             |                             | 259,454        |
| 13. Rent and rent items .....   | 80,276                           | 255,420                             | 534                         | 336,231        |
| 14. Equipment .....   | 24,247                           | 66,602                              | 88                          | 90,937         |
| 15. Cost or depreciation of EDP equipment and software .....                            | 88,353                           | 320,535                             |                             | 408,888        |
| 16. Printing and stationery .....   | 13,422                           | 46,420                              |                             | 59,842         |
| 17. Postage, telephone and telegraph, exchange and express .....                        | 60,122                           | 143,449                             |                             | 203,571        |
| 18. Legal and auditing .....  | 8,960                            | 41,311                              |                             | 50,270         |
| 19. Totals (Lines 3 to 18) .....  | 2,580,512                        | 6,079,857                           | 19,077                      | 8,679,446      |
| 20. Taxes, licenses and fees:   |                                  |                                     |                             |                |
| 20.1 State and local insurance taxes deducting guaranty association credits of \$ ..... |                                  | 868,031                             |                             | 868,031        |
| 20.2 Insurance department licenses and fees .....                                       |                                  | 88,462                              |                             | 88,462         |
| 20.3 Gross guaranty association assessments .....                                       |                                  | (666)                               |                             | (666)          |
| 20.4 All other (excluding federal and foreign income and real estate) .....             |                                  | 10                                  |                             | 10             |
| 20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....                   |                                  | 955,836                             |                             | 955,836        |
| 21. Real estate expenses .....  |                                  |                                     |                             |                |
| 22. Real estate taxes .....   |                                  |                                     |                             |                |
| 23. Reimbursements by uninsured plans .....   |                                  |                                     |                             |                |
| 24. Aggregate write-ins for miscellaneous expenses .....                                | 131,367                          | 288,463                             | 134,526                     | 554,356        |
| 25. Total expenses incurred .....   | 3,899,671                        | 14,916,819                          | 153,603                     | (a) 18,970,093 |
| 26. Less unpaid expenses - current year .....   | 2,229,924                        | 1,283,221                           |                             | 3,513,145      |
| 27. Add unpaid expenses - prior year .....  | 2,223,600                        | 1,231,761                           |                             | 3,455,361      |
| 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) .....                            | 3,893,347                        | 14,865,358                          | 153,603                     | 18,912,308     |
| <b>DETAILS OF WRITE-INS</b>   |                                  |                                     |                             |                |
| 2401. Other .....   | 131,367                          | 288,463                             | 134,526                     | 554,356        |
| 2402. .....   |                                  |                                     |                             |                |
| 2403. .....   |                                  |                                     |                             |                |
| 2498. Summary of remaining write-ins for Line 24 from overflow page .....               |                                  |                                     |                             |                |
| 2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above) .....                      | 131,367                          | 288,463                             | 134,526                     | 554,356        |

(a) Includes management fees of \$ ..... to affiliates and \$ ..... 132,713 to non-affiliates.

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY  
**EXHIBIT OF NET INVESTMENT INCOME**

|   |           | 1<br>Collected During Year | 2<br>Earned During Year |
|---|-----------|----------------------------|-------------------------|
| 1. U.S. Government bonds .....  | (a) ..... | 115,695                    | 128,008                 |
| 1.1 Bonds exempt from U.S. tax .....  | (a) ..... | 309,285                    | 299,846                 |
| 1.2 Other bonds (unaffiliated) .....  | (a) ..... | 1,014,036                  | 1,027,577               |
| 1.3 Bonds of affiliates .....   | (a) ..... |                            |                         |
| 2.1 Preferred stocks (unaffiliated) .....                                     | (b) ..... | 20,804                     | 19,837                  |
| 2.11 Preferred stocks of affiliates .....                                     | (b) ..... |                            |                         |
| 2.2 Common stocks (unaffiliated) .....  |           | 252,986                    | 252,986                 |
| 2.21 Common stocks of affiliates .....  |           |                            |                         |
| 3. Mortgage loans .....   | (c) ..... |                            |                         |
| 4. Real estate .....  | (d) ..... | 248,076                    | 248,076                 |
| 5. Contract loans .....   |           |                            |                         |
| 6. Cash, cash equivalents and short-term investments .....                    | (e) ..... | 91,402                     | 91,170                  |
| 7. Derivative instruments .....   | (f) ..... |                            |                         |
| 8. Other invested assets .....  |           |                            |                         |
| 9. Aggregate write-ins for investment income .....                            |           | 4,162                      | 4,162                   |
| 10. Total gross investment income .....                                       |           | 2,056,445                  | 2,071,661               |
| 11. Investment expenses .....   | (g) ..... |                            |                         |
| 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) ..... | 76,823                     |                         |
| 15. Aggregate write-ins for deductions from investment income .....           |           |                            |                         |
| 16. Total deductions (Lines 11 through 15) .....                              |           |                            | 230,426                 |
| 17. Net investment income (Line 10 minus Line 16) .....                       |           |                            | 1,841,235               |
| <b>DETAILS OF WRITE-INS</b>   |           |                            |                         |
| 0901. Other Interest Income .....   |           | 4,162                      | 4,162                   |
| 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) .....           |           | 4,162                      | 4,162                   |
| 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 \$ 48,296 accrual of discount less \$ 493,837 amortization of premium and less \$ 79,902 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 \$ 72,922 for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.  
 (e) Includes \$ accrual of discount less \$ 292 amortization of premium and less \$ 11 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 \$ 76,823 depreciation on real estate and \$ depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

|  | 1<br>Realized Gain (Loss)<br>On Sales or Maturity | 2<br>Other Realized<br>Adjustments | 3<br>Total Realized Capital<br>Gain (Loss)<br>(Columns 1 + 2) | 4<br>Change in<br>Unrealized Capital<br>Gain (Loss) | 5<br>Change in Unrealized<br>Foreign Exchange<br>Capital Gain (Loss) |
|--|---|------------------------------------|---|---|--|
| 1. U.S. Government bonds .....   | 20,289  |                                    | 20,289  |   |  |
| 1.1 Bonds exempt from U.S. tax .....                                     | 10,079  |                                    | 10,079  |   |  |
| 1.2 Other bonds (unaffiliated) .....                                     | 370,419   |                                    | 370,419   | .92,757   |  |
| 1.3 Bonds of affiliates .....  |   |                                    |   |   |  |
| 2.1 Preferred stocks (unaffiliated) .....                                | 118,523   |                                    | 118,523   | .11,348   |  |
| 2.11 Preferred stocks of affiliates .....                                |   |                                    |   |   |  |
| 2.2 Common stocks (unaffiliated) .....                                   | 55,992  |                                    | 55,992  | 1,578,211   |  |
| 2.21 Common stocks of affiliates .....                                   |   |                                    |   |   |  |
| 3. Mortgage loans .....  |   |                                    |   |   |  |
| 4. Real estate .....   |   |                                    |   |   |  |
| 5. Contract loans .....  |   |                                    |   |   |  |
| 6. Cash, cash equivalents and short-term investments .....               | 261   |                                    | 261   |   |  |
| 7. Derivative instruments .....  |   |                                    |   |   |  |
| 8. Other invested assets .....   |   |                                    |   |   |  |
| 9. Aggregate write-ins for capital gains (losses) .....                  |   |                                    |   |   |  |
| 10. Total capital gains (losses) .....                                   | 575,563   |                                    | 575,563   | 1,682,317   |  |
| <b>DETAILS OF WRITE-INS</b>  |   |                                    |   |   |  |
| 0901. .....  |   |                                    |   |   |  |
| 0902. .....  |   |                                    |   |   |  |
| 0903. .....  |   |                                    |   |   |  |
| 0998. Summary of remaining write-ins for Line 9 from overflow page ..... |   |                                    |   |   |  |
| 0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....      |   |                                    |   |   |  |

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY**  
**EXHIBIT OF NON-ADMITTED ASSETS**

|  | 1<br>Current Year Total<br>Nonadmitted Assets | 2<br>Prior Year Total<br>Nonadmitted Assets | 3<br>Change in Total<br>Nonadmitted Assets<br>(Col. 2 - Col. 1) |
|--|---|---|---|
| 1. Bonds (Schedule D) .....  |   |   |   |
| 2. Stocks (Schedule D):  |   |   |   |
| 2.1 Preferred stocks .....   |   |   |   |
| 2.2 Common stocks .....  | 26,733  | 26,733                                      |   |
| 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) .....  | 26,733  | 26,733                                      |   |
| 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 .....                                     |   |   |   |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due .....                  |   |   |   |
| 15.3 Accrued retrospective premiums and contracts subject to redetermination .....                                   |   |   |   |
| 16. Reinsurance:   |   |   |   |
| 16.1 Amounts recoverable from reinsurers .....   |   |   |   |
| 16.2 Funds held by or deposited with reinsured companies .....   |   |   |   |
| 16.3 Other amounts receivable under reinsurance contracts .....  |   |   |   |
| 17. Amounts receivable relating to uninsured plans .....   |   |   |   |
| 18.1 Current federal and foreign income tax recoverable and interest thereon .....                                   |   |   |   |
| 18.2 Net deferred tax asset .....  |   |   |   |
| 19. Guaranty funds receivable or on deposit .....  |   |   |   |
| 20. Electronic data processing equipment and software .....  | 6,847   | 17,435                                      | 10,588  |
| 21. Furniture and equipment, including health care delivery assets .....   | 228,189                                       | 227,640                                     | (550)   |
| 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 .....   | 251,640                                       | 218,608                                     | (33,032)  |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) ..... | 513,410                                       | 490,416                                     | (22,994)  |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....                                    |   |   |   |
| 28. Total (Lines 26 and 27) .....  | 513,410                                       | 490,416                                     | (22,994)  |
| <b>DETAILS OF WRITE-INS</b>  |   |   |   |
| 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. Prepaid Expenses .....   | 251,640                                       | 218,608                                     | (33,032)  |
| 2502. .....  |   |   |   |
| 2503. .....  |   |   |   |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....  |   |   |   |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....   | 251,640                                       | 218,608                                     | (33,032)  |

## NOTES TO FINANCIAL STATEMENTS

### NOTE 1 Summary of Significant Accounting Policies and Going Concern

#### A. Accounting Practices

The accompanying statutory-basis financial statements of The National Mutual Insurance Company (the "Company") have been prepared on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance.

The Ohio Department of Insurance requires insurance companies domiciled in Ohio to prepare their statements in conformity with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual subject to any deviations prescribed or permitted by the Ohio Department of Insurance. The Company has not implemented any accounting practices which are prescribed or permitted by the State of Ohio that differ from those found in the NAIC Accounting Practices and Procedures Manual.

|   | SSAP # | F/S<br>Page | F/S<br>Line # | 2019          | 2018          |
|---|--------|-------------|---------------|---------------|---------------|
| NET INCOME<br>(1) State basis (Page 4, Line 20, Columns 1 & 2)                | XXX    | XXX         | XXX           | \$ 3,233,688  | \$ 2,944,672  |
| (2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP: |        |             |               |               |               |
| (3) State Permitted Practices that are an increase/(decrease) from NAIC SAP:  |        |             |               |               |               |
| (4) NAIC SAP (1-2-3=4)  | XXX    | XXX         | XXX           | \$ 3,233,688  | \$ 2,944,672  |
| SURPLUS<br>(5) State basis (Page 3, Line 37, Columns 1 & 2)                   | XXX    | XXX         | XXX           | \$ 39,706,997 | \$ 35,139,814 |
| (6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP: |        |             |               |               |               |
| (7) State Permitted Practices that are an increase/(decrease) from NAIC SAP:  |        |             |               |               |               |
| (8) NAIC SAP (5-6-7=8)  | XXX    | XXX         | XXX           | \$ 39,706,997 | \$ 35,139,814 |

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

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

#### C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business and are based on reports received from ceding companies for reinsurance.

Expenses incurred in connection with acquiring new business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost, using the scientific yield to worst method. Non-investment grade bonds with NAIC designations 3 thru 6 are stated at the lower of amortized cost or fair value.
- (3) Unaffiliated common stocks are stated at fair value.
- (4) Redeemable preferred stocks with NAIC designations 1 thru 2 are stated at amortized cost while those that have a designation of 3 thru 6 are carried at the lower of amortized cost or fair value. Perpetual preferred stock with NAIC designations of 1 thru 2 are stated at fair value while those that have designations of 3 thru 6 are carried at the lower of amortized cost or fair value.
- (5) The Company has no mortgage loans.
- (6) Loan-backed securities are carried at amortized cost using the prospective method, which utilizes anticipated prepayment cash flow assumptions obtained from a widely accepted third party data provider and are based on interest rates and current economic conditions. Loan-backed securities rated 3 thru 6 by the NAIC are reported at the lower of amortized cost or fair value.
- (7) Investments in stock of subsidiaries are carried on the equity basis and subsequently non-admitted in accordance with SSAP No. 97 as audited statements of the subsidiaries are not obtained.
- (8) The Company has no investments in joint ventures, partnerships or limited liability companies.
- (9) The Company owns no derivatives.
- (10) The Company does not anticipate investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53. Property - Casualty Contracts - Premiums.
- (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 used for making such estimates and for establishing the resulting liabilities 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 offer health insurance policies and has no pharmaceutical rebate receivables.

#### D. Going Concern

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

### NOTE 2 Accounting Changes and Corrections of Errors

None to Report.

### NOTE 3 Business Combinations and Goodwill

None to Report.

### NOTE 4 Discontinued Operations

None to Report.

### NOTE 5 Investments

#### A. Mortgage Loans, including Mezzanine Real Estate Loans

None to Report.

#### B. Debt Restructuring

None to Report.

## NOTES TO FINANCIAL STATEMENTS

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## C. Reverse Mortgages

None to Report.

## D. Loan-Backed Securities

(1) Prepayment assumptions for loan-backed bonds or structured securities were obtained from broker dealer survey values or internal estimates. Significant changes in estimated cash flows from the original purchase assumptions are accounted for using the prospective method.

The aggregate Fair Value of loan-backed securities at December 31, 2019 is \$12,561,817 with approximately 97% represented by agency-backed securities. Fair Values represent quoted prices in active markets, quoted prices in active markets for similar securities, or modeled valuations using the present value of estimated future cash flows.

