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ANNUAL STATEMENT

For the Year Ended DECEMBER 31, 2019

OF THE CONDITION AND AFFAIRS OF THE

CENTRAL MUTUAL INSURANCE COMPANY

NAIC Group Code	0036 (Current Period), 0036 (Prior Period)
NAIC Company Code	20230
Employer's ID Number	34-4202560
Organized under the Laws of	Ohio
State of Domicile or Port of Entry	OH
Country of Domicile	United States of America
Incorporated/Organized	04/17/1876
Commenced Business	10/02/1876
Statutory Home Office	800 SOUTH WASHINGTON STREET (Street and Number), VAN WERT, OH, US 45891-2357 (City or Town, State, Country and Zip Code)
Main Administrative Office	800 SOUTH WASHINGTON STREET (Street and Number), VAN WERT, OH, US 45891-2357 (City or Town, State, Country and Zip Code), (419)238-1010 (Area Code) (Telephone Number)
Mail Address	P.O. BOX 351 (Street and Number or P.O. Box), VAN WERT, OH, US 45891-0351 (City or Town, State, Country and Zip Code)
Primary Location of Books and Records	800 SOUTH WASHINGTON STREET (Street and Number), VAN WERT, OH, US 45891-2357 (City or Town, State, Country and Zip Code), (419)238-1010 (Area Code) (Telephone Number)
Internet Website Address	WWW.CENTRAL-INSURANCE.COM
Statutory Statement Contact	THAD RYAN EIKENBARY (Name), (419)238-5551-2437 (Area Code)(Telephone Number)(Extension)
	TEIKENBARY@CENTRAL-INSURANCE.COM (E-Mail Address), (419)238-7626 (Fax Number)

OFFICERS

Name	Title
FRANCIS WALWORTH PURMORT III	PRESIDENT
BENJAMIN SCOTT FAUROTE	SECRETARY
THAD RYAN EIKENBARY	TREASURER

OTHERS

PAUL JOSEPH EDWARDS, VICE PRESIDENT #
KEITH ALLEN GOAD, CHIEF FINANCIAL OFFICER
MATTHEW PAUL KORTE, VICE PRESIDENT
EVAN PENNINGTON PURMORT, CHIEF MARKETING OFFICER
ANGELA MARIE GIBSON, VICE PRESIDENT
CYNTHIA MARIE HURLESS, CHIEF OPERATING OFFICER
DAVID T LEE, VICE PRESIDENT #
TIMOTHY LEE RAUCH, VICE PRESIDENT
TRINTIN CHAD GLENN, CHIEF ACTUARY
PATRICK JOHN JACKSON, VICE PRESIDENT
JOCELYN LEIGH PFEIFER, VICE PRESIDENT
JANA LOU RINGWALD, VICE PRESIDENT

DIRECTORS OR TRUSTEES

EDWARD RAY BUHL
THOMAS B KEARNEY
EVAN PENNINGTON PURMORT
DAVID CARTER WARD
JOSIE LEE COVINGTON II
STEPHEN KEITH MOORE
FRANCIS WALWORTH PURMORT III
BENJAMIN SCOTT FAUROTE
EDWARD JOSEPH NOONAN
DENNIS DALE STRIPE

State of Ohio
County of Van Wert ss

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

(Signature)	(Signature)	(Signature)
FRANCIS WALWORTH PURMORT III	KEITH ALLEN GOAD	THAD RYAN EIKENBARY
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
PRESIDENT	CHIEF FINANCIAL OFFICER	TREASURER
(Title)	(Title)	(Title)

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

a. Is this an original filing? Yes[X] No[ ]
b. If no:
1. State the amendment number
2. Date filed 02/21/2020
3. Number of pages attached

(Notary Public Signature)

ASSETS

		Current Year 1 Assets	Current Year 2 Nonadmitted Assets	Current Year 3 Net Admitted Assets (Cols.1-2)	Prior Year 4 Net Admitted Assets
1.	Bonds (Schedule D)	851,197,266		851,197,266	744,449,872
2.	Stocks (Schedule D):				
	2.1 Preferred stocks	1,566,527		1,566,527	
	2.2 Common Stocks	536,501,559	2,142,563	534,358,996	452,335,623
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 $...............0 encumbrances)	38,935,416	563,656	38,371,760	39,188,426
	4.2 Properties held for the production of income (less $...............0 encumbrances)	297,801		297,801	309,813
	4.3 Properties held for sale (less $...............0 encumbrances)				
5.	Cash ($......43,796,453, Schedule E Part 1), cash equivalents ($......43,527,731, Schedule E Part 2) and short-term investments ($...............0, Schedule DA)	87,324,184		87,324,184	125,840,943
6.	Contract loans (including $...............0 premium notes)				
7.	Derivatives (Schedule DB)				
8.	Other invested assets (Schedule BA)				27
9.	Receivables for securities	2,103,715		2,103,715	226,289
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)	1,517,926,468	2,706,219	1,515,220,249	1,362,350,994
13.	Title plants less $...............0 charged off (for Title insurers only)				
14.	Investment income due and accrued	7,334,487		7,334,487	6,462,815
15.	Premiums and considerations:				
	15.1 Uncollected premiums and agents' balances in the course of collection	32,627,262	336,943	32,290,319	35,401,901
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including $.........459,487 earned but unbilled premiums)	163,881,018	55,360	163,825,658	158,968,443
	15.3 Accrued retrospective premiums ($...............0) and contracts subject to redetermination ($...............0)				
16.	Reinsurance:				
	16.1 Amounts recoverable from reinsurers	33,123,714		33,123,714	46,319,211
	16.2 Funds held by or deposited with reinsured companies				
	16.3 Other amounts receivable under reinsurance contracts				
17.	Amounts receivable relating to uninsured plans				
18.1	Current federal and foreign income tax recoverable and interest thereon				2,101,736
18.2	Net deferred tax asset	20,311,496		20,311,496	20,082,668
19.	Guaranty funds receivable or on deposit	98,318		98,318	56,405
20.	Electronic data processing equipment and software	13,548,156	13,448,765	99,391	194,721
21.	Furniture and equipment, including health care delivery assets ($...............0)	2,410,064	2,410,064		
22.	Net adjustment in assets and liabilities due to foreign exchange rates				
23.	Receivables from parent, subsidiaries and affiliates				6,524,302
24.	Health care ($...............0) and other amounts receivable				
25.	Aggregate write-ins for other than invested assets	2,886,916	2,811	2,884,106	4,553,970
26.	TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,794,147,898	18,960,161	1,775,187,737	1,643,017,165
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28.	TOTAL (Lines 26 and 27)	1,794,147,898	18,960,161	1,775,187,737	1,643,017,165
DETAILS OF WRITE-INS					
1101.					
1102.					
1103.					
1198.	Summary of remaining write-ins for Line 11 from overflow page				
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.	PREPAID PENSION BENEFIT COSTS	33,114,722		33,114,722	35,642,559
2502.	OVERFUNDED PENSION ASSETS	(33,114,722)		(33,114,722)	(35,642,559)
2503.	EQUITIES & DEPOSITS IN POOLS & ASSOCIATIONS	2,900,390		2,900,390	3,232,172
2598.	Summary of remaining write-ins for Line 25 from overflow page	(13,474)	2,811	(16,285)	1,321,798
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	2,886,916	2,811	2,884,106	4,553,970

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Losses (Part 2A, Line 35, Column 8)	335,321,230	298,721,134
2.	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		
3.	Loss adjustment expenses (Part 2A, Line 35, Column 9)	115,715,713	105,564,982
4.	Commissions payable, contingent commissions and other similar charges	16,914,348	17,010,601
5.	Other expenses (excluding taxes, licenses and fees)	16,272,476	37,567,516
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	4,550,014	6,020,465
7.1	Current federal and foreign income taxes (including $...............0 on realized capital gains (losses))	1,412,024	
7.2	Net deferred tax liability		
8.	Borrowed money $...............0 and interest thereon $...............0		
9.	Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of $......68,288,360 and including warranty reserves of $...............0 and accrued accident and health experience rating refunds including $...............0 for medical loss ratio rebate per the Public Health Service Act)	320,461,537	320,575,812
10.	Advance premiums	4,884,010	5,238,763
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders	197,469	208,580
12.	Ceded reinsurance premiums payable (net of ceding commissions)	5,546,550	9,455,966
13.	Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)		
14.	Amounts withheld or retained by company for account of others	19,901,946	19,872,710
15.	Remittances and items not allocated		
16.	Provision for reinsurance (including ($...............0 certified)) (Schedule F, Part 3 Column 78)	5,839,000	
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding		
19.	Payable to parent, subsidiaries and affiliates	4,151,939	
20.	Derivatives		
21.	Payable for securities		1,975,577
22.	Payable for securities lending		
23.	Liability for amounts held under uninsured plans		
24.	Capital notes $...............0 and interest thereon $...............0		
25.	Aggregate write-ins for liabilities	27,171,153	12,180,080
26.	TOTAL Liabilities excluding protected cell liabilities (Lines 1 through 25)	878,339,408	834,392,185
27.	Protected cell liabilities		
28.	TOTAL Liabilities (Lines 26 and 27)	878,339,408	834,392,185
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)	896,848,323	808,624,984
36.	Less treasury stock, at cost:		
	36.1 ....0 shares common (value included in Line 30 $...............0)		
	36.2 ....0 shares preferred (value included in Line 31 $...............0)		
37.	Surplus as regards policyholders (Lines 29 to 35, minus 36) (Page 4, Line 39)	896,848,323	808,624,984
38.	TOTALS (Page 2, Line 28, Column 3)	1,775,187,731	1,643,017,169
DETAILS OF WRITE-INS			
2501.	Reserve - Pension Plan Benefits	25,038,236	10,995,008
2502.	Reserve for Investment Expenses	455,692	
2503.	Reserve for Escheats	1,493,654	925,605
2598.	Summary of remaining write-ins for Line 25 from overflow page	183,570	259,467
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	27,171,153	12,180,080
2901.			
2902.			
2903.			
2998.	Summary of remaining write-ins for Line 29 from overflow page		
2999.	TOTALS (Lines 2901 through 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 through 3203 plus 3298) (Line 32 above)		