## (2) OTTI recognized 1st Quarter

- a. Intent to sell
- b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis
- c. Total 1st Quarter
- OTTI recognized 2nd Quarter
- d. Intent to sell
- e. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis
- f. Total 2nd Quarter
- OTTI recognized 3rd Quarter
- g. Intent to sell
- h. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis
- i. Total 3rd Quarter
- OTTI recognized 4th Quarter
- j. Intent to sell
- k. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis
- l. Total 4th Quarter

m. Annual Aggregate Total

| 1<br>Amortized Cost<br>Basis Before<br>Other-than-<br>Temporary<br>Impairment | 2<br>Other-than-<br>Temporary<br>Impairment<br>Recognized in<br>Loss | 3<br>Fair Value<br>1 - 2 |
|---|--|--------------------------|
|   |  |                          |

## (3) Securities with a recognized other-than-temporary impairment, currently held, where the present value of expected cash flows are less than the amortized costs are:

| 1<br>CUSIP | 2<br>Book/Adjusted<br>Carrying Value<br>Amortized Cost<br>Before Current<br>Period OTTI | 3<br>Present Value of<br>Projected Cash<br>Flows | 4<br>Recognized<br>Other-Than-<br>Temporary<br>Impairment | 5<br>Amortized Cost<br>After Other-Than-<br>Temporary<br>Impairment | 6<br>Fair Value at<br>time of OTTI | 7<br>Date of<br>Financial<br>Statement<br>Where<br>Reported |
|------------|---|--|---|---|------------------------------------|---|
| Total      | XXX   | XXX  |   | XXX   | XXX                                | XXX   |

## (4) Aggregate Values for Securities for Unrealized Losses are:

- a) The aggregate amount of unrealized losses:
 

|                        |           |
|------------------------|-----------|
| 1. Less than 12 Months | \$ 10,958 |
| 2. 12 Months or Longer | \$ 24,272 |
- b) The aggregate related fair value of securities with unrealized losses:
 

|                        |              |
|------------------------|--------------|
| 1. Less than 12 Months | \$ 1,517,859 |
| 2. 12 Months or Longer | \$ 1,532,154 |

(5) The company uses information from several sources to evaluate impairments for other-than-temporary recognition. The items considered include security ratings from nationally recognized statistical rating organizations, analysis of issuer financial condition, estimates of principal recovery, and ability and intent to hold the security until recovery of its value.

## E. Dollar Repurchase Agreements and/or Securities Lending Transactions

None to Report.

## F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

None to Report.

## G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

None to Report.

## H. Repurchase Agreements Transactions Accounted for as a Sale

None to Report.

## I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

None to Report.

## J. Real Estate

- (1) The Company has no impairment losses on real estate.
- (2) The Company does not classify its real estate investments as held for sale.
- (3) The Company has no plans for the sale of its real estate.
- (4) The Company does not engage in retail land sales operations.
- (5) The Company does not hold real estate investments with participating mortgage loans.

## K. Low Income Housing tax Credits (LIHTC)

None to Report.

## NOTES TO FINANCIAL STATEMENTS

## L. Restricted Assets

## 1. Restricted Assets (Including Pledged)

| Restricted Asset Category  | Gross (Admitted & Nonadmitted) Restricted |  |  |   |                  |                       |                                 |
|--|---|--|--|---|------------------|-----------------------|---------------------------------|
|  | Current Year                              |  |  |   |                  | 6                     |                                 |
|  | 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  | \$ 142,700                                |  |  |   | \$ 142,700       | \$ 102,400            | \$ 40,300                       |
| j. On deposit with states  | \$ 1,040,737                              |  |  |   | \$ 1,040,737     | \$ 1,045,932          | \$ (5,195)                      |
| 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   | \$ 1,183,437                              |  |  |   | \$ 1,183,437     | \$ 1,148,332          | \$ 35,105                       |

(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  | \$ 142,700                    | \$ 1,040,737                          | 0.149%   | 0.150%   |
| j. On deposit with states  |                               |                                       | 1.087%   | 1.093%   |
| 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   | \$ 1,183,437                  |                                       | 1.236%   | 1.242%   |

(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)

None to Report.

## 3. Detail of Other Restricted Assets (Contracts That Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

None to Report.

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

None to Report.

## M. Working Capital Finance Investments

None to Report.

## N. Offsetting and Netting of Assets and Liabilities

None to Report.

## O. 5GI Securities

None to Report.

## P. Short Sales

None to Report.

## Q. Prepayment Penalty and Acceleration Fees

|  | General Account | Protected Cell |
|--|-----------------|----------------|
| 1. Number of CUSIPs                      |                 | 3              |
| 2. Aggregate Amount of Investment Income | \$ 2,093        |                |

## **NOTES TO FINANCIAL STATEMENTS**

## **NOTE 6 Joint Ventures, Partnerships and Limited Liability Companies**

None to Report.

## **NOTE 7 Investment Income**

A. Due and accrued income was excluded from surplus on the following basis:

All investment income due and accrued with amounts that are over 90 days past due are excluded.

### B. Total Excluded

None to Report.

## NOTE 8 Derivative Instruments

None to Report.

## NOTE 9 Income Taxes

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

| 1.   | 12/31/2019      |                |                              | 12/31/2018      |                |                              | Change                          |                                |                              |
|--|-----------------|----------------|------------------------------|-----------------|----------------|------------------------------|---------------------------------|--------------------------------|------------------------------|
|  | (1)<br>Ordinary | (2)<br>Capital | (3)<br>(Col. 1 + 2)<br>Total | (4)<br>Ordinary | (5)<br>Capital | (6)<br>(Col. 4 + 5)<br>Total | (7)<br>(Col. 1 - 4)<br>Ordinary | (8)<br>(Col. 2 - 5)<br>Capital | (9)<br>(Col. 7 + 8)<br>Total |
| (a) Gross Deferred Tax Assets                                    | \$ 1,671,714    | \$ 112,168     | \$ 1,783,882                 | \$ 1,650,427    | \$ 112,168     | \$ 1,762,595                 | \$ 21,287                       |                                | \$ 21,287                    |
| (b) Statutory Valuation Allowance Adjustment                     |                 |                |                              |                 |                |                              |                                 |                                |                              |
| (c) Adjusted Gross Deferred Tax Assets (1a - 1b)                 | \$ 1,671,714    | \$ 112,168     | \$ 1,783,882                 | \$ 1,650,427    | \$ 112,168     | \$ 1,762,595                 | \$ 21,287                       |                                | \$ 21,287                    |
| (d) Deferred Tax Assets Nonadmitted                              |                 |                |                              |                 |                |                              |                                 |                                |                              |
| (e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)           | \$ 1,671,714    | \$ 112,168     | \$ 1,783,882                 | \$ 1,650,427    | \$ 112,168     | \$ 1,762,595                 | \$ 21,287                       |                                | \$ 21,287                    |
| (f) Deferred Tax Liabilities                                     | \$ 112,299      | \$ 891,544     | \$ 1,003,843                 | \$ 119,967      | \$ 538,257     | \$ 658,224                   | \$ (7,668)                      | \$ 353,287                     | \$ 345,619                   |
| (g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) |                 |                |                              |                 |                |                              |                                 |                                |                              |
| (1e - 1f)  | \$ 1,559,415    | \$ (779,376)   | \$ 780,039                   | \$ 1,530,460    | \$ (426,089)   | \$ 1,104,371                 | \$ 28,955                       | \$ (353,287)                   | \$ (324,332)                 |

| 2.   |  | 12/31/2019      |                |                              | 12/31/2018      |                |                              | Change                          |                                |                              |
|--|--|-----------------|----------------|------------------------------|-----------------|----------------|------------------------------|---------------------------------|--------------------------------|------------------------------|
|  |  | (1)<br>Ordinary | (2)<br>Capital | (3)<br>(Col. 1 + 2)<br>Total | (4)<br>Ordinary | (5)<br>Capital | (6)<br>(Col. 4 + 5)<br>Total | (7)<br>(Col. 1 - 4)<br>Ordinary | (8)<br>(Col. 2 - 5)<br>Capital | (9)<br>(Col. 7 + 8)<br>Total |
|  | Admission Calculation Components<br>SSAP No. 101 |                 |                |                              |                 |                |                              |                                 |                                |                              |
| (a) Federal Income Taxes Paid In Prior Years   | \$ 1,274,788                                     |                 | \$ 1,274,788   | \$ 980,202                   |                 | \$ 980,202     | \$ 294,586                   |                                 | \$ 294,586                     |                              |
| (b) Adjusted Gross Deferred Tax Assets<br>1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date                   | \$ 93,603  |                 | \$ 93,603      | \$ 383,892                   |                 | \$ 383,892     | \$ (290,289)                 |                                 | \$ (290,289)                   |                              |
| 2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.  | \$ 93,603  |                 | \$ 93,603      | \$ 383,892                   |                 | \$ 383,892     | \$ (290,289)                 |                                 | \$ (290,289)                   |                              |
| (c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above)<br>Offset by Gross Deferred Tax Liabilities. | XXX  | XXX             | \$ 5,839,044   | XXX                          | XXX             | \$ 5,105,316   | XXX                          | XXX                             | \$ 733,728                     |                              |
| (d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))  | \$ 303,323                                       | \$ 112,168      | \$ 415,491     | \$ 286,334                   | \$ 112,168      | \$ 398,502     | \$ 16,989                    |                                 | \$ 16,989                      |                              |
|  | \$ 1,671,714                                     | \$ 112,168      | \$ 1,783,882   | \$ 1,650,428                 | \$ 112,168      | \$ 1,762,596   | \$ 21,286                    |                                 | \$ 21,286                      |                              |

3. Ratio and Adjusted Capital used for amounts in (2)b1 and (2)b2 2019 2018

a. Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount. 1169.000% 1059.000%  
 b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above. \$ 38,926,959 \$ 34,035,443

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

#### B. Deferred Tax Liabilities Not Recognized

Not Applicable.

## NOTES TO FINANCIAL STATEMENTS

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

On December 22, 2017, tax reform legislation was enacted through the Tax Cuts and Jobs Act, which significantly changed existing U.S. tax laws, including a reduction in the corporate tax rate from 35% to 21%. As a result of enactment of the legislation, the Company incurred a one-time surplus decrease of \$488,439 in the 4th quarter of 2017, related to remeasurement of deferred tax assets and liabilities. This reduction in surplus was comprised of a \$928,869 decrease in net deferred tax assets, excluding unrealized capital gains, offset by a \$440,430 decrease in deferred tax liabilities on unrealized capital gains.

The Tax Cuts and Jobs Act also provided for a change in the methodology employed to calculate loss reserves for tax purposes. Beginning January 1, 2018, insurers were required to apply the new IRS published tables, based on industry experience, using a higher interest rate assumption and longer payout patterns to discount these reserves. The Company recognized a \$75,135 decrease in net deferred tax assets during 2018 as a result of this change in discounting of December 31, 2017 reserves.

|   | (1)<br>12/31/2019 | (2)<br>12/31/2018 | (3)<br>(Col. 1 - 2)<br>Change |  |
|---|-------------------|-------------------|-------------------------------|--|
|   |                   |                   |                               |  |
| 1. Current Income Tax   |                   |                   |                               |  |
| (a) Federal   | \$ 611,746        | \$ 803,677        | \$ (191,931)                  |  |
| (b) Foreign   |                   |                   |                               |  |
| (c) Subtotal  | \$ 611,746        | \$ 803,677        | \$ (191,931)                  |  |
| (d) Federal income tax on net capital gains                       | \$ 127,693        | \$ 133,215        | \$ (5,522)                    |  |
| (e) Utilization of capital loss carry-forwards                    |                   |                   |                               |  |
| (f) Other   |                   |                   |                               |  |
| (g) Federal and foreign income taxes incurred                     | \$ 739,439        | \$ 936,892        | \$ (197,453)                  |  |
| 2. Deferred Tax Assets:   |                   |                   |                               |  |
| (a) Ordinary:   |                   |                   |                               |  |
| (1) Discounting of unpaid losses                                  | \$ 152,898        | \$ 155,359        | \$ (2,461)                    |  |
| (2) Unearned premium reserve                                      | \$ 1,018,328      | \$ 991,750        | \$ 26,578                     |  |
| (3) Policyholder reserves   |                   |                   |                               |  |
| (4) Investments   |                   |                   |                               |  |
| (5) Deferred acquisition costs                                    |                   |                   |                               |  |
| (6) Policyholder dividends accrual                                |                   |                   |                               |  |
| (7) Fixed Assets  |                   |                   |                               |  |
| (8) Compensation and benefits accrual                             | \$ 399,670        | \$ 404,073        | \$ (4,403)                    |  |
| (9) Pension accrual   |                   |                   |                               |  |
| (10) Receivables - nonadmitted                                    | \$ 98,803         | \$ 96,999         | \$ 1,804                      |  |
| (11) Net operating loss carry-forward                             |                   |                   |                               |  |
| (12) Tax credit carry-forward                                     |                   |                   |                               |  |
| (13) Other (including items <5% of total ordinary tax assets)     | \$ 2,015          | \$ 2,246          | \$ (231)                      |  |
| (99) Subtotal   | \$ 1,671,714      | \$ 1,650,427      | \$ 21,287                     |  |
| (b) Statutory valuation allowance adjustment                      |                   |                   |                               |  |
| (c) Nonadmitted   |                   |                   |                               |  |
| (d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)        | \$ 1,671,714      | \$ 1,650,427      | \$ 21,287                     |  |
| (e) Capital:  |                   |                   |                               |  |
| (1) Investments   | \$ 112,168        | \$ 112,168        |                               |  |
| (2) Net capital loss carry-forward                                |                   |                   |                               |  |
| (3) Real estate   |                   |                   |                               |  |
| (4) Other (including items <5% of total ordinary tax assets)      |                   |                   |                               |  |
| (99) Subtotal   | \$ 112,168        | \$ 112,168        |                               |  |
| (f) Statutory valuation allowance adjustment                      |                   |                   |                               |  |
| (g) Nonadmitted   |                   |                   |                               |  |
| (h) Admitted capital deferred tax assets (2e99 - 2f - 2g)         | \$ 112,168        | \$ 112,168        |                               |  |
| (i) Admitted deferred tax assets (2d + 2h)                        | \$ 1,783,882      | \$ 1,762,595      | \$ 21,287                     |  |
| 3. Deferred Tax Liabilities:                                      |                   |                   |                               |  |
| (a) Ordinary:   |                   |                   |                               |  |
| (1) Investments   | \$ 25,777         | \$ 19,689         | \$ 6,088                      |  |
| (2) Fixed Assets  | \$ 33,895         | \$ 34,535         | \$ (640)                      |  |
| (3) Deferred and uncollected premium                              |                   |                   |                               |  |
| (4) Policyholder reserves   |                   |                   |                               |  |
| (5) Other (including items <5% of total ordinary tax liabilities) | \$ 52,627         | \$ 65,743         | \$ (13,116)                   |  |
| (99) Subtotal   | \$ 112,299        | \$ 119,967        | \$ (7,668)                    |  |
| (b) Capital:  |                   |                   |                               |  |
| (1) Investments   | \$ 891,544        | \$ 538,257        | \$ 353,287                    |  |
| (2) Real estate   |                   |                   |                               |  |
| (3) Other (including items <5% of total capital tax liabilities)  |                   |                   |                               |  |
| (99) Subtotal   | \$ 891,544        | \$ 538,257        | \$ 353,287                    |  |
| (c) Deferred tax liabilities (3a99 + 3b99)                        | \$ 1,003,843      | \$ 658,224        | \$ 345,619                    |  |
| 4. Net deferred tax assets/liabilities (2i - 3c)                  | \$ 780,039        | \$ 1,104,371      | \$ (324,332)                  |  |