STATEMENT OF INCOME

		1 Current Year	2 Prior Year
	UNDERWRITING INCOME		
1.	Premiums earned (Part 1, Line 35, Column 4)	605,387,096	574,516,140
DEDUCTIONS			
2.	Losses incurred (Part 2, Line 35, Column 7)	383,366,051	366,047,712
3.	Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	55,678,973	50,218,060
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2)	183,914,566	185,868,376
5.	Aggregate write-ins for underwriting deductions		
6.	TOTAL Underwriting Deductions (Lines 2 through 5)	622,959,590	602,134,148
7.	Net income of protected cells		
8.	Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	(17,572,494)	(27,618,008)
	INVESTMENT INCOME		
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	35,398,353	29,392,813
10.	Net realized capital gains (losses) less capital gains tax of $.......2,689,298 (Exhibit of Capital Gains (Losses))	10,116,882	66,153,691
11.	Net investment gain or (loss) (Lines 9 + 10)	45,515,235	95,546,504
	OTHER INCOME		
12.	Net gain or (loss) from agents' or premium balances charged off (amount recovered $..............0 amount charged off $.........571,451)	(571,451)	(469,647)
13.	Finance and service charges not included in premiums	1,788,515	1,938,769
14.	Aggregate write-ins for miscellaneous income	535,781	501,591
15.	TOTAL Other Income (Lines 12 through 14)	1,752,845	1,970,713
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	29,695,587	69,899,209
17.	Dividends to policyholders	301,220	375,752
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)	29,394,367	69,523,457
19.	Federal and foreign income taxes incurred	2,178,863	(19,368,536)
20.	Net income (Line 18 minus Line 19) (to Line 22)	27,215,504	88,891,993
	CAPITAL AND SURPLUS ACCOUNT		
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	808,624,786	822,033,212
22.	Net income (from Line 20)	27,215,504	88,891,993
23.	Net transfers (to) from Protected Cell accounts		
24.	Change in net unrealized capital gains or (losses) less capital gains tax of $......13,802,132	51,922,306	(81,101,545)
25.	Change in net unrealized foreign exchange capital gain (loss)		
26.	Change in net deferred income tax	1,558,052	(9,287,423)
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets Line 28, Column 3)	7,934,539	(10,925,710)
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	(5,839,000)	
29.	Change in surplus notes		
30.	Surplus (contributed to) withdrawn from protected cells		
31.	Cumulative effect of changes in accounting principles		
32.	Capital changes:		
	32.1 Paid in		
	32.2 Transferred from surplus (Stock Dividend)		
	32.3 Transferred to surplus		
33.	Surplus adjustments:		
	33.1 Paid in		
	33.2 Transferred to capital (Stock Dividend)		
	33.3 Transferred from capital		
34.	Net remittances from or (to) Home Office		
35.	Dividends to stockholders		
36.	Change in treasury stock (Page 3, Line 36.1 and 36.2, Column 2 minus Column 1)		
37.	Aggregate write-ins for gains and losses in surplus	5,431,917	(985,742)
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37)	88,223,319	(13,408,426)
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	896,848,105	808,624,786
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598.	Summary of remaining write-ins for Line 5 from overflow page		
0599.	TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)		
1401.	Miscellaneous Income	535,781	501,591
1402.			
1403.			
1498.	Summary of remaining write-ins for Line 14 from overflow page		
1499.	TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	535,781	501,591
3701.	Gains and Losses in Surplus (SSAP's 92 & 102)	5,431,917	(985,742)
3702.			
3703.			
3798.	Summary of remaining write-ins for Line 37 from overflow page		
3799.	TOTALS (Lines 3701 through 3703 plus 3798) (Lines 37 above)	5,431,917	(985,742)

CASH FLOW

			1 Current Year	2 Prior Year
		Cash from Operations		
1.		Premiums collected net of reinsurance	599,240,184	578,675,581
2.		Net investment income	37,996,371	35,511,348
3.		Miscellaneous income	1,752,845	1,970,714
4.		TOTAL (Lines 1 through 3)	638,989,400	616,157,644
5.		Benefit and loss related payments	333,570,458	370,937,377
6.		Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.		Commissions, expenses paid and aggregate write-ins for deductions	235,386,234	230,962,751
8.		Dividends paid to policyholders	312,330	402,825
9.		Federal and foreign income taxes paid (recovered) net of $..............0 tax on capital gains (losses)	1,545,705	570,870
10.		TOTAL (Lines 5 through 9)	570,814,727	602,873,823
11.		Net cash from operations (Line 4 minus Line 10)	68,174,673	13,283,820
		Cash from Investments		
12.		Proceeds from investments sold, matured or repaid:		
	12.1	Bonds	166,233,204	569,698,750
	12.2	Stocks	220,157,912	402,628,498
	12.3	Mortgage loans		
	12.4	Real estate		
	12.5	Other invested assets		
	12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		
	12.7	Miscellaneous proceeds	(1,975,577)	2,341,296
	12.8	TOTAL Investment proceeds (Lines 12.1 to 12.7)	384,415,539	974,668,544
13.		Cost of investments acquired (long-term only):		
	13.1	Bonds	274,029,103	536,797,286
	13.2	Stocks	225,301,757	355,598,479
	13.3	Mortgage loans		
	13.4	Real estate	1,199,786	66,824
	13.5	Other invested assets		
	13.6	Miscellaneous applications	2,125,765	1,292,695
	13.7	TOTAL Investments acquired (Lines 13.1 to 13.6)	502,656,412	893,755,285
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)	(118,240,873)	80,913,260
		Cash from Financing and Miscellaneous Sources		
16.		Cash provided (applied):		
	16.1	Surplus notes, capital notes		
	16.2	Capital and paid in surplus, less treasury stock		
	16.3	Borrowed funds		
	16.4	Net deposits on deposit-type contracts and other insurance liabilities		
	16.5	Dividends to stockholders		
	16.6	Other cash provided (applied)	11,549,440	(40,510,947)
17.		Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	11,549,440	(40,510,947)
		RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18.		Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(38,516,760)	53,686,133
19.		Cash, cash equivalents and short-term investments:		
	19.1	Beginning of year	125,840,944	72,154,811
	19.2	End of year (Line 18 plus Line 19.1)	87,324,184	125,840,944

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001			

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS EARNED

	Line of Business	1 Net Premiums Written Per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Column 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Column 5, Part 1A	4 Premiums Earned During Year (Columns 1 + 2 - 3)
1.	Fire	5,338,943	3,277,312	3,019,357	5,596,899
2.	Allied lines	7,755,328	4,449,614	4,422,329	7,782,613
3.	Farmowners multiple peril				
4.	Homeowners multiple peril	126,149,831	74,962,392	71,191,402	129,920,820
5.	Commercial multiple peril	110,863,959	58,897,327	62,705,734	107,055,552
6.	Mortgage guaranty				
8.	Ocean marine				
9.	Inland marine	15,783,397	7,982,914	8,005,464	15,760,846
10.	Financial guaranty				
11.1	Medical professional liability - occurrence				
11.2	Medical professional liability - claims-made				
12.	Earthquake	1,712,568	976,112	932,687	1,755,994
13.	Group accident and health				
14.	Credit accident and health (group and individual)				
15.	Other accident and health				
16.	Workers' compensation	8,715,876	4,451,638	4,225,811	8,941,704
17.1	Other liability - occurrence	32,995,146	17,583,279	18,806,491	31,771,934
17.2	Other liability - claims-made				
17.3	Excess Workers' Compensation				
18.1	Products liability - occurrence	16,429,315	7,761,860	7,817,001	16,374,174
18.2	Products liability - claims-made				
19.1	19.2 Private passenger auto liability	102,421,759	54,105,809	51,977,436	104,550,132
19.3	19.4 Commercial auto liability	67,749,535	29,992,472	32,679,705	65,062,301
21.	Auto physical damage	109,187,497	55,628,585	54,022,716	110,793,366
22.	Aircraft (all perils)				
23.	Fidelity	13,634	5,156	6,450	12,340
24.	Surety	1,374	483	538	1,319
26.	Burglary and theft	14,436	9,098	8,094	15,441
27.	Boiler and machinery	78,415	(30)	86,721	(8,337)
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	605,211,012	320,084,019	319,907,934	605,387,096
DETAILS OF WRITE-INS					
3401.					
3402.					
3403.					
3498.	Summary of remaining write-ins for Line 34 from overflow page				
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)				

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1A - RECAPITULATION OF ALL PREMIUMS

	Line of Business	1 Amount Unearned (Running One Year or Less From Date of Policy) (a)	2 Amount Unearned (Running More Than One Year From Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve For Unearned Premiums Columns 1 + 2 + 3 + 4
1.	Fire	3,019,357				3,019,357
2.	Allied lines	4,422,329				4,422,329
3.	Farmowners multiple peril					
4.	Homeowners multiple peril	71,191,402				71,191,402
5.	Commercial multiple peril	63,034,575		(328,842)		62,705,734
6.	Mortgage guaranty					
8.	Ocean marine					
9.	Inland marine	8,005,464				8,005,464
10.	Financial guaranty					
11.1	Medical professional liability - occurrence					
11.2	Medical professional liability - claims-made					
12.	Earthquake	932,687				932,687
13.	Group accident and health					
14.	Credit accident and health (group and individual)					
15.	Other accident and health					
16.	Workers' compensation	4,343,782		(117,971)		4,225,811
17.1	Other liability - occurrence	18,806,491				18,806,491
17.2	Other liability - claims-made					
17.3	Excess Workers' Compensation					
18.1	Products liability - occurrence	7,817,001				7,817,001
18.2	Products liability - claims-made					
19.1	19.2 Private passenger auto liability	51,977,436				51,977,436
19.3	19.4 Commercial auto liability	32,786,495		(106,790)		32,679,705
21.	Auto physical damage	54,022,716				54,022,716
22.	Aircraft (all perils)					
23.	Fidelity	6,450				6,450
24.	Surety	538				538
26.	Burglary and theft	8,094				8,094
27.	Boiler and machinery	86,721				86,721
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	320,461,537		(553,603)		319,907,934
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					553,603
38.	Balance (Sum of Lines 35 through 37)					320,461,537
	DETAILS OF WRITE-INS					
3401.						
3402.						
3403.						
3498.	Summary of remaining write-ins for Line 34 from overflow page					
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)					

(a) State here basis of computation used in each case: Monthly Pro-Rata Method

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

	Line of Business	1 Direct Business (a)	Reinsurance Assumed 2 From Affiliates	Reinsurance Assumed 3 From Non-Affiliates	Reinsurance Ceded 4 To Affiliates	Reinsurance Ceded 5 To Non-Affiliates	6 Net Premiums Written Columns 1+2+3-4-5
1.	Fire	6,981,979	77,248	49,195	1,016,942	752,537	5,338,943
2.	Allied lines	10,196,241	104,114	439,702	1,477,205	1,507,525	7,755,328
3.	Farmowners multiple peril						
4.	Homeowners multiple peril	165,098,607		1,299,090	24,028,539	16,219,327	126,149,831
5.	Commercial multiple peril	129,932,335	27,479,350		21,116,944	25,430,782	110,863,959
6.	Mortgage guaranty						
8.	Ocean marine						
9.	Inland marine	18,994,470	54,833		3,006,361	259,545	15,783,397
10.	Financial guaranty						
11.1	Medical professional liability - occurrence						
11.2	Medical professional liability - claims-made						
12.	Earthquake	2,204,932	1,098		326,204	167,258	1,712,568
13.	Group accident and health						
14.	Credit accident and health (group and individual)						
15.	Other accident and health						
16.	Workers' compensation	8,223,068	2,614,872	843,693	1,660,167	1,305,590	8,715,876
17.1	Other liability - occurrence	45,506,705	311,852		6,284,790	6,538,621	32,995,146
17.2	Other liability - claims-made						
17.3	Excess Workers' Compensation						
18.1	Products liability - occurrence	17,641,494	2,270,007		3,129,393	352,793	16,429,315
18.2	Products liability - claims-made						
19.1	19.2 Private passenger auto liability	123,896,511			19,508,906	1,965,845	102,421,759
19.3	19.4 Commercial auto liability	71,017,348	13,326,391	747,450	12,904,673	4,436,981	67,749,535
21.	Auto physical damage	124,608,363	5,663,946	308,113	20,797,618	595,307	109,187,497
22.	Aircraft (all perils)						
23.	Fidelity	14,922	1,599		2,597	291	13,634
24.	Surety	1,665			262	29	1,374
26.	Burglary and theft	18,590	84		2,750	1,488	14,436
27.	Boiler and machinery	398,738	6,888		14,936	312,275	78,415
28.	Credit						
29.	International						
30.	Warranty						
31.	Reinsurance-Nonproportional Assumed Property	X X X					
32.	Reinsurance-Nonproportional Assumed Liability	X X X					
33.	Reinsurance-Nonproportional Assumed Financial Lines	X X X					
34.	Aggregate write-ins for other lines of business						
35.	TOTALS	724,735,968	51,912,282	3,687,243	115,278,288	59,846,193	605,211,012
DETAILS OF WRITE-INS							
3401.							
3402.							
3403.							
3498.	Summary of remaining write-ins for Line 34 from overflow page						
3499.	TOTALS (Lines 3401 through 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 $..............0.
(2) Amount at which such installment premiums would have been reported had they been recorded on an annualized basis $..............0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

	Losses Paid Less Salvage				5	6	7	8
	1	2	3	4				
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Recovered	Net Payments (Columns 1 + 2 - 3)	Net Losses Unpaid Current Year (Part 2A, Column 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Columns 4 + 5 - 6)	Percentage of Losses Incurred (Column 7, Part 2) to Premiums Earned (Column 4, Part 1)
1. Fire	1,588,934	39,953	279,281	1,349,605	1,063,126	834,708	1,578,022	28.19
2. Allied lines	5,779,329	388,090	1,108,712	5,058,707	2,591,411	1,906,620	5,743,498	73.80
3. Farmowners multiple peril								
4. Homeowners multiple peril	114,125,561	1,012,858	19,133,311	96,005,108	31,491,354	26,788,167	100,708,295	77.52
5. Commercial multiple peril	70,754,292	11,270,171	30,561,542	51,462,921	59,310,376	55,619,618	55,153,679	51.52
6. Mortgage guaranty								
8. Ocean marine								
9. Inland marine	5,143,693		825,023	4,318,670	1,844,127	1,410,406	4,752,391	30.15
10. Financial guaranty								
11.1 Medical professional liability - occurrence								
11.2 Medical professional liability - claims-made								
12. Earthquake	1,972		316	1,657			1,657	0.09
13. Group accident and health								
14. Credit accident and health (group and individual)								
15. Other accident and health								
16. Workers' compensation	3,875,569	1,798,912	1,221,124	4,453,357	39,017,337	42,526,922	943,771	10.55
17.1 Other liability - occurrence	14,007,597	33,703	3,776,792	10,264,508	22,616,772	21,555,797	11,325,483	35.65
17.2 Other liability - claims-made								
17.3 Excess Workers' Compensation								
18.1 Products liability - occurrence	6,618,416	426,845	1,127,242	5,918,019	26,222,462	28,929,434	3,211,047	19.61
18.2 Products liability - claims made								
19.1 19.2 Private passenger auto liability	84,085,549	(10,596)	14,446,841	69,628,111	73,691,573	69,284,375	74,035,310	70.81
19.3 19.4 Commercial auto liability	29,835,006	6,981,174	6,547,659	30,268,521	69,971,126	45,371,569	54,868,078	84.33
21. Auto physical damage	77,596,779	3,457,101	13,007,965	68,045,914	7,501,986	4,510,317	71,037,583	64.12
22. Aircraft (all perils)								
23. Fidelity								
24. Surety								
26. Burglary and theft			0	0			0	0.00
27. Boiler and machinery	99,085		108,227	(9,142)	(420)	(16,800)	7,238	(86.82)
28. Credit								
29. International								
30. Warranty								
31. Reinsurance-Nonproportional Assumed Property	X X X							
32. Reinsurance-Nonproportional Assumed Liability	X X X							
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X							
34. Aggregate write-ins for other lines of business								
35. TOTALS	413,511,780	25,398,209	92,144,034	346,765,955	335,321,230	298,721,134	383,366,051	63.33
DETAILS OF WRITE-INS								
3401.								
3402.								
3403.								
3498. Summary of remaining write-ins for Line 34 from overflow page								
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)								

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

	Reported Losses				Incurred But Not Reported			8	9
Line of Business	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred But Not Reported (Columns 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded	Net Losses Unpaid (Columns 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1. Fire	646,335	3,105	103,911	545,530	798,999	4,034	285,438	1,063,126	172,225
2. Allied Lines	578,622	28,177	97,088	509,711	3,732,505	18,955	1,669,759	2,591,411	548,301
3. Farmowners multiple peril									
4. Homeowners multiple peril	18,047,368	78,331	3,275,528	14,850,172	21,307,865		4,666,682	31,491,354	8,854,399
5. Commercial multiple peril	56,911,161	9,507,699	30,553,292	35,865,569	35,437,712	5,146,711	17,139,616	59,310,376	27,136,426
6. Mortgage guaranty									
8. Ocean marine									
9. Inland marine	432,037		69,126	362,911	1,933,390	3,753	455,927	1,844,127	705,524
10. Financial guaranty									
11.1 Medical professional liability - occurrence									
11.2 Medical professional liability - claims-made									
12. Earthquake									72
13. Group accident & health								(a)	
14. Credit accident & health (group & individual)									
15. Other accident & health								(a)	
16. Workers' compensation	19,704,146	9,946,638	11,540,966	18,109,818	31,177,493	6,125,249	16,395,223	39,017,337	11,362,670
17.1 Other liability - occurrence	20,510,556	15,005	9,338,959	11,186,602	21,627,985	58,301	10,256,115	22,616,772	4,960,605
17.2 Other liability - claims-made									
17.3 Excess Workers' Compensation									
18.1 Products liability - occurrence	7,715,383	992,505	1,420,481	7,287,406	23,640,399	2,593,459	7,298,802	26,222,462	28,577,672
18.2 Products liability - claims-made									
19.1 19.2 Private passenger auto liability	64,721,715		14,329,144	50,392,571	28,772,652		5,473,649	73,691,573	15,220,922
19.3 19.4 Commercial auto liability	40,308,732	15,225,597	12,600,319	42,934,010	25,585,402	5,512,004	4,060,290	69,971,126	15,692,976
21. Auto physical damage	5,452,643	477,944	967,164	4,963,423	3,166,248	187,531	815,216	7,501,986	2,483,068
22. Aircraft (all perils)									
23. Fidelity									6
24. Surety									
26. Burglary and theft									
27. Boiler and machinery			420	(420)				(420)	847
28. Credit									
29. International									
30. Warranty									
31. Reinsurance-Nonproportional Assumed Property	XXX				XXX				
32. Reinsurance-Nonproportional Assumed Liability	XXX				XXX				
33. Reinsurance-Nonproportional Assumed Financial Lines	XXX				XXX				
34. Aggregate write-ins for other lines of business									
35. TOTALS	235,028,698	36,275,001	84,296,398	187,007,301	197,180,650	19,649,997	68,516,718	335,321,230	115,715,713
DETAILS OF WRITE-INS									
3401.									
3402.									
3403.									
3498. Summary of remaining write-ins for Line 34 from overflow page									
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)									