The change in net deferred income taxes is comprised of the following:

|   | 12/31/2019   | 12/31/2018   | Change    |
|---|--------------|--------------|-----------|
| Total deferred tax assets               | \$ 1,783,882 | \$ 1,762,595 | \$ 21,287 |
| Total deferred tax liabilities          | 1,003,843    | 658,224      | 345,619   |
| Net deferred tax asset                  | \$ 780,039   | \$ 1,104,371 | (324,332) |
| Total effect of unrealized gains/losses |              |              | 353,287   |
| Change in net deferred income tax       |              |              | \$ 28,955 |

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

|   | 12/31/2019 | Effective Tax Rate |
|---|------------|--------------------|
| Provision computed at statutory rate                  | \$ 834,357 | 21.0%              |
| Tax exempt income deduction                           | (62,968)   | -1.6%              |
| Goodwill amortization                                 | 0          | 0.0%               |
| Change in nonadmitted assets                          | (2,442)    | -0.1%              |
| Dividends received deduction                          | (20,604)   | -0.5%              |
| Proration of tax exempt investment income             | 20,893     | 0.5%               |
| Life insurance cost (excess of CSV)                   | (792)      | 0.0%               |
| Disallowed travel and entertainment, donations        | 9,608      | 0.2%               |
| Other   | (63,223)   | -1.5%              |
| Change in Loss Discount Rate from Tax Cuts & Jobs Act | (4,345)    | -0.1%              |
| Total   | 710,484    | 17.9%              |
| Federal income taxes incurred                         | 739,439    | 18.6%              |
| Change in deferred income taxes                       | (28,955)   | -0.8%              |
| Total statutory income taxes                          | 710,484    | 17.9%              |

|   | 12/31/2019 | Effective Tax Rate |
|---|------------|--------------------|
| Current income tax expense              | \$ 611,746 | 15.4%              |
| Current taxes on realized capital gains | 127,693    | 3.2%               |
| Federal income taxes incurred           | 739,439    | 18.6%              |
| Utilization of loss carry-forwards      | 0          | 0.0%               |
| Change in net deferred income taxes     | (28,955)   | -0.8%              |
| Total statutory income taxes            | 710,484    | 17.9%              |

## NOTES TO FINANCIAL STATEMENTS

### E. Operating Loss and Tax Credit Carry-forwards

1. At December 31, 2019, the Company did not have any unused operating loss carry-forwards available to offset against future taxable income.
2. The following income tax expense for 2019 and 2018 is available for recoupment in the event of future net losses:

| Year | Amount    |
|------|-----------|
| 2019 | \$810,704 |
| 2018 | \$908,937 |

3. The Company does not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

### F. The Company consolidates its federal income tax return with its wholly owned subsidiary, First Ohio Financial Corporation. All federal income taxes due or recoverable are the responsibility of National Mutual Insurance Company.

### G. The Company does not have any federal or foreign income tax loss contingencies.

### H. Repatriation Transition Tax (RTT)

Not Applicable.

### I. Alternative Minimum Tax (AMT) Credit

Not Applicable.

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

#### A. Nature of Relationships

The National Mutual Insurance Company is the lead company in an intercompany pooling arrangement for the Celina Insurance Group Property & Casualty Pool (see Note 26 Intercompany Pooling Arrangements).

The Company maintains service and cost sharing agreements with its affiliates, and provides all staff to operate the member companies of the Celina Insurance Group.

#### B. Detail of Transactions

There were no transactions with affiliated companies other than reinsurance transactions and cost allocation transactions based on generally accepted accounting principles.

#### C. Change in Terms of Intercompany Agreements

None to Report.

#### D. Amounts Due to or from Related Parties

Inter-company receivables and payables are the result of various transactions between the Company and its affiliates where settlement has not yet occurred. The Company reported the following balances at December 31, 2019 and December 31, 2018. The terms of settlement require these amounts to be settled within 45 days of the end of each quarter.

| Receivable (Payable) with:             | December 31, 2019 | December 31, 2018 |
|--|-------------------|-------------------|
| Celina Mutual Insurance Company        | \$52,342          | \$0               |
| Miami Mutual Insurance Company         | \$288,960         | \$214,150         |
| West Virginia Farmers Mut. Ins. Assoc. | \$111,665         | \$140,177         |
| Total Receivable                       | \$452,967         | \$354,327         |
| Celina Mutual Insurance Company        | \$0               | -\$100,628        |
| First Ohio Financial Corp.             | -\$26,721         | -\$26,721         |
| Total (Payable)                        | -\$26,721         | -\$127,349        |
| Net Receivable (Payable)               | \$426,246         | \$226,978         |

#### E. Guarantees or Undertakings for Related Parties

No guarantees or undertakings have been taken for the benefit of an affiliate or related party.

#### F. Management, Service Contracts, Cost Sharing Arrangements

The Company has a service and cost sharing agreement with three affiliated property and casualty companies, The Celina Mutual Insurance Company, Miami Mutual Insurance Company, and West Virginia Farmers Mutual Insurance Association, whereby the Company provides sales, underwriting, claims, accounting, data processing, supervisory, administrative and investment management services. The affiliated companies reimburse National for the costs of these services based on allocations to each company using techniques and procedures acceptable under general cost accounting procedures and in conformity with the Statutory Accounting Principles. There is no provision for profit in the agreement.

#### G. Nature of Relationships that Could Affect Operations

The Company is affiliated with three property and casualty companies, The Celina Mutual Insurance Company, Miami Mutual Insurance Company, and West Virginia Farmers Mutual Insurance Association. The majority of the members of the Boards of Directors and executive officers serve in similar capacities for more than one of the companies.

#### H. Amount Deducted for Investment in Upstream Company

None to Report.

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

None to Report.

#### J. Write-Down for Impairment of Investments in Subsidiary, Controlled or Affiliated Companies

None to Report.

#### K. Investment in Foreign Insurance Subsidiary

None to Report.

#### L. Investment in Downstream Non-Insurance Holding Company

None to Report.

## NOTES TO FINANCIAL STATEMENTS

### M. All SCA Investments

The company owns 100% of First Ohio Financial Corp which provides limited agency services. Audited statements are not prepared for First Ohio which prevents filing with the NAIC and results in the company non-admitting its value.

#### (1) Balance Sheet Value (Admitted and Nonadmitted) All SCAs (Except 8bi Entities)

| SCA Entity   | Percentage of SCA Ownership | Gross Amount | Admitted Amount | Nonadmitted Amount |
|--|-----------------------------|--------------|-----------------|--------------------|
| a. SSAP No. 97 8a Entities                                     |                             |              |                 |                    |
| Total SSAP No. 97 8a Entities                                  | XXX                         |              |                 |                    |
| b. SSAP No. 97 8b(ii) Entities<br>First Ohio Financial Corp.   | 100.0%                      | \$ 26,733    |                 | \$ 26,733          |
| Total SSAP No. 97 8b(ii) Entities                              | XXX                         | \$ 26,733    |                 | \$ 26,733          |
| c. SSAP No. 97 8b(iii) Entities                                |                             |              |                 |                    |
| Total SSAP No. 97 8b(iii) Entities                             | XXX                         |              |                 |                    |
| d. SSAP No. 97 8b(iv) Entities                                 |                             |              |                 |                    |
| Total SSAP No. 97 8b(iv) Entities                              | XXX                         |              |                 |                    |
| e. Total SSAP No. 97 8b Entities (except 8bi entities) (b+c+d) | XXX                         | \$ 26,733    |                 | \$ 26,733          |
| f. Aggregate Total (a+e)                                       | XXX                         | \$ 26,733    |                 | \$ 26,733          |

#### (2) NAIC Filing Response Information

| SCA Entity<br>(Should be same entities as shown in M(1) above.) | Type of NAIC Filing * | Date of Filing to the NAIC | NAIC Valuation Amount | NAIC Response Received Y/N | NAIC Disallowed Entities Valuation Method, Resubmission Required Y/N | Code, ** |
|---|-----------------------|----------------------------|-----------------------|----------------------------|--|----------|
| a. SSAP No. 97 8a Entities                                      |                       |                            |                       |                            |  |          |
| Total SSAP No. 97 8a Entities                                   | XXX                   | XXX                        |                       | XXX                        | XXX  | XXX      |
| b. SSAP No. 97 8b(ii) Entities                                  |                       |                            |                       |                            |  |          |
| Total SSAP No. 97 8b(ii) Entities                               | XXX                   | XXX                        |                       | XXX                        | XXX  | XXX      |
| c. SSAP No. 97 8b(iii) Entities                                 |                       |                            |                       |                            |  |          |
| Total SSAP No. 97 8b(iii) Entities                              | XXX                   | XXX                        |                       | XXX                        | XXX  | XXX      |
| d. SSAP No. 97 8b(iv) Entities                                  |                       |                            |                       |                            |  |          |
| Total SSAP No. 97 8b(iv) Entities                               | XXX                   | XXX                        |                       | XXX                        | XXX  | XXX      |
| e. Total SSAP No. 97 8b Entities (except 8bi entities) (b+c+d)  | XXX                   | XXX                        |                       | XXX                        | XXX  | XXX      |
| f. Aggregate Total (a+e)  | XXX                   | XXX                        |                       | XXX                        | XXX  | XXX      |

\* S1 - Sub-1, S2 - Sub-2 or RDF - Resubmission of Disallowed Filing

\*\* I - Immaterial or M - Material

### N. Investment in Insurance SCAs

None to Report.

#### NOTE 11 Debt

A. The Company has no debt or borrowings to report.

B. FHLB (Federal Home Loan Bank) Agreements

(1) The Company is a member of the Federal Home Loan Bank (FHLB) of Cincinnati. Membership in the FHLB allows the Company to utilize this source of funds as backup liquidity. The Company has determined its estimated maximum borrowing capacity is \$48,000,000 after consideration of the FHLB's stock ownership and collateralization requirements. No borrowings have occurred.

#### (2) FHLB Capital Stock

##### a. Aggregate Totals

|   | 1<br>Total 2+3 | 2<br>General Account | 3<br>Separate Accounts |
|---|----------------|----------------------|------------------------|
| 1. Current Year   |                |                      |                        |
| (a) Membership Stock - Class A  | \$ 142,683     | \$ 142,683           |                        |
| (b) Membership Stock - Class B  |                |                      |                        |
| (c) Activity Stock  | \$ 17          | \$ 17                |                        |
| (d) Excess Stock  | \$ 142,700     | \$ 142,700           |                        |
| (e) Aggregate Total (a+b+c+d)   |                |                      |                        |
| (f) Actual or estimated Borrowing Capacity as Determined by the Insurer | \$ 48,000,000  | XXX                  | XXX                    |
| 2. Prior Year-end   |                |                      |                        |
| (a) Membership Stock - Class A  | \$ 100,121     | \$ 100,121           |                        |
| (b) Membership Stock - Class B  |                |                      |                        |
| (c) Activity Stock  | \$ 2,279       | \$ 2,279             |                        |
| (d) Excess Stock  | \$ 102,400     | \$ 102,400           |                        |
| (e) Aggregate Total (a+b+c+d)   |                |                      |                        |
| (f) Actual or estimated Borrowing Capacity as Determined by the Insurer | \$ 44,000,000  | XXX                  | XXX                    |

11B(2)a1(f) should be equal to or greater than 11B(4)a1(d)

11B(2)a2(f) should be equal to or greater than 11B(4)a2(d)

## NOTES TO FINANCIAL STATEMENTS

| b. Membership Stock (Class A and B) Eligible and Not Eligible for Redemption |  | Eligible for Redemption              |                                |                       |                                    |
|--|--|--------------------------------------|--------------------------------|-----------------------|------------------------------------|
|  |  | 1                                    | 2                              | 3                     | 4                                  |
|  |  | Current Year<br>Total<br>(2+3+4+5+6) | Not Eligible for<br>Redemption | Less Than 6<br>Months | 6 Months to<br>Less Than 1<br>Year |
| Membership Stock   |  |                                      |                                |                       |                                    |
| 1. Class A   |  |                                      |                                |                       |                                    |
| 2. Class B   |  | \$ 142,683                           | \$ 142,683                     |                       |                                    |

11B(2)b1 Current Year Total (Column 1) should equal 11B(2)a1(a) Total (Column 1)  
 11B(2)b2 Current Year Total (Column 1) should equal 11B(2)a1(b) Total (Column 1)

(3) Collateral Pledged to FHLB

Not Applicable

(4) Borrowing from FHLB

Not Applicable

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

#### A. Defined Benefit Plan

None to Report.

#### B. None to Report.

#### C. The fair value of each class of plan assets

None to Report.

#### D. None to Report.

#### E. Defined Contribution Plan

The Company and its affiliates participate in a qualified, defined contribution pension plan, sponsored by The National Mutual Insurance Company, covering substantially all employees having attained the age of 21 with one year of service. Contributions are made using a percentage, 5.25% for employees under age 40 and 7% for those 40 and older, of each employee's compensation. The Company's share of net expense for the qualified pension plan was \$305,185 for 2019 and \$273,289 for 2018. At December 31, 2019, the fair value of plan assets was \$20,785,321.

National Mutual Insurance Company also sponsors a non-contributory 401(k) savings plan providing employees the opportunity for tax deferred savings. While company contributions are permitted under the terms of the plan, none have been made.

#### F. Multiemployer Plans

None to Report.

#### G. Consolidated/Holding Company Plans

None to Report.

#### H. Postemployment Benefits and Compensated Absences

The Company has no obligations to current or former employees for benefits payable after their employment but earned before their retirement other than for compensation related to earned vacation pay. The liability for earned but untaken vacation pay has been accrued.

#### I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

None to Report.

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

- (1) The Company is a mutual company and has no stock outstanding.
- (2) The Company is a mutual company and has no stock outstanding.
- (3) The Company is a mutual company and has no stock outstanding.
- (4) The Company is a mutual company and has no stock outstanding.
- (5) The Company is a mutual company and has no stock outstanding.
- (6) There are no restrictions placed on the Company's unassigned surplus as of December 31, 2019.
- (7) There are no advances on surplus.
- (8) There is no stock of affiliated companies held for special purposes.
- (9) There are no balances held in special surplus funds.
- (10) The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses \$ 3,361,254

(11) The Company issued the following surplus debentures or similar obligations:

No surplus debentures or similar obligations exist.