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

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	42,351,171			42,351,171
1.2 Reinsurance assumed	3,784,120			3,784,120
1.3 Reinsurance ceded	9,391,449			9,391,449
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	36,743,841			36,743,841
2. Commission and brokerage:				
2.1 Direct, excluding contingent		104,552,791		104,552,791
2.2 Reinsurance assumed, excluding contingent		7,564,444		7,564,444
2.3 Reinsurance ceded, excluding contingent		21,261,235		21,261,235
2.4 Contingent - direct		10,350,078		10,350,078
2.5 Contingent - reinsurance assumed		742,388		742,388
2.6 Contingent - reinsurance ceded		2,461,323		2,461,323
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)		99,487,143		99,487,143
3. Allowances to manager and agents		406,335		406,335
4. Advertising		195,911		195,911
5. Boards, bureaus and associations	141,744	3,990,179		4,131,923
6. Surveys and underwriting reports		4,384,517		4,384,517
7. Audit of assureds' records		249,568		249,568
8. Salary and related items:				
8.1 Salaries	11,370,578	29,206,188	1,024,580	41,601,346
8.2 Payroll taxes	845,737	2,025,677	67,995	2,939,410
9. Employee relations and welfare	2,887,297	8,348,419	333,681	11,569,397
10. Insurance		754,108		754,108
11. Directors' fees	54,501	140,383	5,120	200,004
12. Travel and travel items	499,960	4,980,859	51,540	5,532,359
13. Rent and rent items	546,433	2,266,248	430,800	3,243,481
14. Equipment	716,117	5,614,372	109,518	6,440,007
15. Cost or depreciation of EDP equipment and software	434,773	1,120,265	40,840	1,595,879
16. Printing and stationery	30,883	284,852	83,980	399,715
17. Postage, telephone and telegraph, exchange and express	797,479	2,129,290	63,780	2,990,549
18. Legal and auditing	450,779	1,157,931	2,767,028	4,375,739
19. TOTALS (Lines 3 to 18)	18,776,281	67,255,103	4,978,863	91,010,248
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of $..............0		15,152,958		15,152,958
20.2 Insurance department licenses and fees		587,101		587,101
20.3 Gross guaranty association assessments		50,559		50,559
20.4 All other (excluding federal and foreign income and real estate)		14,173		14,173
20.5 TOTAL taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		15,804,790		15,804,790
21. Real estate expenses			1,192,885	1,192,885
22. Real estate taxes			426,973	426,973
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses	158,850	1,367,530	4,558	1,530,938
25. TOTAL expenses incurred	55,678,973	183,914,566	6,603,279	(a) 246,196,818
26. Less unpaid expenses - current year	115,715,713	33,186,824	426,553	149,329,090
27. Add unpaid expenses - prior year	105,564,982	54,149,150	428,967	160,143,099
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)	45,528,242	204,876,891	6,605,693	257,010,826
DETAILS OF WRITE-INS				
2401. Miscellaneous Expenses	158,850	1,032,524	4,558	1,195,932
2402. Donations		335,006		335,006
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page				
2499. TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above)	158,850	1,367,530	4,558	1,530,938

(a) Includes management fees of $..............0 to affiliates and $..............0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds	(a) 310,776	412,120
1.1	Bonds exempt from U.S. tax	(a) 4,845,335	3,893,844
1.2	Other bonds (unaffiliated)	(a) 23,250,385	24,680,656
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)	10,113,282	10,054,309
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d) 2,626,862	2,626,862
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) 369,019	369,019
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income	1,173,687	1,173,687
10.	TOTAL gross investment income	42,689,346	43,210,496
11.	Investment expenses		(g) 5,715,691
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 426,973
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i) 1,669,479
15.	Aggregate write-ins for deductions from investment income		
16.	TOTAL Deductions (Lines 11 through 15)		7,812,143
17.	Net Investment income (Line 10 minus Line 16)		35,398,353
DETAILS OF WRITE-INS			
0901.	MISC INTEREST RECD	1,173,687	1,173,687
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page		
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)	1,173,687	1,173,687
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above)		

(a) Includes $.........561,409 accrual of discount less $.......1,695,764 amortization of premium and less $.........983,426 paid for accrued interest on purchases.
(b) Includes $..............0 accrual of discount less $..............0 amortization of premium and less $..............0 paid for accrued dividends on purchases.
(c) Includes $..............0 accrual of discount less $..............0 amortization of premium and less $..............0 paid for accrued interest on purchases.
(d) Includes $..............0 for company's occupancy of its own buildings; and excludes $..............0 interest on encumbrances.
(e) Includes $.........138,239 accrual of discount less $.............295 amortization of premium and less $..............0 paid for accrued interest on purchases.
(f) Includes $..............0 accrual of discount less $..............0 amortization of premium.
(g) Includes $..............0 investment expenses and $..............0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes $..............0 interest on surplus notes and $..............0 interest on capital notes.
(i) Includes $.......1,669,479 depreciation on real estate and $..............0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds					
1.1	Bonds exempt from U.S. tax	249,529		249,529		
1.2	Other bonds (unaffiliated)	(89,014)		(89,014)	(97,107)	
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)				50,562	
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)	13,125,350	(418,122)	12,707,229	61,897,603	788,678
2.21	Common stocks of affiliates				3,085,438	
3.	Mortgage loans					
4.	Real estate	(68,980)		(68,980)		
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments	6,519	(2,044)	4,475	(738)	
7.	Derivative instruments					
8.	Other invested assets					
9.	Aggregate write-ins for capital gains (losses)					
10.	TOTAL Capital gains (losses)	13,223,404	(420,166)	12,803,238	64,935,758	788,678
DETAILS OF WRITE-INS						
0901.						
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)					

EXHIBIT OF NONADMITTED ASSETS

		1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1.	Bonds (Schedule D)			
2.	Stocks (Schedule D):			
	2.1 Preferred stocks			
	2.2 Common stocks	2,142,563	2,059,107	(83,456)
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	563,656	273,650	(290,006)
	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)	2,706,219	2,332,756	(373,462)
13.	Title plants (for Title insurers only)			
14.	Investment income due and accrued			
15.	Premium and considerations:			
	15.1 Uncollected premiums and agents' balances in the course of collection	336,943	331,452	(5,490)
	15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	55,360	49,179	(6,181)
	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		12,472,908	12,472,908
19.	Guaranty funds receivable or on deposit			
20.	Electronic data processing equipment and software	13,448,765	9,712,579	(3,736,186)
21.	Furniture and equipment, including health care delivery assets	2,410,064	1,983,574	(426,490)
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	2,811	12,251	9,440
26.	TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	18,960,161	26,894,700	7,934,539
27.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28.	TOTAL (Lines 26 and 27)	18,960,161	26,894,700	7,934,539
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198.	Summary of remaining write-ins for Line 11 from overflow page			
1199.	TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501.	PREPAID PENSION BENEFIT COSTS			
2502.	OVERFUNDED PENSION ASSETS			
2503.	EQUITIES & DEPOSITS IN POOLS & ASSOCIATIONS			
2598.	Summary of remaining write-ins for Line 25 from overflow page	2,811	12,251	9,440
2599.	TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	2,811	12,251	9,440

Notes to Financial Statements

1. Summary of Significant Accounting Policies

A. Accounting Practices

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

The Ohio Insurance Department recognizes only statutory accounting practices prescribed or permitted by the State of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for determining solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual - Version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Ohio. The Commissioner of Insurance has the right to permit specific practices that deviate from prescribed practices.

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

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

C. Accounting Policy

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 insurance 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, Central Mutual Insurance Company uses the following accounting policies:

(1) Short-term investments are stated at amortized cost.
(2) Bonds, mandatory convertible securities and SVO-Identified investments identified in SSAP No. 26R are stated at amortized cost using the interest method.
(3) Common stocks are stated at market value except investments in stocks of uncombined subsidiaries and affiliates in which Central Mutual Insurance Company has an interest of 20% or more are carried on the equity basis.
(4) Preferred stocks are stated at market value except qualified sinking fund preferreds which are stated at amortized cost.
(5) Central Mutual Insurance Company has no mortgage loans on real estate.
(6) Loan-backed securities are stated at amortized cost. Prepayment assumptions for loan-backed bonds and structured securities are obtained from dealer surveys. These assumptions are consistent with the current interest rate and economic environment. The prospective adjustment method is used to value these securities.
(7) Central Mutual Insurance Company owns 100% of the common stock of All America Insurance Company, a property and casualty insurance company. Central Mutual Insurance Company owns 100% of Security Central, a holding company. Stocks held in all subsidiaries are carried at their Admitted Asset Equivalent.
(8) Central Mutual Insurance Company has minor ownership interest in a limited liability company. The company carries this interest based upon the underlying audited GAAP equity of the investee.
(9) Central Mutual Insurance Company’s derivatives are carried at fair market value (marked-to-market monthly) on Schedule DB. An unrealized gain or loss is incurred monthly as a result. Derivatives in which the positions are closed (expire, purchased, or exercised) incur a realized gain or loss.
(10) Central Mutual Insurance Company anticipates 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 for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
(12) The Company did change its capitalization policy in 2016 to increase the threshold for internally developed software from $10,000 to $50,000 in the interest of saving time spent tracking projects that fall below that new threshold.
(13) Central Mutual Insurance Company has no pharmaceutical rebate receivables.

D. Going Concern

(1) a. No principal conditions or events have occurred to raise substantial doubt about Central Mutual’s ability to continue as a going concern.
    b. N/A
    c. N/A
(2) N/A
(3) N/A
(4) N/A

Notes to Financial Statements

2. **Accounting Changes and Correction of Errors**
   Changes in accounting principle and/or correction of errors – NONE

3. **Business Combinations and Goodwill**
   Central Mutual Insurance Company has not purchased or merged with another entity during the prior two years. No goodwill is recorded in the company's assets.