(12) The impact of any restatement due to prior quasi-reorganizations is as follows:

No quasi-reorganization has taken place.

(13) No quasi-reorganization has taken place.

### NOTE 14 Liabilities, Contingencies and Assessments

#### A. Contingent Commitments

The Company has no contingent commitments to report.

#### B. Assessments

The Company has received notification of various insurance company insolvencies and anticipates that they will result in an immaterial guaranty fund assessment against the company. A liability for future assessments has been charged to operations in the current period.

## NOTES TO FINANCIAL STATEMENTS

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### C. Gain Contingencies

The Company has no gain contingencies to report.

### D. Claims related extra contractual obligations and bad faith losses stemming from lawsuits

The Company did not pay any amounts for claims related to extra contractual obligations, or for bad faith losses stemming from lawsuits, in either 2019 or 2018.

### E. Product Warranties

(1) The Company does not offer Product Warranties.

### F. Joint and Several Liabilities

None to Report.

### G. All Other Contingencies

Various lawsuits against the Company have arisen in the course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company.

### NOTE 15 Leases

#### A. Lessee Operating Lease:

(1) The Company leases home office real estate with its affiliated companies. The Company's annual rent expense under a lease renewed on January 1, 2014 for a fifteen year term was \$135,864 in 2019 and 2018.

The Company also leases equipment and automobiles under various non-cancelable operating lease agreements that expire through December 2023. Rental expense for 2019 and 2018 was \$145,818 and \$130,238, respectively.

(2) a. At December 31, 2019, the minimum aggregate rental commitments are as follows:

|          |            |
|----------|------------|
| 1. 2020  | \$ 192,250 |
| 2. 2021  | \$ 168,521 |
| 3. 2022  | \$ 152,580 |
| 4. 2023  | \$ 142,667 |
| 5. 2024  | \$ 138,568 |
| 6. Total | \$ 794,586 |

(3) The Company is not involved in any material sale-leaseback transactions.

#### B. Lessor Leases

The Company has no lessor or leveraged leases.

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

None to Report.

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

None to Report.

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

None to Report.

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

None to Report.

### NOTE 20 Fair Value Measurements

A. Financial assets carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by Statement of Statutory Accounting Principle No. 100, Fair Value Measurements. Level 1 inputs in the hierarchy consist of unadjusted quoted prices for identical assets and liabilities in active markets. Level 2 inputs consist of quoted prices in active markets for similar assets or liabilities or quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Level 3 inputs consist of unobservable inputs (supported by little or no market activity) and reflect management's best estimate of what hypothetical market participants would use to determine a transaction price at the reporting date.

#### (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                          |              |            |           |                       |              |
| Bonds - Industrial and Misc                      | \$ 9,103,572 | \$ 605,374 |           |                       | \$ 605,374   |
| Common Stock - Industrial and Misc               |              | \$ 142,700 | \$ 257    |                       | \$ 9,246,529 |
| Total assets at fair value/NAV                   | \$ 9,103,572 | \$ 748,074 | \$ 257    |                       | \$ 9,851,903 |

| Description for each class of asset or liability | (Level 1) | (Level 2) | (Level 3) | Net Asset Value (NAV) | Total |
|--|-----------|-----------|-----------|-----------------------|-------|
| b. Liabilities at fair value                     |           |           |           |                       |       |
| Total liabilities at fair value                  |           |           |           |                       |       |

#### (2) Fair Value Measurements in (Level 3) of the Fair Value hierarchy

| Description  | Beginning Balance at 01/01/2019 | Transfers into Level 3 | Transfers out of Level 3 | Total gains and (losses) included in Net Income | Total gains and (losses) included in Surplus | Purchases | Issuances | Sales | Settlements | Ending Balance at 12/31/2019 |
|--------------|---------------------------------|------------------------|--------------------------|---|--|-----------|-----------|-------|-------------|------------------------------|
| a. Assets    |                                 |                        |                          |   |  |           |           |       |             |                              |
| Common Stock | \$ 268                          |                        |                          | \$ (11)   |  |           |           |       |             | \$ 257                       |
| Total Assets | \$ 268                          |                        |                          | \$ (11)   |  |           |           |       |             | \$ 257                       |

## NOTES TO FINANCIAL STATEMENTS

| Description              | Beginning Balance at 01/01/2019 | Transfers into Level 3 | Transfers out of Level 3 | Total gains and (losses) included in Net Income | Total gains and (losses) included in Surplus | Purchases | Issuances | Sales | Settlements | Ending Balance at 12/31/2019 |
|--------------------------|---------------------------------|------------------------|--------------------------|---|--|-----------|-----------|-------|-------------|------------------------------|
| b. Liabilities           |                                 |                        |                          |   |  |           |           |       |             |                              |
| <b>Total Liabilities</b> |                                 |                        |                          |   |  |           |           |       |             |                              |

Transfers in and out of Level 3 are made when NAIC designation changes require the security to be carried at fair value. Modeled prices are used when there is a lack of active trading in the security and transfers out occur when there is active trading in the market for the security.

(3) Level 3 inputs represent values for securities which are not actively traded in the market. The carrying values reflect management's best estimate at the reporting date and transfers between levels are recognized on the actual date of an event or change in circumstances.

(4) Level 2 inputs include quoted prices for similar assets in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3 inputs are unobservable (supported by little or no market activity), including broker quotes that are non-binding, and reflect the Company's best estimate of what hypothetical market participants would use to determine a transaction price for the asset at the reporting date.

(5) The Company has no derivative assets or liabilities.

## B. Other Fair Value Disclosures

None to Report.

## 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                        | \$ 61,178,800        | \$ 58,453,797        |                      | \$ 60,597,084        | \$ 581,716        |                       |                                  |
| Preferred Stock              | \$ 278,405           | \$ 323,947           |                      | \$ 278,405           |                   |                       |                                  |
| Common Stock                 | \$ 9,246,529         | \$ 9,246,529         | \$ 9,103,572         | \$ 142,700           | \$ 257            |                       |                                  |
| Cash Equivalents             | \$ 3,532,987         | \$ 3,532,987         | \$ 3,532,987         |                      |                   |                       |                                  |
| <b>Total</b>                 | <b>\$ 74,236,721</b> | <b>\$ 71,557,260</b> | <b>\$ 12,636,559</b> | <b>\$ 61,018,189</b> | <b>\$ 581,973</b> | <b>\$ -</b>           | <b>\$ -</b>                      |

## D. Not Practicable to Estimate Fair Value

None to Report.

## E. Investments measured using the NAV practical expedient pursuant to SSAP No. 100R-Fair Value

## NOTE 21 Other Items

## A. Unusual or Infrequent Items

None to Report.

## B. Troubled Debt Restructuring: Debtors

None to Report.

## C. Other Disclosures

Assets in the amount of \$1,040,737 and \$1,045,932 at December 31, 2019 and December 31, 2018, respectively, were on deposit with government authorities or trustees as required by law. There were no compensating balances or collateral pledged. At December 31, 2019 and 2018 the Company had admitted assets of \$17,106,927 and \$15,616,683, respectively in the accounts receivable for amounts due from agents and insureds. The Company routinely assesses the collectability of these receivables. Based upon Company experience, less than 1% of the balance may become uncollectible and the potential loss is not material to the Company's financial condition.

## D. Business Interruption Insurance Recoveries

None to Report.

## E. State Transferable and Non-transferable Tax Credits

None to Report.

## F. Subprime Mortgage Related Risk Exposure

(1) The Company's exposure to subprime lending is in the fixed maturity (bond) investment portfolio which contains securities collateralized by mortgages that have characteristics of subprime lending such as low FICO score, adjustable rate mortgages, and alternative documentation mortgages. These investments are in the form of asset-backed securities and collateralized mortgage obligations which are collateralized by subprime mortgages.

(2) Direct exposure through investments in subprime mortgage loans.

None to Report.

(3) Direct exposure through other investments.

|   | Actual Cost | Book/Adjusted Carrying Value (excluding interest) | Fair Value | Other-Than-Temporary Impairment Losses Recognized |
|---|-------------|---|------------|---|
| a. Residential mortgage backed securities | \$ 25,423   | \$ 25,341   | \$ 26,301  |   |
| b. Commercial mortgage backed securities  |             |   |            |   |
| c. Collateralized debt obligations        |             |   |            |   |
| d. Structured securities                  | \$ 229,053  | \$ 229,223  | \$ 275,467 |   |
| e. Equity investment in SCAs *            |             |   |            |   |
| f. Other assets                           |             |   |            |   |
| g. Total                                  | \$ 254,476  | \$ 254,563  | \$ 301,768 |   |

\* These investments comprise

0.000 % of the companies invested assets.

## NOTES TO FINANCIAL STATEMENTS

(4) Underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage.

None to Report.

**G. Insurance-Linked Securities (ILS) Contracts**

None to Report.

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

Not Applicable

**NOTE 22 Events Subsequent**

None to Report. Subsequent events have been considered through February 11, 2020.

Type II - Nonrecognized Subsequent Events:

Current Year    Prior Year

|  |    |
|--|----|
| 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 an unsecured aggregate recoverable for losses, loss adjustment expenses and unearned premiums that exceeds 3% of surplus from the following reinsurers:

|                                | NAIC # | FEIN #     | Amount        |
|--------------------------------|--------|------------|---------------|
| Miami Mutual Insurance Company | 16764  | 31-0671569 | \$ 21,064,725 |
| Lloyd's U/W Syndicate #4444    |        | AA-1126004 | \$ 1,887,636  |

**B. Reinsurance Recoverable in Dispute**

None to Report.

**C. Reinsurance Assumed and Ceded**

(1) The following table presents the maximum amount of return commission which would be due to or from reinsurers in the event all reinsurance contracts were canceled as of December 31, 2019, with a return of the unearned premium reserve.

|                                    | Assumed Reinsurance       |                             | Ceded Reinsurance         |                             | Net                       |                             |
|------------------------------------|---------------------------|-----------------------------|---------------------------|-----------------------------|---------------------------|-----------------------------|
|                                    | (1)<br>Premium<br>Reserve | (2)<br>Commission<br>Equity | (3)<br>Premium<br>Reserve | (4)<br>Commission<br>Equity | (5)<br>Premium<br>Reserve | (6)<br>Commission<br>Equity |
| a. Affiliates                      | \$ 43,418,134             | \$ 5,972,534                | \$ 45,825,020             | \$ 6,507,153                | \$ (2,406,886)            | \$ (534,619)                |
| b. All Other                       |                           |                             | \$ 1,804,330              | \$ 583,519                  | \$ (1,804,330)            | \$ (583,519)                |
| c. Total                           | \$ 43,418,134             | \$ 5,972,534                | \$ 47,629,350             | \$ 7,090,672                | \$ (4,211,217)            | \$ (1,118,138)              |
| d. Direct Unearned Premium Reserve |                           |                             |                           |                             | \$ 27,818,045             |                             |

(2) The additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this statement as a result of existing contractual arrangements are accrued as follows:

|   | (1)<br>Direct | (2)<br>Assumed | (3)<br>Ceded | (4)<br>Net |
|---|---------------|----------------|--------------|------------|
|   | \$ 647,549    | \$ 1,245,398   | \$ 1,249,345 | \$ 643,602 |
| a. Contingent Commission                |               |                |              |            |
| b. Sliding Scale Adjustments            |               |                |              |            |
| c. Other Profit Commission Arrangements |               | \$ (10,994)    | \$ (14,269)  | \$ 3,275   |
| d. TOTAL                                | \$ 647,549    | \$ 1,234,403   | \$ 1,235,076 | \$ 646,877 |

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

**D. Uncollectible Reinsurance**

None to Report.

**E. Commutation of Reinsurance Reflected in Income and Expenses.**

None to Report.

**F. Retroactive Reinsurance**

None to Report.

**G. Reinsurance Accounted for as a Deposit**

None to Report.

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

None to Report.

**I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation**

None to Report.

**J. Reinsurance Agreements Qualifying for Reinsurer Aggregation**

None to Report.

**NOTE 24 Retrospectively Rated Contracts & Contracts Subject to Redetermination**

None to Report.

**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]

## NOTES TO FINANCIAL STATEMENTS

### NOTE 25 Change in Incurred Losses and Loss Adjustment Expenses

(A) The estimated cost of incurred losses and loss adjustment expenses attributable to insured events of prior years resulted in decreases in incurred losses of approximately \$446,000 in 2019 and \$177,000 in 2018. These changes resulted from ongoing revisions of reserve estimates as more facts become known, and from settlement amounts that differed from estimated liability amounts.

(B) Information about significant changes in methodologies and assumptions used in calculating the liability for unpaid losses and loss adjustment expenses – None to Report.

### NOTE 26 Intercompany Pooling Arrangements

National Mutual Insurance Company (National) acts as the lead company in the reinsurance pooling agreement with the affiliated companies listed below; each is shown with its pool participation percentages.

The pool participation percentages remain unchanged from the prior year, and currently are:

| NAIC # | Company                           | Percent |
|--------|-----------------------------------|---------|
| 20176  | Celina Mutual Insurance Company   | 36%     |
| 20182  | National Mutual Insurance Company | 34%     |
| 16764  | Miami Mutual Insurance Company    | 30%     |

All lines of business are included in the pooling agreement and are ceded to National, the lead company. Facultative reinsurance is ceded on an individual company basis to non-affiliated reinsurers prior to pooling. Premiums for excess of loss and catastrophe treaties, where all pool companies are named participants, are ceded to non-affiliated reinsurers by National after the initial assumption of pooled business. Ceded losses are specifically identified and recorded in each company except for catastrophe losses which are accumulated in National after the initial assumption of pooled business. Catastrophe losses in excess of the aggregate retention are then ceded to non-affiliated reinsurers.

There are no discrepancies between entries regarding pooled business on the assumed and ceded reinsurance schedules of the lead company and corresponding entries on the assumed and ceded reinsurance schedules of other pool participants. At December 31, 2019, the Company recorded net balances of \$1,269,000 receivable from Celina, and \$554,445 payable to Miami for pooling of premiums, commissions, losses and loss adjustment expenses.

### NOTE 27 Structured Settlements

The Company has settled certain losses with annuities, on which claimants are payees, in settlement of claims under the Company's policies. The Company has obtained releases from the respective claimants, acknowledging that receipt of the structured settlement under each annuity is full payment of the claim. The Company has no contingent liability for these annuities since ownership has been transferred to another insurance company.

### NOTE 28 Health Care Receivables

None to Report.

### NOTE 29 Participating Policies

None to Report.

### NOTE 30 Premium Deficiency Reserves

The Company has determined it has no premium deficiency reserves and does not consider anticipated investment income in the calculation. The most recent calculation was performed as of December 31, 2019.

|   |                |
|---|----------------|
| 1. Liability carried for premium deficiency reserves              | \$ -           |
| 2. Date of the most recent evaluation of this liability           | 12/31/2019     |
| 3. Was anticipated investment income utilized in the calculation? | Yes [ ] No [X] |

### NOTE 31 High Deductibles

None to Report.