4. **Discontinued Operations**
   A. Discontinued Operation of or Classified as Held for Sale – NONE
   B. Change in Plan of Sale of Discontinued Operation – NONE
   C. Nature of Any Significant Continuing Involvement with Discontinued Operations After Disposal – NONE
   D. Equity Interest Retained in the Discontinued Operation After Disposal - NONE

5. **Investments**
   A. Mortgage Loans, including Mezzanine Real Estate Loans - NONE
   B. Debt Restructuring - NONE
   C. Reverse Mortgages - NONE
   D. Loan-Backed Securities:
      1. Prepayment assumptions for loan-backed securities and structured securities were obtained from the amortization schedule contained in the official statement. These are based on scheduled loan payments.
      2. NONE
      3. NONE
      4. All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss:
         a. The aggregate amount of unrealized losses:
            1. Less than 12 months $0
            2. 12 Months or Longer $0
         b. The aggregate related fair values of securities with unrealized losses:
            1. Less than 12 months $0
            2. 12 Months or Longer $0
      5. The security does not meet the criteria per the Company's OTTI procedure to be classified as "other than temporarily impaired".
   E. Dollar Repurchase Agreements and/or Securities Lending Transactions – NONE
   F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - NONE
   G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - NONE
   H. Repurchase Agreements Transactions Accounted for as a Sale - NONE
   I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - NONE
   J. Real Estate – NO TRANSACTIONS TO REPORT
   K. Investments in low-income housing tax credits (LIHTC) – NONE
   L. Restricted Assets:

1 Restricted Assets (including Pledged)			1	2	3	4	5	6	7	8	9	10
			Total General Account	G/A Supporting Protected Cell Acct (a)	Total Protected Cell Account	Protected Cell Account (b)	Total (Col. 1+ Col. 3)	Total From Prior Year	Increase/(Decrease) (Col. 5 - Col. 6)	Total Current Year Admitt Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
	J.	On deposit with states	6,509,198				6,509,198	6,537,575	(28,377)	6,509,198	0.4	0.4

   M. Working Capital Finance Investments - NONE
   N. Offsetting and Netting of Assets and Liabilities - NONE
   O. 5GI Securities – NONE
   P. Short Sales - NONE
   Q. Prepayment Penalty and Acceleration Fees - NONE

6. **Joint Ventures, Partnerships and Limited Liability Companies**
   A. Central Mutual Insurance Company has no investments in Joint Ventures, Partnerships or Limited Liability companies that exceed 10% of admitted assets.
   B. TrustedChoice.com/Consumer Agent Portal (CAP) is an LLC formed through an alliance of the IIABA, Trusted Choice, state associations, and insurance carriers, of which Central Mutual Insurance Company is one. The investment is carried on Schedule BA, Other Invested Assets, and valued at book value per CAP financial statements. Due to initial start-up costs, as well as investments in infrastructure and other project costs, the value of the investment has met the criteria of the Company's OTTI procedure, and has subsequently been written down entirely. The current statement value of the investment is zero ($0). Central Mutual Insurance Company has invested $6.607 million in Project CAP since its inception, which has been written down in full. No additional write downs were taken in 2019.

7. **Investment Income**
   A. Due and accrued income was excluded from surplus on the following bases:
      All income due and accrued with amounts that are over 90 days past due with the exception of mortgage loans in default.
   B. No amount was excluded.

Notes to Financial Statements

8. Derivative Instruments

A. Derivatives under *SSAP No. 86 – Derivatives*:
Central Mutual Insurance Company had no such derivative transactions in 2019.

B. Derivatives under *SSAP No. 108 – Derivative Hedging Variable Annuity Guarantees*
Central Mutual Insurance Company had no such derivative transactions in 2019.

9. Income Taxes

Notes to Financial Statements

CENTRAL MUTUAL INSURANCE COMPANY
Income Tax Disclosures Required under SSAP 101
AS OF DECEMBER 31, 2019

Note 9 - Income Taxes

A. Deferred Tax Asset/Liability

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

	December 31, 2019			December 31, 2018			Change		
	1	2	3	1	2	3	7	8	9
	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 7+8) Total
(a) Gross deferred tax assets	37,569,990	1,387,507	38,957,497	36,869,627	1,387,550	38,257,177	700,363	(43)	700,320
(b) Statutory valuation allowance adjustments	0	0	0	0	0	0	0	0	0
(c) Adjusted gross deferred tax assets (a1 - 1b)	37,569,990	1,387,507	38,957,497	36,869,627	1,387,550	38,257,177	700,363	(43)	700,320
(d) Deferred Tax Assets Nonadmitted	0	0	0	12,472,908	0	12,472,908	(12,472,908)	0	(12,472,908)
(e) Subtotal Net Admitted Defered Tax Asset (1c - 1d)	37,569,990	1,387,507	38,957,497	24,396,719	1,387,550	25,784,269	13,173,271	(43)	13,173,228
(f) Deferred Tax Liabilities	2,221,260	16,424,741	18,646,001	2,387,151	3,314,450	5,701,601	(165,890)	13,110,290	12,944,400
(g) Net admitted deferred tax asset/(Net Deferred Tax Liability) (1e - 1f)	35,348,730	(15,037,233)	20,311,496	22,009,568	(1,926,900)	20,082,668	13,339,161	(13,110,333)	228,828

2. Admission Calculation Components

	December 31, 2019			December 31, 2018			Change		
	1	2	3	1	2	3	7	8	9
	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 7+8) Total
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	7,952,020	0	7,952,020	8,934,184	0	8,934,184	(982,164)	0	(982,164)
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding The Amount of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	12,472,638	0	12,472,638	10,990,984	157,500	11,148,484	1,481,654	(157,500)	1,324,154
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	12,472,638	0	12,472,638	10,990,984	157,500	11,148,484	1,481,654	(157,500)	1,324,154
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	126,020,886	XXX	XXX	117,735,219	XXX	XXX	8,285,667
(c) Adjusted Gross Deferred Tax Assets (Excluding the Amount of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	17,258,494	1,387,507	18,646,001	4,471,551	1,230,050	5,701,601	12,786,943	157,457	12,944,400
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No. 101 Total (2(a) + 2(b) +	37,683,152	1,387,507	39,070,659	24,396,719	1,387,550	25,784,269	13,286,433	(43)	13,286,390

3. Other Admissibility Criteria

	2019	2018
(a) Ratio Percentage Used to Determine Recovery Periodand Threshold Limitation Amount	895%	1067%
(b) Amount of Adjusted Capital and Surplus Used to DetermineRecovery Period and Threshold Limitation in 2(b)2 Above	874,407,271	784,901,457

4. Impact of Tax Planning Strategies

	December 31, 2019			December 31, 2018			Change		
	1	2	3	1	2	3	7	8	9
	Ordinary	Capital	(Col 1+2) Total	Ordinary	Capital	(Col 1+2) Total	(Col 1 & 4) Ordinary	(Col 2 & 5) Capital	(Col 7+8) Total
Impact of Tax Planning Strategies									
(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	0.0%	3.6%	3.6%	0.0%	3.6%	3.6%	0.0%	-0.1%	-0.1%
(b) Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross	0.0%	6.8%	6.8%	0.0%	6.9%	6.9%	0.0%	-0.1%	-0.1%

(c) Does the Company's tax-planning strategies include the use of reinsurance Yes [ ] No [X]

B. Unrecognized DTLs

Not applicable

Notes to Financial Statements

CENTRAL MUTUAL INSURANCE COMPANY

Income Tax Disclosures Required under SSAP 101

AS OF DECEMBER 31, 2019

Note 9 - Income Taxes (continued)

C. Current Tax and Change in Deferred Tax

1. Current income tax

	2019	2018	Change
(a) Federal	2,514,962	1,050,567	1,464,395
(b) Foreign	19,463	19,463	0
(c) Subtotal	2,534,425	1,070,030	1,464,395
(d) Federal income tax on net capital gains	2,909,403	16,183,823	(13,274,420)
(e) Utilization of capital loss carryforward	0	0	0
(f) Other	(571,227)	(19,037,231)	18,466,005
Federal and foreign income taxes incurred	4,872,601	(1,783,378)	6,655,979

2. Deferred income tax

	2019	2018	Change
(a) Ordinary:			
(1) Discounting of unpaid losses	6,316,157	6,190,958	125,199
(2) Unearned premium reserve	13,664,513	13,685,637	(21,124)
(3) Non-Qualifying Pension	2,692,654	2,519,566	173,088
(4) SPP Equalization Plan	1,016,454	925,106	91,348
(5) Post Retirement Expenses	5,171,866	8,874,828	(3,702,962)
(6) Charitable Contribution Deduction Carryforward	0	0	0
(7)			
(8) Pension Accrual	5,258,030	2,308,952	2,949,078
(9) Net operating loss carry-forward	0	0	0
(10) Tax credit carry-forward			0
(11) Other (including items <5% of total ordinary tax assets)			0
(12) Other assets – nonadmitted	3,396,779	2,266,287	1,130,492
(13) Tax/Book depreciation	53,536	98,293	(44,757)
(99) Subtotal	37,569,989	36,869,627	700,362
(b) Statutory valuation allowance adjustment			0
(c) Nonadmitted	0	12,472,908	(12,472,908)
(d) Admitted ordinary deferred tax assets (2a99-2b-2c)	37,569,989	24,396,719	13,173,270
(e) Capital			
(1) Investments - Other than temporary impairments (OTTI)	1,387,507	1,387,550	(43)
(2) Net capital loss carry-forward			0
(3) Real estate			0
(4) Other (including items <5% of total capital tax assets)			0
(99) Subtotal	1,387,507	1,387,550	(43)
(f) Statutory valuation allowance adjustment			0
(g) Nonadmitted			0
(h) Admitted capital deferred tax assets (2e99-2f-2g)	1,387,507	1,387,550	(43)
(i) Admitted deferred tax assets (2d+2h)	38,957,496	25,784,269	13,173,227

3. Deferred tax liabilities:

	2019	2018	Change
(a) Ordinary:			
(1) Employee Benefit Trust Fund	0	0	0
(2) Discount on Salvage and Subrogation	215,183	213,021	2,162
(3) Tax/Book Depreciaiton	0	0	0
(4)			0
(5)			0
(6) Transition adjustment for LRD	2,006,078	1,477,900	528,178
(99) Subtotal	2,221,261	1,690,921	530,340
(b) Capital			
(1) Investments - Unrealized capital gains - net	16,424,741	3,314,450	13,110,291
(2)			0
(3)			0
(99) Subtotal	16,424,741	3,314,450	13,110,291
(c) Deferred tax liabilities (3a99+3b99)	18,646,002	5,005,371	13,640,631

	2019	2018	Change
4. Net deferred tax assets/liabilities (2i-3c)	20,311,494	20,778,898	(467,403)

Notes to Financial Statements

CENTRAL MUTUAL INSURANCE COMPANY
Income Tax Disclosures Required under SSAP 101
AS OF DECEMBER 31, 2019

Note 9 - Income Taxes (continued)

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

The significant items causing a difference between the statutory federal income tax rate and Central Mutual's effective income tax rate are as follows:

	2019	Effective Tax Rate
Provision computed at statutory rate	6,737,574	21.0%
Change in nonadmitted assets	(1,130,493)	-3.5%
Tax exempt income deduction	(1,015,180)	-3.2%
Proration of tax exempt investment income	515,058	1.6%
Disallowed other permanent non-deductible items	323,352	1.0%
Dividends received deduction	(1,045,051)	-3.3%
Change in deferred tax on pension plan & post retirement expenses	223,038	
Change in statutory valuation allowance		
AMT Credit Utilized	0	0.0%
Prior year - over under accrual	**94,324**	0.3%
Totals	4,702,622	14.0%
Federal and foreign income taxes incurred	4,872,601	15.2%
Change in net deferred income taxes	(169,979)	-0.5%
	4,702,622	14.7%

Notes to Financial Statements

CENTRAL MUTUAL INSURANCE COMPANY
Income Tax Disclosures Required under SSAP 101
AS OF DECEMBER 31, 2019

Note 9 - Income Taxes (continued)

E. Operating Loss and Tax Credit Carryforwards

(1) At December 31, 2019, the Company had no unused operating loss carryforwards available to offset against future taxable income.

(2) The following is income tax expense for 2019 and 2018 that is available for recoupment in the event of future net losses:

Year	Amount
2019	$904,902
2018	$6,359,917

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

F. Consolidated Federal Income Tax Return

(1) The Company's federal income tax return is consolidated with the following entities:

All America Insurance Company
CAFCO, Inc.
Central Insurex Agency
Security Central

(2) The method of allocation among companies is subject to a written agreement, approved by the Board of Directors. It is agreed among the companies that the tax liability of the subsidiaries shall be determined as if each was filing an individual tax return and the amount of tax so determined, if any, shall be paid to Central Mutual Insurance Company, which, in turn, shall be responsible for payment of the total tax liability calculated in the consolidated return. In the event the subsidiary produces a tax loss, which is utilized by Central Mutual in the consolidated return to reduce its tax liability, Central Mutual shall pay to the subsidiary the tax cash benefit so utilized in the consolidated tax return.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

H. Repatriation Transition Tax (RTT)
N/A

I. Alternative Minimum Tax (AMT) Credit

		Amount
(1) Gross AMT Credit Recognized as:		
	a. Credit year Recoverable	$0
	b. Deferred Tax Asset	$0
(2) Beginning Balance of AMT Credit Carryforward		$0
(3) Amounts Revocered		$0
(4) Adjustments		$0
(5) Ending Balance of AMT Credit Carryforward (5=2-3-4)		$0
(6) Reduction for Sequestration		$0
(7) Nonadmitted by Reporting Entity		$0
(8) Reporting Entity Ending Balance (8=5-6-7)		$0

Notes to Financial Statements

10. Information Concerning Parent, Subsidiaries and Affiliates

A., B, & C. There were no transactions with affiliated companies other than reinsurance transactions and cost allocation transactions that are based on generally accepted accounting principles.

D. At December 31, 2019, Central Mutual Insurance Company reported $4,149,181 as amounts payable to its subsidiary All America Insurance Company. The terms of the settlement require that these amounts be settled within 30 days.

E. No guarantees or undertakings have been taken for the benefit of an affiliate or related party that result in a material contingent exposure for Central Mutual Insurance Company.

F. Central Mutual Insurance Company has an intercompany pooling agreement with its subsidiary All America Insurance Company whereby premiums, losses, underwriting and claims expenses are shared 84%/16% respectively in accordance with the pooling arrangement between the two entities. Investment expenses are allocated based on number of securities held in each company.

G. Central Mutual Insurance Company owns 100% of the shares of All America Insurance Company which is domiciled in the State of Ohio.

H. Central Mutual Insurance Company owns no shares of an upstream company.

I. Central Mutual Insurance Company has no Subsidiary, Controlled or Affiliate companies whose carrying value is equal to or exceeds 10% of admitted assets.

J. Central Mutual Insurance Company did not recognize any impairment write down for its investments in Subsidiary, Controlled or Affiliated companies during the statement period.

K. Central Mutual Insurance Company has no investment in foreign insurance subsidiaries.

L. Central Mutual Insurance Company does not utilize the look-through approach for the valuation of downstream non-insurance entities. Such entities are non-admitted assets.

M. Central Mutual Insurance Company does not have any non-insurance Subsidiary, Controlled or Affiliate companies.

N. Audited statutory equity of investments in insurance Subsidiary, Controlled or Affiliated companies does reflect NAIC statutory accounting practices and procedures.

O. Central Mutual Insurance Company does not have any losses in an SCA that exceed it investment.

11. Debt

Central Mutual Insurance Company has no debt obligations.

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

A. Defined Benefit Plan

Qualified Pension Plan - Central Mutual Insurance Company sponsors a non-contributory defined benefit pension plan covering substantially all of its employees. A net periodic pension benefit cost of $2,527,837 was recognized in 2019. The Company made no additional voluntary cash contributions to the plan in 2019.

The mortality assumption tables were updated to Pri-2012 White Collar Employee mortality projected with Scale MP-2019 for pre-retirement and to Pri-2012 White Collar Nondisabled Annuitant/Contingent Survivor mortality projected with Scale MP-2019 for post-retirement. The discount rate was decreased from 4.25% to 3.55% based upon the BPS&M Pension Discount curve study as of 12/31/2019.

The Company also sponsors a post-retirement medical plan. A net periodic benefit cost of $3,829,003 was recognized in 2019 for this plan.

A summary of assets, obligations and assumptions of the Pension and Other Postretirement Benefit Plans are as follows at December 31, 2019 and 2018 and were estimated by measuring employee data as of December 31 and October 1, respectively.

(1) Change in benefit obligation				
a. Pension Benefits	Overfunded		Underfunded	
	2018	2019	2018	2019
1. Benefit obligation at beginning of year	$ -	$ -	$ 174,238,383	$ 168,847,735
2. Service cost	-	-	6,717,369	6,447,591
3. Interest cost	-	-	6,873,433	7,065,857
4. Contribution by plan participants	-	-	-	-
5. Actuarial gain (loss)	-	-	9,507,649	(29,060,699)
6. Foreign currency exchange rate changes	-	-	-	-
7. Benefits paid	-	-	(4,867,469)	(5,220,326)
8. Plan amendments	-	-	-	-
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	(4,606,332)	-
10 Benefit obligation at end of year	$ -	$ -	$ 168,847,735	$ 206,201,556

Notes to Financial Statements

b. Postretirement Benefits	Overfunded		Underfunded	
	2018	2019	2018	2019
1. Benefit obligation at beginning of year	$ -	$ -	$ 67,280,442	$ 63,072,612
2. Service cost	-	-	855,261	712,335
3. Interest cost	-	-	2,653,771	2,633,445
4. Contribution by plan participants	-	-	-	-
5. Actuarial gain (loss)	-	-	5,786,237	15,834,147
6. Foreign currency exchange rate changes	-	-	-	-
7. Benefits paid	-	-	(1,930,625)	(2,295,342)
8. Plan amendments	-	-	-	-
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-		
10 Benefit obligation at end of year	$ -	$ -	$ 63,072,612	$ 48,288,903

c. Special or Contractual Benefits per SSAP No. 11 – NOT APPLICABLE

(2) Change in plan assets	Pension Benefits		Postretirment Benefits		Special or Contractual Benefits per SSAP No. 11	
	2018	2019	2018	2019	2018	2019
a. Fair value of plan assets at beginning of y	$135,833,583	$157,852,727	$ 18,759,013	$ 18,336,626	$ -	$ -
b. Actual return on plan assets	(6,507,055)	28,530,919	(1,257,154)	629,938	-	-
c. Foreign currency exchange rate changes	-	-	-	-	-	-
d. Reporting entity contribution	38,000,000	-	2,765,392	4,514,846	-	-
e. Plan participants' contributions	-	-	-	-	-	-
f. Benefits paid	(4,867,469)	(5,220,326)	(1,930,625)	(2,295,342)	-	-
g. Business combinations, divestitures and settlements	(4,606,332)	-	-	-	-	-
h. Fair value of plan assets at end of year	$157,852,727	$181,163,320	$ 18,336,626	$ 21,186,068	$ -	$ -

(3) Funded Status		Pension Benefits		Postretirement Benefits	
Overfunded:		2018	2019	2018	2019
a. Assets (non-admitted in 2012)					
1. Prepaid benefit cost	$	35,642,559	33,114,722	-	-
2. Overfunded plan assets	$	(35,642,559)	(33,114,722)	-	-
3. Total assets (non-admitted in 2012)	$	-	-	-	-
Underfunded:					
b. Liabilities recognized					
1. Accrued benefit cost	$	-	-	-	-
2. Liability for pension benefits	$	(10,995,008)	(25,038,236)	(44,735,986)	(27,102,835)
3. Total liabilities recognized	$	(10,995,008)	(25,038,236)	(44,735,986)	(27,102,835)
c. Unrecognized liabilities	$	(46,637,567)	(58,152,958)	(5,704,742)	11,242,566

Notes to Financial Statements

(4) Components of net periodic benefit cost

			Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
			2018	2019	2018	2019	2018	2019
a.	Service cost	$	6,717,369	6,447,591	855,261	712,335	-	-
b.	Interest cost		6,873,433	7,065,857	2,653,771	2,633,445	-	-
c.	Expected return on		(11,343,820)	(13,199,361)	(1,500,721)	(1,460,308)	-	-
d.	Transition asset or obligation		-	-	4,531,848	4,531,848	-	-
e.	Gains and losses		1,700,938	2,213,750	2,691,624	2,006,972	-	-
f	Prior service cost or credit		-	-	(4,595,288)	(4,595,289)	-	-
g.	Gain or loss recognized due to a settlement or curtailment or measurement date adjustment		-	-	-	-	-	-
h.	Total net periodic benefit cost	$	3,947,920	2,527,837	4,636,495	3,829,003	-	-

(5) Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost

			Pension Benefits		Postretirement Benefits	
			2018	2019	2018	2019
a.	Items not yet recognized as a component of net periodic cost - prior year	$	39,995,279	46,637,567	11,361,288	5,704,742
b.	Net transition asset or obligation recognized		(1,700,938)	(2,213,750)	(2,628,184)	(1,943,531)
c.	Net prior service cost or credit arising during the period		-	-	-	-
d.	Net prior service cost or credit recognized					
e.	Net gain and loss arising during the period		8,343,226	13,729,141	(3,028,362)	(15,003,777)
f.	Net gain and loss recognized		-	-	-	-
	Adjustment to net (gain) loss		-	-	-	-
g.	Items not yet recognized as a component of net periodic cost - current year	$	46,637,567	58,152,958	5,704,742	(11,242,566)

(6) Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit cost

		Pension Benefits		Postretirement Benfits	
		2019	2020	2019	2020
a.	Net transition asset or oblitation	-	-	4,531,848	-
b.	Net prior service cost or credit	-	-	(4,595,289)	(2,305,767)
c.	Net recognized gains and losses	2,213,750	2,747,643	2,006,972	210

(7) Weighted-average assumptions used to determine net periodic benefit cost as of December 31:

	2019	2018	2019	2018
(a) Weighted-average discount rate	4.25%	4.00%	4.25%	4.00%
(b) Expected long-term rate of return on plan Assets	8.00%	8.00%	8.00%	8.00%
(c) Rate of compensation increase	5.50%	5.50%	N/A	N/A

Weighted-average assumptions used to determine projected benefit obligations as of December 31:

(d) Weighed-average discount rate	3.55%	4.25%	3.55%	4.25%
(e) Rate of compensation increase	5.50% of base plus 27.3% for bonuses	5.50% of base plus 27.3% for bonuses	N/A	N/A

For measurement purposes, an 7.50% annual rate of increase in the per capita cost of covered health care

Notes to Financial Statements

benefits was assumed for 2019. The rate was assumed to decrease gradually based upon the SOA-Getzen Model.