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

The Company does not discount liabilities for unpaid losses or unpaid loss adjustment expenses.

### NOTE 33 Asbestos/Environmental Reserves

No significant changes.

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's exposure to asbestos losses arises from the sale of general liability insurance.

The Company tries to estimate the full impact of asbestos exposure by establishing full case basis reserves on all known losses and computing incurred but not reported losses based on previous experience.

Asbestos related losses (including coverage dispute costs) for each of the five most recent calendar years, based upon the Company's current pool participation percentage, were as follows:

| (1) Direct   |  | (1)<br>2015 | (2)<br>2016 | (3)<br>2017 | (4)<br>2018 | (5)<br>2019 |
|--|--|-------------|-------------|-------------|-------------|-------------|
| a. Beginning reserves:   |  | \$ 1,700    | \$ 1,700    | \$ 1,700    | \$ 1,700    | \$ 1,700    |
| b. Incurred losses and loss adjustment expense                     |  | \$ 255      | \$ 8        | \$ 11       | \$ 21       | \$ 1,908    |
| c. Calendar year payments for losses and loss adjustment expenses: |  | \$ 255      | \$ 8        | \$ 11       | \$ 21       | \$ 208      |
| d. Ending reserves:  |  | \$ 1,700    | \$ 1,700    | \$ 1,700    | \$ 1,700    | \$ 3,400    |
| (2) Assumed Reinsurance  |  | (1)<br>2015 | (2)<br>2016 | (3)<br>2017 | (4)<br>2018 | (5)<br>2019 |
| a. Beginning reserves:   |  | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| b. Incurred losses and loss adjustment                             |  | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| c. Calendar year payments for losses and loss adjustment expenses: |  | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| d. Ending reserves:  |  | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |

## NOTES TO FINANCIAL STATEMENTS

## (3) Net of Ceded Reinsurance

|  | (1)<br>2015 | (2)<br>2016 | (3)<br>2017 | (4)<br>2018 | (5)<br>2019 |
|--|-------------|-------------|-------------|-------------|-------------|
| a. Beginning reserves:   | \$ 1,700    | \$ 1,700    | \$ 1,700    | \$ 1,700    | \$ 1,700    |
| b. Incurred losses and loss adjustment                             | \$ 255      | \$ 8        | \$ 11       | \$ 21       | \$ 1,908    |
| c. Calendar year payments for losses and loss adjustment expenses: | \$ 255      | \$ 8        | \$ 11       | \$ 21       | \$ 208      |
| d. Ending reserves:  | \$ 1,700    | \$ 1,700    | \$ 1,700    | \$ 1,700    | \$ 3,400    |

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

|                                     |      |
|-------------------------------------|------|
| (1) Direct Basis:                   | \$ - |
| (2) Assumed Reinsurance Basis:      | \$ - |
| (3) Net of Ceded Reinsurance Basis: | \$ - |

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

|                                     |      |
|-------------------------------------|------|
| (1) Direct Basis:                   | \$ - |
| (2) Assumed Reinsurance Basis:      | \$ - |
| (3) Net of Ceded Reinsurance Basis: | \$ - |

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

The Company's exposure to environmental losses arises primarily from the sale of general liability insurance.

The Company tries to estimate the full impact of environmental exposure by establishing full case basis reserves on all known losses and computing incurred but not reported losses based on previous experience.

Environmental related losses (including coverage dispute costs) for each of the five most recent calendar years, based upon the Company's current pool participation percentage, were as follows:

## (1) Direct

|  | (1)<br>2015 | (2)<br>2016 | (3)<br>2017 | (4)<br>2018 | (5)<br>2019 |
|--|-------------|-------------|-------------|-------------|-------------|
| a. Beginning reserves:   | \$ 64,168   | \$ 78,383   | \$ 61,973   | \$ 117,272  | \$ 152,335  |
| b. Incurred losses and loss adjustment expense:                    | \$ 24,504   | \$ 4,217    | \$ 73,066   | \$ 59,867   | \$ 24,124   |
| c. Calendar year payments for losses and loss adjustment expenses: | \$ 10,290   | \$ 20,627   | \$ 17,767   | \$ 24,804   | \$ 31,828   |
| d. Ending reserves:  | \$ 78,383   | \$ 61,973   | \$ 117,272  | \$ 152,335  | \$ 144,631  |

## (2) Assumed Reinsurance

|  | (1)<br>2015 | (2)<br>2016 | (3)<br>2017 | (4)<br>2018 | (5)<br>2019 |
|--|-------------|-------------|-------------|-------------|-------------|
| a. Beginning reserves:   | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| b. Incurred losses and loss adjustment expense:                    | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| c. Calendar year payments for losses and loss adjustment expenses: | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |
| d. Ending reserves:  | \$ -        | \$ -        | \$ -        | \$ -        | \$ -        |

## (3) Net of Ceded Reinsurance

|  | (1)<br>2015 | (2)<br>2016 | (3)<br>2017 | (4)<br>2018 | (5)<br>2019 |
|--|-------------|-------------|-------------|-------------|-------------|
| a. Beginning reserves:   | \$ 60,538   | \$ 59,734   | \$ 61,973   | \$ 117,272  | \$ 152,335  |
| b. Incurred losses and loss adjustment expense:                    | \$ 9,486    | \$ 22,866   | \$ 73,066   | \$ 59,867   | \$ 24,124   |
| c. Calendar year payments for losses and loss adjustment expenses: | \$ 10,290   | \$ 20,627   | \$ 17,767   | \$ 24,804   | \$ 31,828   |
| d. Ending reserves:  | \$ 59,734   | \$ 61,973   | \$ 117,272  | \$ 152,335  | \$ 144,631  |

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

|                                     |      |
|-------------------------------------|------|
| (1) Direct Basis:                   | \$ - |
| (2) Assumed Reinsurance Basis:      | \$ - |
| (3) Net of Ceded Reinsurance Basis: | \$ - |

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

|                                     |      |
|-------------------------------------|------|
| (1) Direct Basis:                   | \$ - |
| (2) Assumed Reinsurance Basis:      | \$ - |
| (3) Net of Ceded Reinsurance Basis: | \$ - |

## NOTE 34 Subscriber Savings Accounts

None to Report.

## NOTE 35 Multiple Peril Crop Insurance

None to Report.

## NOTE 36 Financial Guaranty Insurance

None to Report.

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY  
**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES  
 GENERAL**

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

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

1.3 State Regulating? .....  Ohio

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

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

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

2.2 If yes, date of change: .....

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

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). ....  06/11/2016

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

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

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

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

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

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

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<br>Name of Entity | 2<br>NAIC Company Code | 3<br>State of Domicile |
|---------------------|------------------------|------------------------|
|---------------------|------------------------|------------------------|

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

6.2 If yes, give full information:  
 .....

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

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

| 1<br>Nationality | 2<br>Type of Entity |
|------------------|---------------------|
|------------------|---------------------|

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL 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<br>Affiliate Name | 2<br>Location (City, State) | 3<br>FRB | 4<br>OCC | 5<br>FDIC | 6<br>SEC |
|---------------------|-----------------------------|----------|----------|-----------|----------|
|                     |                             |          |          |           |          |

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
 BKD LLP 312 Walnut Street, Suite 3000 Cincinnati, OH 45202-4025

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?  
 Travis J. Grulkowski 15800 Bluemond Road, Suite 100 Brookfield, WI 53005-6043 Actuary Associated with Milliman Inc. \_\_\_\_\_

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 [ ] No [ X ]  
 14.21 If the response to 14.2 is yes, provide information related to amendment(s). \_\_\_\_\_

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes [ ] No [ X ]  
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s). \_\_\_\_\_

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL 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<br>American<br>Bankers<br>Association<br>(ABA) Routing<br>Number | 2<br>Issuing or Confirming Bank Name | 3<br>Circumstances That Can Trigger the Letter of Credit | 4<br>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<br>(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<br>(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: ..... \$ .....

**INVESTMENT**

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

24.02 If no, give full and complete information relating thereto

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

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

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

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

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

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

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

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL 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 -<br>excluding FHLB Capital Stock ..... | \$ ..... |
| 25.27 FHLB Capital Stock .....   | \$ ..... |
| 25.28 On deposit with states .....   | \$ ..... |
| 25.29 On deposit with other regulatory bodies .....  | \$ ..... |
| 25.30 Pledged as collateral - excluding collateral pledged to<br>an FHLB .....                 | \$ ..... |
| 25.31 Pledged as collateral to FHLB - including assets<br>backing funding agreements .....     | \$ ..... |
| 25.32 Other .....  | \$ ..... |

25.3 For category (25.26) provide the following:

| 1<br>Nature of Restriction | 2<br>Description | 3<br>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<br>Name of Custodian(s)  | 2<br>Custodian's Address                   |
|----------------------------|--|
| First Financial Bank ..... | 1942 Havemann Road, Celina, OH 45822 ..... |

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL 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<br>Name(s) | 2<br>Location(s) | 3<br>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<br>Old Custodian | 2<br>New Custodian | 3<br>Date of Change | 4<br>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<br>Name of Firm or Individual | 2<br>Affiliation |
|---------------------------------|------------------|
| Conning, Inc .....              | U.....           |
| Zazove & Associates, LLC .....  | U.....           |
| William Montgomery .....        | I.....           |

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   | 2                              | 3                             | 4               | 5<br>Investment<br>Management<br>Agreement<br>(IMA) Filed |
|---|--------------------------------|-------------------------------|-----------------|---|
| Central Registration<br>Depository Number | Name of Firm or Individual     | Legal Entity Identifier (LEI) | Registered With |   |
| 107423 .....                              | Conning, Inc .....             | 549300Z0G14KK37BDV40 .....    | SEC .....       | NO.....   |
| 104751 .....                              | Zazove & Associates, LLC ..... | FCPMTJRVSS5D8DX0SXH56 .....   | 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<br>CUSIP #          | 2<br>Name of Mutual Fund                     | 3<br>Book/Adjusted<br>Carrying Value |
|-----------------------|--|--------------------------------------|
| 921946-40-6 .....     | Vanguard High Dividend Yield ETF .....       | 1,978,031                            |
| 464287-16-8 .....     | ISHares DJ Select Dividend ETF .....         | 1,769,065                            |
| 315911-75-0 .....     | Fidelity 500 Index Fund .....                | 1,202,583                            |
| 922908-71-0 .....     | Vanguard 500 Index Fund Admiral Shares ..... | 1,117,715                            |
| 922908-69-4 .....     | Vanguard Ext Mkt Index Fund Adm Shares ..... | 491,833                              |
| 315911-74-3 .....     | Fidelity Extended Market Index Fund .....    | 469,479                              |
| 921935-20-1 .....     | Wellington Funds Admiral Shares .....        | 248,041                              |
| 921908-60-4 .....     | Vanguard Dividend Growth Fund .....          | 8,019                                |
| 29.2999 - Total ..... | .....  | 7,284,765                            |

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

| 1<br>Name of Mutual Fund (from above table)  | 2<br>Name of Significant Holding of the<br>Mutual Fund | 3<br>Amount of Mutual<br>Fund's Book/Adjusted<br>Carrying Value<br>Attributable to the<br>Holding | 4<br>Date of<br>Valuation |
|--|--|---|---------------------------|
| Vanguard High Dividend Yield ETF .....       | JP Morgan Chase & Co .....                             | 79,121  | 12/31/2019 ..             |
| Vanguard High Dividend Yield ETF .....       | Johnson & Johnson .....                                | 71,209  | 12/31/2019 ..             |
| Vanguard High Dividend Yield ETF .....       | Proctor & Gamble Co .....                              | 55,385  | 12/31/2019 ..             |
| Vanguard High Dividend Yield ETF .....       | Exxon Mobil Corp .....                                 | 53,407  | 12/31/2019 ..             |
| Vanguard High Dividend Yield ETF .....       | AT&T Inc .....   | 51,429  | 12/31/2019 ..             |
| ISHares DJ Select Dividend ETF .....         | AT&T Inc .....   | 45,642  | 12/31/2019 ..             |
| ISHares DJ Select Dividend ETF .....         | Qualcomm Inc .....                                     | 39,804  | 12/31/2019 ..             |
| ISHares DJ Select Dividend ETF .....         | Ford Motor Co .....                                    | 39,450  | 12/31/2019 ..             |
| ISHares DJ Select Dividend ETF .....         | Oneok Inc .....  | 32,905  | 12/31/2019 ..             |
| ISHares DJ Select Dividend ETF .....         | Seageage Technologies .....                            | 31,489  | 12/31/2019 ..             |
| Fidelity 500 Index Fund .....                | Microsoft Corp .....                                   | 52,914  | 12/31/2019 ..             |
| Fidelity 500 Index Fund .....                | Apple Inc .....  | 51,711  | 12/31/2019 ..             |
| Fidelity 500 Index Fund .....                | Amazon.com Inc .....                                   | 34,875  | 12/31/2019 ..             |
| Fidelity 500 Index Fund .....                | Facebook Inc .....                                     | 22,849  | 12/31/2019 ..             |
| Fidelity 500 Index Fund .....                | Berkshire Hathaway Inc .....                           | 20,444  | 12/31/2019 ..             |
| Vanguard 500 Index Fund Admiral Shares ..... | Apple Inc .....  | 51,415  | 12/31/2019 ..             |
| Vanguard 500 Index Fund Admiral Shares ..... | Microsoft Corp .....                                   | 50,297  | 12/31/2019 ..             |
| Vanguard 500 Index Fund Admiral Shares ..... | Alphabet Inc .....                                     | 33,531  | 12/31/2019 ..             |
| Vanguard 500 Index Fund Admiral Shares ..... | Amazon.com Inc .....                                   | 32,414  | 12/31/2019 ..             |
| Vanguard 500 Index Fund Admiral Shares ..... | Facebook Inc .....                                     | 20,119  | 12/31/2019 ..             |
| Vanguard Ext Mkt Index Fund Adm Shares ..... | Tesla Inc .....  | 5,410   | 12/31/2019 ..             |
| Vanguard Ext Mkt Index Fund Adm Shares ..... | Blackstone Group Inc .....                             | 3,443   | 12/31/2019 ..             |
| Vanguard Ext Mkt Index Fund Adm Shares ..... | Lululemon Athletica Inc .....                          | 2,459   | 12/31/2019 ..             |
| Vanguard Ext Mkt Index Fund Adm Shares ..... | Worldpay Inc .....                                     | 2,459   | 12/31/2019 ..             |

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY

| 1<br>Name of Mutual Fund (from above table)  | 2<br>Name of Significant Holding of the Mutual Fund | 3<br>Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding | 4<br>Date of Valuation |
|--|---|---|------------------------|
| Vanguard Ext Mkt Index Fund Adm Shares ..... | Palo Alto Network Inc .....                         | 1,967   | 12/31/2019 ..          |
| Fidelity Extended Market Index Fund .....    | Tesla Motor Inc .....                               | 4,225   | 12/31/2019 ..          |
| Fidelity Extended Market Index Fund .....    | The Blackstone Group LP .....                       | 3,286   | 12/31/2019 ..          |
| Fidelity Extended Market Index Fund .....    | Worldpay Inc .....                                  | 2,817   | 12/31/2019 ..          |
| Fidelity Extended Market Index Fund .....    | Lululemon Athletica Inc .....                       | 2,347   | 12/31/2019 ..          |
| Fidelity Extended Market Index Fund .....    | Square Inc .....                                    | 2,347   | 12/31/2019 ..          |
| Wellington Funds Admiral Shares .....        | Microsoft Corp .....                                | 8,929   | 12/31/2019 ..          |
| Wellington Funds Admiral Shares .....        | JP Morgan Chase & Co .....                          | 6,697   | 12/31/2019 ..          |
| Wellington Funds Admiral Shares .....        | Bank of America Corp .....                          | 6,201   | 12/31/2019 ..          |
| Wellington Funds Admiral Shares .....        | Verizon Communications .....                        | 6,201   | 12/31/2019 ..          |
| Vanguard Dividend Growth Fund .....          | Alphabet Inc .....                                  | 5,457   | 12/31/2019 ..          |
| Vanguard Dividend Growth Fund .....          | Metronic Plc .....                                  | 297   | 12/31/2019 ..          |
| Vanguard Dividend Growth Fund .....          | Coco-Cola Co .....                                  | 289   | 12/31/2019 ..          |
| Vanguard Dividend Growth Fund .....          | UnitedHealth Group Inc .....                        | 289   | 12/31/2019 ..          |
| Vanguard Dividend Growth Fund .....          | McDonalds Corp .....                                | 281   | 12/31/2019 ..          |
| Vanguard Dividend Growth Fund .....          | Johnson & Johnson .....                             | 273   | 12/31/2019 ..          |

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL 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<br>Statement (Admitted)<br>Value | 2<br>Fair Value | 3<br>Excess of Statement<br>over Fair Value (-), or<br>Fair Value over<br>Statement (+) |
|-----------------------------|------------------------------------|-----------------|---|
| 30.1 Bonds .....            | 58,453,797                         | 61,178,800      | 2,725,003   |
| 30.2 Preferred stocks ..... | 323,947                            | 278,405         | (45,542)  |
| 30.3 Totals .....           | 58,777,744                         | 61,457,205      | 2,679,461   |

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 Value is primarily determined by widely accepted third party vendors, followed by a hierarchy using broker/dealer quotes, index pricing, analytical models 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 nonbinding but represent the 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? ..... \$ 307,413

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<br>Name                           | 2<br>Amount Paid |
|-------------------------------------|------------------|
| Insurance Services Office Inc. .... | 227,918          |

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY  
**GENERAL INTERROGATORIES**

37.1 Amount of payments for legal expenses, if any? .....\$ .....14,083

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<br>Name                          | 2<br>Amount Paid |
|------------------------------------|------------------|
| Taft, Stettinius & Hollister ..... | 9,226            |

38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? .....\$ .....3,843

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<br>Name  | 2<br>Amount Paid |
|--|------------------|
| National Association of Mutual Insurance Companies ..... | 3,408            |

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY  
**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<br>.....  |  |
| 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:<br>1.61 Total premium earned ..... \$ .....<br>1.62 Total incurred claims ..... \$ .....<br>1.63 Number of covered lives .....                   |
|      |  | All years prior to most current three years<br>1.64 Total premium earned ..... \$ .....<br>1.65 Total incurred claims ..... \$ .....<br>1.66 Number of covered lives ..... |
| 1.7  | Group policies:  | Most current three years:<br>1.71 Total premium earned ..... \$ .....<br>1.72 Total incurred claims ..... \$ .....<br>1.73 Number of covered lives .....                   |
|      |  | All years prior to most current three years<br>1.74 Total premium earned ..... \$ .....<br>1.75 Total incurred claims ..... \$ .....<br>1.76 Number of covered lives ..... |
| 2.   | Health Test:   | 1<br>Current Year<br>2<br>Prior Year   |
| 2.1  | Premium Numerator .....  |  |
| 2.2  | Premium Denominator .....  | 44,688,620 ..... 42,588,482  |
| 2.3  | Premium Ratio (2.1/2.2) .....  | .0.000 ..... 0.000   |
| 2.4  | Reserve Numerator .....  |  |
| 2.5  | Reserve Denominator .....  | 41,237,414 ..... 39,662,908  |
| 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:<br>.....  | 3.21 Participating policies ..... \$ .....<br>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 [ X ]   |
| 4.2  | Does the reporting entity issue non-assessable policies? .....   | Yes [ X ] 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:<br>.....   | 5.21 Out of Attorney's-in-fact compensation ..... Yes [ ] No [ ] N/A [ ]<br>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?<br>.....                 |  |
| 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<br>.....   |  |

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY  
**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?

N/A .....

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 uses the RMS and AIR Models to obtain estimates of probable maximum losses using a series of simulated tornado/hail storms encompassing a range of probable United States events. These analyses included an Annual Probability of Non-Exceedance analysis and an average annual loss analysis. Concentrations of exposures with a higher potential exist in western Ohio and northern Indiana. ....

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 maintains catastrophe protection and may cede up to \$31 million of property losses in excess of \$4 million per event. These limits cover 84% of the program. The remaining 16% of the program allows cession of up to \$29 million of property losses in excess of \$4 million per event. In addition, a property aggregate cover provides protection in excess of an aggregate and per occurrence deductible. ....

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 noncancelable by the reporting entity during the contract term;

(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;

(c) Aggregate stop loss reinsurance coverage;

(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;

(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or

(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. ....

Yes [ ] No [ X ]

9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:

(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or

(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. ....

Yes [ ] No [ X ]

9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:

(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;

(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and

(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4 Except for transactions meeting the requirements of paragraph 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, .....

Yes [ ] No [ X ]

(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or .....

Yes [ ] No [ X ]

(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. ....

Yes [ ] No [ X ]

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurance 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 NATIONAL MUTUAL INSURANCE COMPANY  
**GENERAL INTERROGATORIES**

**PART 2 - PROPERTY AND CASUALTY INTERROGATORIES**

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

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

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

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

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

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

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

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

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): ..... \$ ..... 350,000

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

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. ..... 5

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

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:  
The Company and two affiliated companies participate in the Celina Insurance Group Property & Casualty Pool with National Mutual Insurance Company acting as the lead company. Facultative reinsurance is ceded on an individual company basis. The premium balance after facultative cessions, is ceded to the lead company who calculates and cedes reinsurance premium to outside reinsurers for excess of loss and catastrophe reinsurance. The remaining net pooled premium is then assumed from the lead company based on each company's share of the pool. Allocation of excess of loss and catastrophe premiums to a non-pool affiliate is made based on its percentage of subject premium to the total. Ceded losses are specifically identified and recorded in each company except for catastrophe reinsurance with aggregate retention. Allocation of the aggregate retention and ceded loss in excess of the retention is prorated to company based on subject incurred losses. ....

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

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

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

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

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

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

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

\* Disclose type of coverage:  
.....

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL 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 NATIONAL MUTUAL 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<br>2019   | 2<br>2018   | 3<br>2017   | 4<br>2016   | 5<br>2015   |
|---|-------------|-------------|-------------|-------------|-------------|
| <b>Gross Premiums Written (Page 8, Part 1B Cols. 1, 2 &amp; 3)</b>  |             |             |             |             |             |
| 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)  | 42,234,674  | 41,023,919  | 37,643,501  | 34,144,494  | 33,040,172  |
| 2. Property lines (Lines 1, 2, 9, 12, 21 & 26)  | 42,106,842  | 40,935,835  | 37,065,324  | 33,667,654  | 32,459,209  |
| 3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)  | 63,927,305  | 60,976,745  | 55,822,452  | 52,226,259  | 50,105,217  |
| 4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)   |             |             |             |             |             |
| 5. Nonproportional reinsurance lines (Lines 31, 32 & 33)  |             |             |             |             |             |
| 6. Total (Line 35)  | 148,268,820 | 142,936,499 | 130,531,277 | 120,038,407 | 115,604,598 |
| <b>Net Premiums Written (Page 8, Part 1B, Col. 6)</b>   |             |             |             |             |             |
| 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)  | 13,750,195  | 13,378,780  | 12,364,227  | 11,177,010  | 10,853,024  |
| 8. Property lines (Lines 1, 2, 9, 12, 21 & 26)  | 13,002,701  | 12,810,176  | 11,576,085  | 10,509,340  | 9,967,243   |
| 9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)  | 18,689,075  | 18,461,941  | 16,801,777  | 15,700,436  | 15,009,589  |
| 10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)  |             |             |             |             |             |
| 11. Nonproportional reinsurance lines (Lines 31, 32 & 33)   |             |             |             |             |             |
| 12. Total (Line 35)   | 45,441,971  | 44,650,898  | 40,742,090  | 37,386,786  | 35,829,856  |
| <b>Statement of Income (Page 4)</b>   |             |             |             |             |             |
| 13. Net underwriting gain (loss) (Line 8)   | 1,212,239   | 1,214,551   | (2,746,206) | 2,404,182   | 2,207,439   |
| 14. Net investment gain or (loss) (Line 11)   | 2,289,105   | 2,178,606   | 1,971,310   | 1,603,058   | 1,498,431   |
| 15. Total other income (Line 15)  | 344,090     | 355,192     | 360,473     | 345,114     | 367,828     |
| 16. Dividends to policyholders (Line 17)  |             |             |             |             |             |
| 17. Federal and foreign income taxes incurred (Line 19)   | 611,746     | 803,677     | (486,957)   | 1,233,824   | 991,216     |
| 18. Net income (Line 20)  | 3,233,688   | 2,944,672   | 72,534      | 3,118,529   | 3,082,482   |
| <b>Balance Sheet Lines (Pages 2 and 3)</b>  |             |             |             |             |             |
| 19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)   | 95,256,834  | 89,176,738  | 83,434,762  | 78,778,368  | 72,131,401  |
| 20. Premiums and considerations (Page 2, Col. 3)  |             |             |             |             |             |
| 20.1 In course of collection (Line 15.1)  | 6,915,642   | 5,895,782   | 5,226,905   | 4,335,459   | 3,761,325   |
| 20.2 Deferred and not yet due (Line 15.2)   | 10,191,285  | 9,720,901   | 8,732,702   | 7,782,029   | 7,424,583   |
| 20.3 Accrued retrospective premiums (Line 15.3)   |             |             |             |             |             |
| 21. Total liabilities excluding protected cell business (Page 3, Line 26)   | 55,549,836  | 54,036,924  | 50,777,681  | 46,205,174  | 42,954,149  |
| 22. Losses (Page 3, Line 1)   | 11,631,066  | 11,506,659  | 10,683,859  | 9,475,534   | 8,856,795   |
| 23. Loss adjustment expenses (Page 3, Line 3)   | 2,229,924   | 2,223,600   | 2,119,730   | 2,118,506   | 2,167,296   |
| 24. Unearned premiums (Page 3, Line 9)  | 23,606,828  | 22,853,477  | 20,791,061  | 19,093,172  | 18,233,932  |
| 25. Capital paid up (Page 3, Lines 30 & 31)   |             |             |             |             |             |
| 26. Surplus as regards policyholders (Page 3, Line 37)  | 39,706,997  | 35,139,814  | 32,657,081  | 32,573,194  | 29,177,251  |
| <b>Cash Flow (Page 5)</b>   |             |             |             |             |             |
| 27. Net cash from operations (Line 11)  | 2,185,128   | 5,670,136   | 1,769,468   | 4,069,913   | 2,582,591   |
| <b>Risk-Based Capital Analysis</b>  |             |             |             |             |             |
| 28. Total adjusted capital  | 39,706,997  | 35,139,814  | 32,657,081  | 32,573,194  | 29,177,251  |
| 29. Authorized control level risk-based capital   | 3,330,006   | 3,217,640   | 2,980,424   | 2,912,559   | 2,715,684   |
| <b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0</b>                      |             |             |             |             |             |
| 30. Bonds (Line 1)  | 82.6        | 81.0        | 78.8        | 81.6        | 79.6        |
| 31. Stocks (Lines 2.1 & 2.2)  | 13.5        | 12.8        | 16.0        | 14.7        | 15.5        |
| 32. Mortgage loans on real estate (Lines 3.1 and 3.2)   |             |             |             |             |             |
| 33. Real estate (Lines 4.1, 4.2 & 4.3)  | 2.7         | 2.3         | 2.6         | 2.8         | 3.3         |
| 34. Cash, cash equivalents and short-term investments (Line 5)  | 1.2         | 3.9         | 2.6         | 0.9         | 1.6         |
| 35. Contract loans (Line 6)   |             |             |             |             |             |
| 36. Derivatives (Line 7)  |             |             |             |             |             |
| 37. Other invested assets (Line 8)  |             |             |             |             |             |
| 38. Receivables for securities (Line 9)   | 0.0         |             |             |             |             |
| 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       |
| <b>Investments in Parent, Subsidiaries and Affiliates</b>   |             |             |             |             |             |
| 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)   | 26,733      | 26,733      | 26,754      | 26,745      | 26,767      |
| 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   | 26,733      | 26,733      | 26,754      | 26,745      | 26,767      |
| 49. Total Investment in Parent included in Lines 42 to 47 above   |             |             |             |             |             |
| 50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0) | 0.1         | 0.1         | 0.1         | 0.1         | 0.1         |

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY  
**FIVE-YEAR HISTORICAL DATA**