(8) The amount of the accumulated benefit obligation for defined benefit pension plans was $156,201,060 as of December 31, 2019 and $130,836,092 as of December 31, 2018.

(9) Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage-point change in assumed health care cost trend rates would have the following effects:

	1 Percentage Point Increase	1 Percentage Point Decrease
(a) Effect on total of service and interest rate components	$ 579,892	$ (466,890)
(b) Effect on postretirement benefit obligation	$ 7,768,414	$ (6,282,127)

(10) The benefits expected to be paid in each of the next five fiscal years related to the defined benefit pension plan are as follows:

2020	$5,676,287
2021	$6,140,402
2022	$6,565,633
2023	$7,003,175
2024	$7,422,498

The aggregate for five fiscal years thereafter are estimated to be: $43,753,667.

The net benefits expected to be paid in each of the next five fiscal years related to the postretirement plan are as follows:

2020	$1,804,205
2021	$1,886,371
2022	$1,936,708
2023	$1,986,099
2024	$2,038,115

The aggregate for five fiscal years thereafter are estimated to be: $11,145,723.

(11) The Company does not have any regulatory contribution requirements for 2019, and the Company does not intend to make any voluntary contributions to the defined benefit pension plan. The Company expects to contribute approximately $1,800,000 to the postretirement plan in 2020.

(12) There are no securities of the employer or related parties included in plan assets. There are no future annual benefits of plan participants covered by insurance contracts issued by the employer or related parties. There were no significant transactions between the employer or related parties and the plan during the period.

(13) There were no alternative methods used to amortize prior service amounts or unrecognized net gains and losses.

(14) There were no substantive commitments used as the basis for accounting for the benefit obligation.

(15) There were no costs of providing special or contractual termination benefits during the period.

(16) There were no significant changes in the benefit obligation or plan assets that are not otherwise apparent in the previous disclosures.

(17)		Pension Benefits 2019	Postretirement Benfits 2019
Accumulated Benefit Obligation	$	156,201,060	-
Projected Benefit Obligation		206,201,556	48,288,903
Fair Value of Plan Assets		181,163,320	21,186,068
Funded Status - (under)/over		(25,038,236)	(27,102,835)

(18) Not applicable

<u>Non-Qualified Pension Plan</u> - Central Mutual Insurance Company also has a non-qualified pension plan to pay benefits to certain employees whose pension benefits under the qualified plan are limited by Sections 415 and 401(a)(17) of the Internal Revenue Code. The non-qualified plan is unfunded and will pay the difference of (1) the benefit determined by the qualified plan formula with no IRC limits applied less (2) the benefit determined by the qualified plan formula after the IRC limits are applied. Central Mutual's share of this liability as of December 31, 2019 is $10,770,616.

B. The Plan’s investment consultant and Investment Policy Statement (IPS) assist the Company in establishing guidelines for managing the Plan investments and to provide a framework for making consistent investment decisions in accordance with the stated objectives, risk tolerance, liability assumptions and time horizon of the Plan. In establishing risk tolerance, the ability to withstand short and intermediate term variability was considered, leading the Company to conclude that risk tolerance is balanced to moderate. The Company desires a portfolio that is balanced between lower risk investments with lower potential returns and more volatile investments with higher potential returns.

Consistent with the above considerations, the Company desires a portfolio with a target asset allocation of 45% in fixed income type assets with a permissible range of 40%-50%, and 55% in equity type assets, with a permissible range of 50%-60%. Both

Notes to Financial Statements

historical and 10-year projected return expectations for a portfolio constructed in such a manner are reviewed on a periodic basis. On a monthly basis (or more frequently if requested by the Company), the Investment Consultant will recommend whether rebalancing is appropriate based on the Plan's allocation targets and permissible ranges. Changes to the strategic allocation target specified beyond the minimum and maximum allowable thresholds noted will warrant a new IPS. As of 12/31/19, the actual asset allocations of the Plan were 42.5% in fixed income type investments and 57.5% in equity type investments.

Fixed Income type assets may include, but are not limited to, individual bond securities, whether or not managed by an Investment Manager, bond mutual funds or exchange traded funds, and cash.

Equity type assets may include, but are not limited to, domestic and foreign individual stock securities, whether or not managed by an Investment Manager, and domestic and foreign stock mutual or exchange traded funds.

C. (1) Fair Value Measurements of Plan Assets at Reporting Date

Description of each class of plan assets	(Level 1)	(Level 2)	(Level 3)	Total
Equity Securities (Mutual Funds)	$181,163,320			$181,163,320
Total Plan Assets	$181,163,320			$181,163,320

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

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

Description for each class of plan assets	Beginning Balance at 01/01/2019	Transfers into Level 3	Transfers out of Level 3	Return on Assets Still Held	Return on Assets Sold	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2019
N/A										
Total Plan Assets										

D. An optimization analysis is utilized in order to review asset allocation guidelines consistent with expected long-term rate of return, liability duration, and spending policy/requirements. Various sources and third parties are considered in order to leverage optimization programs for the analysis. The analysis is designed to assist with determining optimal asset allocation strategies while understanding the trade-off between investment risk and return. The analysis utilizes modeled returns for various long-term timeframes. The modeled returns are based on a diversified portfolio using capital market projections, and assists to illustrate the potential range of returns, market values, and spending policy outcomes associated with various asset mixes. The illustrations generated assist in making fixed income and equity equivalent allocation decisions.

The analysis incorporates a variety of current economic data (such as current interest rates, stock price/earnings ratios, and stock price/cash flow ratios, etc.) while using historical data as a foundation to derive expected ranges of returns, standard deviations, and yields for each asset class. The modeling is reviewed and updated on an annual basis. While the models do not differ drastically from historical data, they do allow for the incorporation of more current information in setting risk and return expectations for short and long-term periods.

E. Defined Contribution Plans

(1) Qualified Defined-Contribution Plan - Central Mutual Insurance Company has a qualified Savings and Profit Sharing Plan (SPP) for which substantially all employees are eligible. Up to 5% of each employee's savings is matched at 20% by contributions by the company each year. Additionally, 5% of the combined insurance companies' net income before federal income taxes is contributed to the plan each year. Central Mutual Insurance Company's contribution for the plan was $1.96 million for 2019 and $4.01 million for 2018, respectively. At December 31, 2019, the fair value of plan assets was $ 167.9 million.

(2) Non-Qualified Defined-Contribution Plan - Central Mutual Insurance Company also has a non-qualified Savings and Profit Participation Equalization Plan (Plan), which coordinates with the benefits available under the Central Employees' Savings and Profit Participation Plan (SPP), to provide a supplemental savings program for key executive employees who are limited by Sections 401(a)(17), 415, and 402(g) of the Internal Revenue Code. The non-qualified Plan is unfunded and a participant is eligible to defer compensation under the non-qualified Plan only if he has made the maximum elective contributions which are permitted under the qualified SPP Plan. Central Mutual's share of this liability as of December 31, 2019 is $5,289,624.

F. Multiemployer Plans - NONE

G. Consolidated / Holding Company Plans - NONE

H. Post-employment Benefits and Compensated Absences – The Company established a reserve of $27.1 M for its post-employment health care benefit obligations at 12/31/2019.

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

Beginning 1/1/2020, Central Mutual Insurance Company moved its Medicare-eligible retirees to the Aetna Medicare Advantage plan. Thus, the company is no longer receiving the Medicare Part D subsidy.

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

(1) Central Mutual Insurance Company is a mutual company with no capital stock outstanding.

Notes to Financial Statements

(2) Central Mutual Insurance Company has no preferred stock outstanding.
(3) Central Mutual Insurance Company has no restrictions on dividends paid to policyholders.
(4) No ordinary or extraordinary dividends were paid.
(5) None of the Company's profits will be paid as ordinary dividends. There are no stockholders.
(6) There are no restrictions placed on Central Mutual Insurance Company's surplus.
(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 each item below is as follows:

(a) Unrealized gains and losses:	$	65,724,438
(b) Nonadmitted asset values	$	18,960,161
(c) Provision for reinsurance	$	5,839,000

(11) No surplus debentures or similar obligations exist.
(12) & (13) No quasi-reorganization has taken place.

14. <u>Contingencies</u>

A. Contingent Commitments/Guarantees - Central Mutual Insurance Company has guaranteed one (1) loans made by Citizens National Bank of Bluffton to independent insurance agents representing the company until 12/2020, in the aggregate amount not to exceed (undiscounted) total of $38,324 in the event of a loan default by the independent agents. These loans arose out of merger/acquisition and/or perpetuation activities by the agents. Central Mutual is supporting the agents by guaranteeing the loans. Central Mutual will execute a commercial guaranty in favor of Citizens National Bank of Bluffton for repayment of any unpaid portion of the agent's note if the agent should fail to make repayment. In consideration of Central Mutual's guarantee, the agent grants a lien to Central Mutual against all assets, all present and future accounts receivable, and all policy expiration records of the agent evidenced by a security agreement with the Company. Should Central Mutual make payment to the bank pursuant to the commercial guaranty, the agent will immediately indemnify and hold harmless Central Mutual for any payments and expenses incurred. The ultimate financial statement impact if action under the guarantee is required would be $38,324 and would be recorded as underwriting expense. The agents are current in all payments of principal and interest to the bank. Central Mutual has not recorded liability related to this commercial guarantee since inception and for the year ended December 31, 2019. The loans outstanding total $38,324 as of December 31, 2019.