(Continued)

|  | 1<br>2019  | 2<br>2018  | 3<br>2017  | 4<br>2016  | 5<br>2015  |
|--|------------|------------|------------|------------|------------|
| <b>Capital and Surplus Accounts (Page 4)</b>   |            |            |            |            |            |
| 51. Net unrealized capital gains (losses) (Line 24) .....  | 1,329,030  | (651,608)  | 998,000    | 396,069    | (236,287)  |
| 52. Dividends to stockholders (Line 35) .....  |            |            |            |            |            |
| 53. Change in surplus as regards policyholders for the year (Line 38) .....  | 4,567,183  | 2,482,734  | 83,886     | 3,395,943  | 2,801,373  |
| <b>Gross Losses Paid (Page 9, Part 2, Cols. 1 &amp; 2)</b>   |            |            |            |            |            |
| 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) .....  | 22,328,798 | 21,623,204 | 18,112,948 | 16,619,614 | 21,571,490 |
| 55. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....  | 21,610,904 | 19,048,673 | 19,984,956 | 15,374,483 | 15,883,614 |
| 56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....  | 42,297,079 | 28,723,360 | 40,543,006 | 23,143,085 | 23,842,222 |
| 57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....   |            |            |            |            |            |
| 58. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....  |            |            |            |            |            |
| 59. Total (Line 35) .....  | 86,236,782 | 69,395,237 | 78,640,911 | 55,137,182 | 61,297,326 |
| <b>Net Losses Paid (Page 9, Part 2, Col. 4)</b>  |            |            |            |            |            |
| 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) .....  | 7,537,324  | 7,267,143  | 6,087,783  | 5,597,154  | 7,058,093  |
| 61. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....  | 6,550,360  | 6,317,829  | 6,401,320  | 5,105,002  | 5,268,101  |
| 62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....  | 10,447,801 | 8,937,753  | 11,838,583 | 7,341,596  | 7,490,258  |
| 63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....   |            |            |            |            |            |
| 64. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....  |            |            |            |            |            |
| 65. Total (Line 35) .....  | 24,535,484 | 22,522,724 | 24,327,685 | 18,043,752 | 19,816,452 |
| <b>Operating Percentages (Page 4) (Line divided by Page 4, Line 1) x 100.0</b>   |            |            |            |            |            |
| 66. Premiums earned (Line 1) .....   | 100.0      | 100.0      | 100.0      | 100.0      | 100.0      |
| 67. Losses incurred (Line 2) .....   | 55.2       | 54.8       | 65.4       | 51.1       | 53.5       |
| 68. Loss expenses incurred (Line 3) .....  | 8.7        | 8.7        | 8.4        | 8.3        | 7.4        |
| 69. Other underwriting expenses incurred (Line 4) .....  | 33.4       | 33.6       | 33.2       | 34.1       | 32.8       |
| 70. Net underwriting gain (loss) (Line 8) .....  | 2.7        | 2.9        | (7.0)      | 6.6        | 6.2        |
| <b>Other Percentages</b>   |            |            |            |            |            |
| 71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0) .....   | 32.1       | 31.3       | 30.9       | 32.4       | 31.6       |
| 72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0) .....   | 63.9       | 63.5       | 73.8       | 59.4       | 61.0       |
| 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) .....   | 114.4      | 127.1      | 124.8      | 114.8      | 122.8      |
| <b>One Year Loss Development (\$000 omitted)</b>   |            |            |            |            |            |
| 74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P - Part 2 - Summary, Line 12, Col. 11) .....   | (327)      | (174)      | (1,155)    | (1,777)    | (826)      |
| 75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0) .....                 | (0.9)      | (0.5)      | (3.5)      | (6.1)      | (3.1)      |
| <b>Two Year Loss Development (\$000 omitted)</b>   |            |            |            |            |            |
| 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) .....                       | (263)      | (768)      | (2,266)    | (1,505)    | (993)      |
| 77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0) ..... | (0.8)      | (2.4)      | (7.8)      | (5.7)      | (4.1)      |

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 NATIONAL MUTUAL 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<br>Number of Claims Reported Direct and Assumed |  |
|--|-------------------------|------------|------------------|--------------------------------|------------|---------------------------------------|------------|------------------------------|------------|--|---|--|--|
|  | 1<br>Direct and Assumed | 2<br>Ceded | 3<br>Net (1 - 2) | Loss Payments                  |            | Defense and Cost Containment Payments |            | Adjusting and Other Payments |            | 10<br>Salvage and Subrogation Received | 11<br>Total Net Paid Cols (4 - 5 + 6 - 7 + 8 - 9) |  |  |
|  |                         |            |                  | 4<br>Direct and Assumed        | 5<br>Ceded | 6<br>Direct and Assumed               | 7<br>Ceded | 8<br>Direct and Assumed      | 9<br>Ceded |  |   |  |  |
| 1. Prior.  | XXX                     | XXX        | XXX              | 58                             | 12         | 10                                    | 1          | 4                            | 1          | 8                                      | 58  | XXX  |  |
| 2. 2010  | 29,028                  | 2,123      | 26,906           | 17,634                         | 570        | 364                                   | 2          | 1,858                        | 15         | .640                                   | 19,268  | XXX  |  |
| 3. 2011  | 31,844                  | 2,492      | 29,352           | 28,399                         | 8,665      | 399                                   | 28         | 2,484                        | 377        | .988                                   | 22,212  | XXX  |  |
| 4. 2012  | 35,212                  | 3,207      | 32,005           | 28,107                         | 7,875      | 454                                   | 30         | 2,643                        | 302        | 1,258                                  | 22,998  | XXX  |  |
| 5. 2013  | 38,774                  | 4,887      | 33,887           | 21,802                         | 1,549      | 436                                   | 63         | 2,474                        | 50         | 1,265                                  | 23,049  | XXX  |  |
| 6. 2014  | 39,737                  | 3,805      | 35,932           | 21,918                         | 1,136      | 365                                   | 23         | 2,520                        | .33        | 1,196                                  | 23,611  | XXX  |  |
| 7. 2015  | 39,329                  | 3,751      | 35,577           | 19,372                         | 1,344      | 437                                   | .37        | 2,439                        | 27         | 1,293                                  | 20,840  | XXX  |  |
| 8. 2016  | 40,262                  | 3,734      | 36,528           | 20,353                         | 997        | 497                                   | .31        | 2,670                        | 20         | 1,509                                  | 22,472  | XXX  |  |
| 9. 2017  | 43,029                  | 3,985      | 39,044           | 28,230                         | 3,212      | 370                                   | .34        | 3,054                        | 101        | 1,519                                  | 28,307  | XXX  |  |
| 10. 2018   | 46,918                  | 4,329      | 42,588           | 21,856                         | 1,257      | 224                                   | .25        | 2,975                        | 27         | 1,614                                  | 23,746  | XXX  |  |
| 11. 2019   | 50,167                  | 5,479      | 44,689           | 23,285                         | 4,919      | 130                                   | .25        | 2,968                        | 188        | 1,127                                  | 21,250  | XXX  |  |
| 12. Totals   | XXX                     | XXX        | XXX              | 231,014                        | 31,537     | 3,686                                 | 298        | 26,088                       | 1,141      | 12,415                                 | 227,811   | XXX  |  |

|            | Losses Unpaid            |             |                          |             | Defense and Cost Containment Unpaid |             |                          |             | Adjusting and Other Unpaid |             | 23<br>Salvage and Subrogation Anticipated | 24<br>Total Net Losses and Expenses Unpaid | 25<br>Number of Claims Outstanding Direct and Assumed |            |  |  |
|------------|--------------------------|-------------|--------------------------|-------------|-------------------------------------|-------------|--------------------------|-------------|----------------------------|-------------|---|--|---|------------|--|--|
|            | Case Basis               |             | Bulk + IBNR              |             | Case Basis                          |             | Bulk + IBNR              |             |                            |             |   |  |   |            |  |  |
|            | 13<br>Direct and Assumed | 14<br>Ceded | 15<br>Direct and Assumed | 16<br>Ceded | 17<br>Direct and Assumed            | 18<br>Ceded | 19<br>Direct and Assumed | 20<br>Ceded | 21<br>Direct and Assumed   | 22<br>Ceded |   |  |   |            |  |  |
| 1. Prior.  | 431                      | 36          | 354                      |             |                                     |             |                          |             |                            |             |   |  | .748  | XXX        |  |  |
| 2. 2010    |                          |             |                          |             |                                     |             |                          |             |                            |             |   |  |   | XXX        |  |  |
| 3. 2011    | 10                       |             |                          |             |                                     |             |                          |             |                            |             |   |  | 10  | XXX        |  |  |
| 4. 2012    |                          |             | (3)                      |             |                                     |             |                          |             | 1                          |             |   |  | .5  | (2) XXX    |  |  |
| 5. 2013    | 3                        |             | (2)                      |             |                                     |             |                          |             | .5                         |             |   |  | .7  | .8 XXX     |  |  |
| 6. 2014    | .58                      |             | (5)                      | 2           |                                     |             |                          |             | 12                         |             |   |  | 10  | .72 XXX    |  |  |
| 7. 2015    | 19                       |             | 47                       | 15          |                                     |             |                          |             | 52                         | .15         |   |  | 17  | 105 XXX    |  |  |
| 8. 2016    | 300                      |             | 138                      | 29          |                                     |             |                          |             | .136                       | .26         |   |  | 34  | .563 XXX   |  |  |
| 9. 2017    | 895                      | 54          | 322                      | .88         |                                     |             |                          |             | .274                       | .54         |   |  | 66  | 1,375 XXX  |  |  |
| 10. 2018   | 1,953                    | 98          | 980                      | 153         |                                     |             |                          |             | .469                       | .109        |   |  | 150   | 3,226 XXX  |  |  |
| 11. 2019   | 4,095                    | 459         | 3,832                    | 861         |                                     |             |                          |             | .718                       | .205        |   |  | 515   | 7,756 XXX  |  |  |
| 12. Totals | 7,764                    | 647         | 5,662                    | 1,148       |                                     |             |                          |             | 1,667                      | 409         |   |  | 804   | 13,861 XXX |  |  |

|            | Total Losses and Loss Expenses Incurred |             |           | Loss and Loss Expense Percentage (Incurred /Premiums Earned) |             |           | Nontabular Discount |                    | 34<br>Inter-Company Pooling Participation Percentage | Net Balance Sheet Reserves After Discount |                            |
|------------|---|-------------|-----------|--|-------------|-----------|---------------------|--------------------|--|---|----------------------------|
|            | 26<br>Direct and Assumed                | 27<br>Ceded | 28<br>Net | 29<br>Direct and Assumed                                     | 30<br>Ceded | 31<br>Net | 32<br>Loss          | 33<br>Loss Expense |  | 35<br>Losses Unpaid                       | 36<br>Loss Expenses Unpaid |
|            |   |             |           |  |             |           |                     |                    |  |   |                            |
| 1. Prior.  | XXX                                     | XXX         | XXX       | XXX  | XXX         | XXX       |                     |                    | XXX  |   | .748                       |
| 2. 2010    | 19,856                                  | 588         | 19,268    | .68.4  | 27.7        | 71.6      |                     |                    |  |   | .34.0                      |
| 3. 2011    | 31,292                                  | 9,070       | 22,222    | .98.3  | .364.0      | 75.7      |                     |                    |  |   | .34.0                      |
| 4. 2012    | 31,202                                  | 8,206       | 22,996    | .88.6  | .255.9      | 71.9      |                     |                    |  |   | .34.0                      |
| 5. 2013    | 24,720                                  | 1,663       | 23,057    | .63.8  | .34.0       | .68.0     |                     |                    |  |   | .34.0                      |
| 6. 2014    | 24,877                                  | 1,194       | 23,683    | .62.6  | .31.4       | .65.9     |                     |                    |  |   | .34.0                      |
| 7. 2015    | 22,384                                  | 1,438       | 20,946    | .56.9  | .38.3       | .58.9     |                     |                    |  |   | .34.0                      |
| 8. 2016    | 24,137                                  | 1,102       | 23,035    | .60.0  | .29.5       | .63.1     |                     |                    |  |   | .34.0                      |
| 9. 2017    | 33,226                                  | 3,544       | 29,683    | .77.2  | .88.9       | .76.0     |                     |                    |  |   | .34.0                      |
| 10. 2018   | 28,639                                  | 1,667       | 26,972    | .61.0  | .38.5       | .63.3     |                     |                    |  |   | .34.0                      |
| 11. 2019   | 35,663                                  | 6,657       | 29,006    | .71.1  | .121.5      | .64.9     |                     |                    |  |   | .34.0                      |
| 12. Totals | XXX                                     | XXX         | XXX       | XXX  | XXX         | XXX       |                     |                    | XXX  | 11,631                                    | 2,230                      |

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

ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY  
**SCHEDULE P - PART 2 - SUMMARY**

| Years in<br>Which Losses<br>Were Incurred | INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED) |           |           |           |           |           |           |           |           |            | DEVELOPMENT    |                |
|---|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|----------------|----------------|
|   | 1<br>2010  | 2<br>2011 | 3<br>2012 | 4<br>2013 | 5<br>2014 | 6<br>2015 | 7<br>2016 | 8<br>2017 | 9<br>2018 | 10<br>2019 | 11<br>One Year | 12<br>Two Year |
| 1. Prior                                  | 4,359  | 3,726     | 3,607     | 3,538     | 3,513     | 3,484     | 3,420     | 3,508     | 3,554     | 3,597      | 43             | 89             |
| 2. 2010                                   | 17,972   | 17,618    | 17,605    | 17,562    | 17,490    | 17,440    | 17,440    | 17,433    | 17,430    | 17,426     | (4)            | (8)            |
| 3. 2011                                   | XXX  | 21,311    | 20,656    | 20,310    | 20,280    | 20,196    | 20,163    | 20,144    | 20,140    | 20,114     | (26)           | (30)           |
| 4. 2012                                   | XXX  | XXX       | 21,079    | 20,946    | 20,832    | 20,833    | 20,785    | 20,702    | 20,698    | 20,654     | (43)           | (48)           |
| 5. 2013                                   | XXX  | XXX       | XXX       | 21,235    | 20,762    | 20,645    | 20,603    | 20,598    | 20,618    | 20,631     | 13             | 33             |
| 6. 2014                                   | XXX  | XXX       | XXX       | XXX       | 22,176    | 21,629    | 21,137    | 21,049    | 21,122    | 21,187     | 65             | 138            |
| 7. 2015                                   | XXX  | XXX       | XXX       | XXX       | XXX       | 20,122    | 19,024    | 18,649    | 18,617    | 18,516     | (101)          | (134)          |
| 8. 2016                                   | XXX  | XXX       | XXX       | XXX       | XXX       | XXX       | 20,812    | 20,146    | 20,439    | 20,342     | (97)           | 196            |
| 9. 2017                                   | XXX  | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | 27,147    | 26,585    | 26,647     | 62             | (500)          |
| 10. 2018                                  | XXX  | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | 24,079    | 23,840     | (239)          | XXX            |
| 11. 2019                                  | XXX  | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | 25,592    | XXX        | XXX            | XXX            |
|   |  |           |           |           |           |           |           |           |           | 12. Totals | (327)          | (263)          |

**SCHEDULE P - PART 3 - SUMMARY**

| Years in<br>Which Losses<br>Were Incurred | CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END<br>(\$000 OMITTED) |           |           |           |           |           |           |           |           |            | 11<br>Number of<br>Claims<br>Closed<br>With<br>Loss<br>Payment | 12<br>Number of<br>Claims<br>Closed<br>Without<br>Loss<br>Payment |
|---|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|--|---|
|   | 1<br>2010  | 2<br>2011 | 3<br>2012 | 4<br>2013 | 5<br>2014 | 6<br>2015 | 7<br>2016 | 8<br>2017 | 9<br>2018 | 10<br>2019 |  |   |
| 1. Prior                                  | 000  | 1,348     | 1,888     | 2,231     | 2,480     | 2,602     | 2,678     | 2,741     | 2,793     | 2,848      | XXX  | XXX   |
| 2. 2010                                   | 12,860   | 15,866    | 16,884    | 17,212    | 17,315    | 17,357    | 17,396    | 17,429    | 17,428    | 17,425     | XXX  | XXX   |
| 3. 2011                                   | XXX  | 15,867    | 19,000    | 19,460    | 19,924    | 20,101    | 20,126    | 20,129    | 20,129    | 20,104     | XXX  | XXX   |
| 4. 2012                                   | XXX  | XXX       | 15,033    | 18,540    | 19,574    | 20,192    | 20,630    | 20,678    | 20,683    | 20,656     | XXX  | XXX   |
| 5. 2013                                   | XXX  | XXX       | XXX       | 14,901    | 18,414    | 19,950    | 20,277    | 20,462    | 20,575    | 20,625     | XXX  | XXX   |
| 6. 2014                                   | XXX  | XXX       | XXX       | XXX       | 16,406    | 19,723    | 20,276    | 20,667    | 20,942    | 21,124     | XXX  | XXX   |
| 7. 2015                                   | XXX  | XXX       | XXX       | XXX       | XXX       | 14,416    | 16,888    | 17,872    | 18,313    | 18,429     | XXX  | XXX   |
| 8. 2016                                   | XXX  | XXX       | XXX       | XXX       | XXX       | XXX       | 14,488    | 17,740    | 19,254    | 19,822     | XXX  | XXX   |
| 9. 2017                                   | XXX  | XXX       | XXX       | XXX       | XXX       | XXX       | 19,838    | 23,776    | 25,354    | XXX        | XXX  | XXX   |
| 10. 2018                                  | XXX  | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | 16,663    | 20,798     | XXX  | XXX   |
| 11. 2019                                  | XXX  | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | 18,471    | XXX        | XXX  | XXX   |

**SCHEDULE P - PART 4 - SUMMARY**

| Years in<br>Which Losses<br>Were Incurred | BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED) |           |           |           |           |           |           |           |           |       | 10  |
|---|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------|-----|
|   | 1<br>2010   | 2<br>2011 | 3<br>2012 | 4<br>2013 | 5<br>2014 | 6<br>2015 | 7<br>2016 | 8<br>2017 | 9<br>2018 | 2019  |     |
| 1. Prior                                  | 1,860   | 1,134     | 845       | 651       | 520       | 436       | 374       | 364       | 354       | 354   | 354 |
| 2. 2010                                   | 2,072   | 608       | 263       | 129       | 68        | 23        | 8         | 3         |           |       |     |
| 3. 2011                                   | XXX   | 2,311     | 781       | 251       | 132       | 61        | 22        | 4         | 1         |       |     |
| 4. 2012                                   | XXX   | XXX       | 2,439     | 957       | 376       | 173       | 19        | 9         | 1         | (3)   |     |
| 5. 2013                                   | XXX   | XXX       | XXX       | 2,664     | 898       | 361       | 141       | 31        | 9         | 3     |     |
| 6. 2014                                   | XXX   | XXX       | XXX       | XXX       | 2,653     | 1,019     | 400       | 109       | 25        | 5     |     |
| 7. 2015                                   | XXX   | XXX       | XXX       | XXX       | XXX       | 2,889     | 1,026     | 421       | 167       | .68   |     |
| 8. 2016                                   | XXX   | XXX       | XXX       | XXX       | XXX       | XXX       | 2,917     | 873       | 467       | 220   |     |
| 9. 2017                                   | XXX   | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | 3,455     | 1,067     | 452   |     |
| 10. 2018                                  | XXX   | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | 3,182     | 1,188 |     |
| 11. 2019                                  | XXX   | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | 3,485 |     |

## ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY

## SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

| States, Etc.   | Active Status (a) | Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken |                          | Dividends Paid or Credited to Policyholders on Direct Business | Direct Losses Paid (Deducting Salvage) | Direct Losses Incurred | Direct Losses Unpaid | Finance and Service Charges Not Included in Premiums | 9 Direct Premiums Written for Federal Purchasing Groups (Included in Column 2) |
|--|-------------------|---|--------------------------|--|--|------------------------|----------------------|--|--|
|  |                   | 2 Direct Premiums Written   | 3 Direct Premiums Earned |  |  |                        |                      |  |  |
|  |                   |   |                          |  |  |                        |                      |  |  |
| 1. Alabama   | AL                | N   |                          |  |  |                        |                      |  |  |
| 2. Alaska  | AK                | N   |                          |  |  |                        |                      |  |  |
| 3. Arizona   | AZ                | N   |                          |  |  |                        |                      |  |  |
| 4. Arkansas  | AR                | N   |                          |  |  |                        |                      |  |  |
| 5. California  | CA                | N   |                          |  |  |                        |                      |  |  |
| 6. Colorado  | CO                | N   |                          |  |  |                        |                      |  |  |
| 7. Connecticut   | CT                | N   |                          |  |  |                        |                      |  |  |
| 8. Delaware  | DE                | N   |                          |  |  |                        |                      |  |  |
| 9. District of Columbia  | DC                | N   |                          |  |  |                        |                      |  |  |
| 10. Florida  | FL                | N   |                          |  |  |                        |                      |  |  |
| 11. Georgia  | GA                | N   |                          |  |  |                        |                      |  |  |
| 12. Hawaii   | HI                | N   |                          |  |  |                        |                      |  |  |
| 13. Idaho  | ID                | N   |                          |  |  |                        |                      |  |  |
| 14. Illinois   | IL                | N   |                          |  |  |                        |                      |  |  |
| 15. Indiana  | IN                | L   | 19,475,512               | 20,200,213   | 16,399,879                             | 16,400,928             | 6,517,043            | 172,490  |  |
| 16. Iowa   | IA                | L   | 8,669,680                | 9,613,237  | 7,475,243                              | 6,796,704              | 2,413,748            | 47,430   |  |
| 17. Kansas   | KS                | N   |                          |  |  |                        |                      |  |  |
| 18. Kentucky   | KY                | L   |                          |  |  |                        |                      |  |  |
| 19. Louisiana  | LA                | N   |                          |  |  |                        |                      |  |  |
| 20. Maine  | ME                | N   |                          |  |  |                        |                      |  |  |
| 21. Maryland   | MD                | N   |                          |  |  |                        |                      |  |  |
| 22. Massachusetts  | MA                | N   |                          |  |  |                        |                      |  |  |
| 23. Michigan   | MI                | N   |                          |  |  |                        |                      |  |  |
| 24. Minnesota  | MN                | N   |                          |  |  |                        |                      |  |  |
| 25. Mississippi  | MS                | N   |                          |  |  |                        |                      |  |  |
| 26. Missouri   | MO                | N   |                          |  |  |                        |                      |  |  |
| 27. Montana  | MT                | N   |                          |  |  |                        |                      |  |  |
| 28. Nebraska   | NE                | N   |                          |  |  |                        |                      |  |  |
| 29. Nevada   | NV                | N   |                          |  |  |                        |                      |  |  |
| 30. New Hampshire  | NH                | N   |                          |  |  |                        |                      |  |  |
| 31. New Jersey   | NJ                | N   |                          |  |  |                        |                      |  |  |
| 32. New Mexico   | NM                | N   |                          |  |  |                        |                      |  |  |
| 33. New York   | NY                | N   |                          |  |  |                        |                      |  |  |
| 34. North Carolina   | NC                | N   |                          |  |  |                        |                      |  |  |
| 35. North Dakota   | ND                | N   |                          |  |  |                        |                      |  |  |
| 36. Ohio   | OH                | L   | 22,957,987               | 23,486,584   | 15,293,420                             | 16,110,953             | 5,869,081            | 226,180  |  |
| 37. Oklahoma   | OK                | N   |                          |  |  |                        |                      |  |  |
| 38. Oregon   | OR                | N   |                          |  |  |                        | 15,440               |  |  |
| 39. Pennsylvania   | PA                | L   |                          |  |  |                        |                      |  |  |
| 40. Rhode Island   | RI                | N   |                          |  |  |                        |                      |  |  |
| 41. South Carolina   | SC                | N   |                          |  |  |                        |                      |  |  |
| 42. South Dakota   | SD                | N   |                          |  |  |                        |                      |  |  |
| 43. Tennessee  | TN                | L   | 6,278,284                | 6,551,787  | 3,166,124                              | 2,842,030              | 972,360              | 48,940   |  |
| 44. Texas  | TX                | N   |                          |  |  |                        |                      |  |  |
| 45. Utah   | UT                | N   |                          |  |  |                        |                      |  |  |
| 46. Vermont  | VT                | N   |                          |  |  |                        |                      |  |  |
| 47. Virginia   | VA                | N   |                          |  |  |                        |                      |  |  |
| 48. Washington   | WA                | N   |                          |  |  |                        |                      |  |  |
| 49. West Virginia  | WV                | N   |                          |  |  |                        |                      |  |  |
| 50. Wisconsin  | WI                | N   |                          |  |  |                        |                      |  |  |
| 51. Wyoming  | WY                | N   |                          |  |  |                        |                      |  |  |
| 52. American Samoa   | AS                | N   |                          |  |  |                        |                      |  |  |
| 53. Guam   | GU                | N   |                          |  |  |                        |                      |  |  |
| 54. Puerto Rico  | PR                | N   |                          |  |  |                        |                      |  |  |
| 55. U.S. Virgin Islands  | VI                | N   |                          |  |  |                        |                      |  |  |
| 56. Northern Mariana Islands   | MP                | N   |                          |  |  |                        |                      |  |  |
| 57. Canada   | CAN               | N   |                          |  |  |                        |                      |  |  |
| 58. Aggregate other alien  | OT                | XXX   |                          |  |  |                        |                      |  |  |
| 59. Totals   |                   | XXX   | 57,381,463               | 59,851,821   | 42,334,668                             | 42,150,615             | 15,787,670           | 495,040  |  |
| 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.....6  
 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 state.....51

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

Actual premiums entered for all coverages by location of risk or address of insured, whichever is applicable.

**Schedule Y – Information Concerning Activities of Insurer Members Of a Holding Company Group**  
**Part 1 – Organization Chart**



ANNUAL STATEMENT FOR THE YEAR 2019 OF THE NATIONAL MUTUAL INSURANCE COMPANY  
**OVERFLOW PAGE FOR WRITE-INS**

**NONE**

## ALPHABETICAL INDEX

### **ANNUAL STATEMENT BLANK**

|   |      |
|---|------|
| Assets .....  | 2    |
| Cash Flow .....   | 5    |
| Exhibit of Capital Gains (Losses) .....                 | 12   |
| Exhibit of Net Investment Income .....                  | 12   |
| Exhibit of Nonadmitted Assets .....                     | 13   |
| Exhibit of Premiums and Losses (State Page) .....       | 19   |
| Five-Year Historical Data .....                         | 17   |
| General Interrogatories .....                           | 15   |
| Jurat Page .....  | 1    |
| Liabilities, Surplus and Other Funds .....              | 3    |
| Notes To Financial Statements .....                     | 14   |
| Overflow Page For Write-ins .....                       | 100  |
| Schedule A - Part 1 .....                               | E01  |
| Schedule A - Part 2 .....                               | E02  |
| Schedule A - Part 3 .....                               | E03  |
| Schedule A - Verification Between Years .....           | SI02 |
| Schedule B - Part 1 .....                               | E04  |
| Schedule B - Part 2 .....                               | E05  |
| Schedule B - Part 3 .....                               | E06  |
| Schedule B - Verification Between Years .....           | SI02 |
| Schedule BA - Part 1 .....                              | E07  |
| Schedule BA - Part 2 .....                              | E08  |
| Schedule BA - Part 3 .....                              | E09  |
| Schedule BA - Verification Between Years .....          | SI03 |
| Schedule D - Part 1 .....                               | E10  |
| Schedule D - Part 1A - Section 1 .....                  | SI05 |
| Schedule D - Part 1A - Section 2 .....                  | SI08 |
| Schedule D - Part 2 - Section 1 .....                   | E11  |
| Schedule D - Part 2 - Section 2 .....                   | E12  |
| Schedule D - Part 3 .....                               | E13  |
| Schedule D - Part 4 .....                               | E14  |
| Schedule D - Part 5 .....                               | E15  |
| Schedule D - Part 6 - Section 1 .....                   | E16  |
| Schedule D - Part 6 - Section 2 .....                   | E16  |
| Schedule D - Summary By Country .....                   | SI04 |
| Schedule D - Verification Between Years .....           | SI03 |
| Schedule DA - Part 1 .....                              | E17  |
| Schedule DA - Verification Between Years .....          | SI10 |
| Schedule DB - Part A - Section 1 .....                  | E18  |
| Schedule DB - Part A - Section 2 .....                  | E19  |
| Schedule DB - Part A - Verification Between Years ..... | SI11 |
| Schedule DB - Part B - Section 1 .....                  | E20  |
| Schedule DB - Part B - Section 2 .....                  | E21  |
| Schedule DB - Part B - Verification Between Years ..... | SI11 |
| Schedule DB - Part C - Section 1 .....                  | E12  |
| Schedule DB - Part C - Section 2 .....                  | E13  |
| Schedule DB - Part D - Section 1 .....                  | E22  |
| Schedule DB - Part D - Section 2 .....                  | E23  |
| Schedule DB - Part E .....                              | E24  |
| Schedule DB - Verification .....                        | SI14 |
| Schedule DL - Part 1 .....                              | E25  |
| Schedule DL - Part 2 .....                              | E26  |
| Schedule E - Part 1 - Cash .....                        | E27  |
| Schedule E - Part 2 - Cash Equivalents .....            | E28  |
| Schedule E - Part 2 - Verification Between Years .....  | SI15 |
| Schedule E - Part 3 - Special Deposits .....            | E29  |
| Schedule F - Part 1 .....                               | 20   |
| Schedule F - Part 2 .....                               | 21   |
| Schedule F - Part 3 .....                               | 22   |
| Schedule F - Part 4 .....                               | 27   |
| Schedule F - Part 5 .....                               | 28   |
| Schedule F - Part 6 .....                               | 29   |
| Schedule H - Accident and Health Exhibit - Part 1 ..... | 30   |
| Schedule H - Part 2, Part 3 and 4 .....                 | 31   |
| Schedule H - Part 5 - Health Claims .....               | 32   |

## **ANNUAL STATEMENT BLANK (Continued)**

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

## **ANNUAL STATEMENT BLANK (Continued)**

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