B. Assessments - It is expected that various insolvencies will result in guaranty fund assessments against the company of $50,559 and have been charged to operations in 2019. An increase in premium tax credits of $41,913 was incurred in 2019 to offset premium taxes in multiple states over the next ten years. Various other smaller insolvency assessments are accrued for by the company.

There were no assessments from insolvencies of entities that wrote long-term care contracts.

C. Gain Contingencies - NONE

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

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

	Direct
Claims related ECO and bad faith losses paid during the reporting period	$0.00

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

(a)	(b)	(c)	(d)	(e)
0-25 Claims	26-50 Claims	51-100 Claims	101-500 Claims	More than 500 Claims
X				

Indicate whether claim count information is disclosed per claim or per claimant:
(f) Per Claim [X] (g) Per Claimant [ ]

E. Product Warranties – THE COMPANY DOES NOT OFFER ANY PRODUCT WARRANTIES
F. Joint and Several Liabilities – THE COMPANY DOES NOT HAVE ANY JOINT AND SEVERAL LIABILITY ARRANGEMENTS
G. All Other Contingencies - NONE

15. <u>Leases</u>

A. Lessee Operating Lease

(1) a. Central Mutual Insurance Company leases office space under various non-cancelable operating lease agreements that expire through December, 2020. Rental expense for 2019 and 2018 was approximately $971,934 and
$1,123,809, respectively.

b. Central Mutual Insurance Company leases computer hardware and software under various non-cancelable operating lease agreements that expire through December, 2023. Rental expense for 2019 and 2018 was approximately $1,317,000 and $1,230,000, respectively.

Notes to Financial Statements

c. Central Mutual Insurance Company leases automobiles under various non-cancelable operating lease agreements that expire through December, 2020. Rental expense for 2019 and 2018 was approximately $368,694 and $333,058, respectively.

(2) a. At January 1, 2020, the minimum aggregate rental commitments are as follows:

Year Ending December 31	Operating Leases
1. 2020	$1,243,000
2. 2021	$1,208,000
3. 2022	$ 240,000
4. 2023	$ 68,000
5. 2024	$ 0
Total	$2,759,000

b. None of the property included above is subleased.

(3) Central Mutual Insurance Company is not involved in any material sales - leaseback transactions.

B. (1) Lessor Leases - NONE
(2) Leveraged Leases - NONE

16. Information About Financial Instruments with Concentration of Credit Risk
NONE

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities
A. Transfers of Receivables Reported as Sales - NONE
B. Transfer of Servicing of Financial Assets - NONE
C. Wash Sales - NONE

18. Gain or Loss from Uninsured A&H Plans and Uninsured Portion of Partially Insured Plans
The Company does not offer A&H coverages or provide services as an ASO or ASC plan administrator.

19. Direct Premium Written / Produced by Managing General Agents / Third Party Administrators
Central Mutual Insurance Company does not write business through managing general agents or third party administrators.

20. Fair Value Measurements
A. Assets and Liabilities Measured at Fair Value
1. Fair Value Measurements at Reporting Date

DESCRIPTION	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
a. Assets at Fair Market Value				
Preferred Stock				
Industrial & Miscellaneous	1,566,527	-		1,566,527
Parent, Subsidiaries				-
Total Preferred Stock	1,566,527	-	-	1,566,527
Bonds				
US Government	23,170,830			23,170,830
US States	11,762,345			11,762,345
US Political Subdivisions	77,037,567			77,037,567
US Special Revenue	181,525,183			181,525,183
Industrial & Miscellaneous	571,972,204			571,972,204
Other	26,248,822			26,248,822
Parent, Subsidiaries	-			-
Total Bonds	891,716,951	-		891,716,951
Common Stocks				
Industrial & Miscellaneous	371,305,574			371,305,574
Parent, Subsidiaries			165,195,985	165,195,985
Total Common Stocks	371,305,574		165,195,985	536,501,559
Derivative Assets				
Warrants				
Total Derivative Assets				
Total at Fair Market Value	1,264,589,052	-	165,195,985	1,429,785,037
b. Liabilities at Fair Market Value				
Derivative Liabilities	-			-
Total at Fair Market Value	-			-
LEVEL 1	Active markets/exchanges			
LEVEL 2	Quoted prices for similar assets in active markets			
LEVEL 3	Valued at book value of the entity as filed with the NAIC			

2. Fair value measurements categorized within Level 3:

Notes to Financial Statements

	Balance at 1/1/2019	Realized Gain (Loss)	Unrealized Gain (Loss)	Purchases, Issuances, Sales	Transfer In (Out) Level 3	Balance at 12/31/2019
Equity	161,860,543	1,398,201	1,937,241	-	-	165,195,985
Separate Account Assets	-	-	-	-	-	
Derivative Assets	-	-	-	-	-	
Derivative Liabilities	-	-	-	-	-	
Total	161,860,543	1,398,201	1,937,241	-	-	165,195,985

B. NONE
C. NONE
D. NONE
E. There are no investments measured in NAV to report.

21. Other Items

A. Unusual or Infrequent Items - NONE
B. Troubled Debt Restructuring: NONE
C. Other Disclosures
1. Assets in the amount of $6,509,198 and $6,537,574 at December 31, 2019 and 2018, respectively, were on deposit with government authorities or trustees as required by law. No assets were maintained as compensating balances or pledged as collateral for bank loans or other financing agreements.
2. At December 31, 2019 and 2018, the company had admitted assets of $196,115,978 and $194,370,344, respectively, in accounts receivable amounts due from agents and insureds. Central Mutual Insurance Company routinely assesses the collectibility of these receivables. Based on Central Mutual's experience, less than 1% of the balance may become uncollectible and the potential loss is not material to Central Mutual's financial condition.

D. Business Interruption Insurance Recoveries – NONE
E. State Transferable Tax Credits – NONE
F. Subprime Mortgage Related Risk Exposure
1. Exposures to subprime mortgage related risk in practice
a. Direct investments in subprime mortgage loans: NONE
b. Direct investments in securities with underlying subprime exposure, such as residential mortgage backed securities, commercial mortgage backed securities, collateralized debt obligations, structured securities (including principal protected notes), hedge funds, credit default swaps, and special investment vehicles: NONE
c. Equity investments in subsidiary, controlled or affiliated entities with significant subprime related risk exposure: NONE
d. Underwriting risk on policies issued for Mortgage Guaranty or Financial Guaranty insurance coverage: NONE

G. Possible proceeds as an issuer, ceding insurer, or counterparty of insurance-linked securities – NONE
H. The amount that could be realized on Life Insurance where the reporting entity is owner and beneficiary - NONE

22. Events Subsequent

No subsequent events requiring disclosure occurred.

23. Reinsurance

A. Unsecured Reinsurance Recoverables
Central Mutual Insurance Company has the following unsecured reinsurance recoverables in excess of 3% of Policyholders' Surplus.

	NAIC #	FED ID#	Amount
All America Insurance Co.	20222	34-0935740	$ 124,910,000

B. Reinsurance Recoverable in Dispute
As of December 31, 2019, the combined companies (Central Mutual and All America, who participate in a 100 Percent reinsurance pooling agreement whereby Central Mutual and All America receive 84 percent and 16 percent, respectively, of the pool) recorded a total of approximately $34 million of reinsurance recoverable on paid losses from two authorized r103einsurers related to one claim for which the reinsurers have disputed the full recovery amount. The matter was in arbitration as of 12/31/2019. No allowance has been recorded on these amounts based on the Companies' belief that the entire balance is fully collectible. A Schedule F penalty related to these disputed recoverables totaling $6.9 million was recorded as of 12/31/2019.

These disputed recoverables do not exceed 5% of Central Mutual's Policyholders' Surplus.

C. Reinsurance Assumed and Ceded
(1) Maximum amount of return commission which would have been due reinsurers if they or Central Mutual had cancelled all of the company's reinsurance or if Central Mutual or a receiver had cancelled all of the company's insurance assumed as of the end of the period covered by this Annual Statement with the return of the unearned premium reserve.

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	$ 24,757,334	3,941,366	$ 60,934,847	$ 10,013,814	$ (36,177,513)	$ (6,072,448)
b. All Other	1,338,516	149,165	7,248,062	1,716,590	(5,909,547)	(1,567,424)
c. Total	$ 26,095,850	$ 4,090,531	$ 68,182,910	$ 11,730,404	$ (42,087,060)	$ (7,639,873)

d. Direct Unearned Premium Reserve: $362,516,099

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

Notes to Financial Statements

				REINSURANCE				
		Direct		Assumed		Ceded		Net
a. Contingent Commissions	$	10,350,078	$	742,388	$	(5,821,882)	$	16,914,348
b. Sliding Scale Adjustments		0		0		0		0
c. Other Profit Commission Arrangements		0		0		0		0
d. TOTAL	$	10,350,078	$	742,388	$	(5,821,88)	$	16,914,348

D. Uncollectible Reinsurance – NONE
E. Commutation of Ceded Reinsurance – NONE
F. Retroactive Reinsurance - No retroactive reinsurance contracts exist.
G. Reinsurance Accounted for as a Deposit – NONE
H. Transfer of Property and Casualty Run-off Agreements – NONE
I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation – NONE
J. Reinsurance Agreements Qualifying for Reinsurer Aggregation - NONE

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A.-E. Central Mutual Insurance Company does not issue policies that are retrospectively rated or subject to redetermination.

F. Risk Sharing Provisions of the Affordable Care Act (ACA) – N/A

Central Mutual Insurance Company does not write accident and health insurance premium.

25. Change to Incurred Losses and Loss Adjustment Expenses

Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years has increased by $0.9 million from $404.3 million in 2018 to $405.2 million ($242.3 million in total net losses and expenses unpaid and $163.0 million in total net losses and expenses paid) in 2019. To provide further detail, losses & defense and medical cost containment expenses increased by $4.2 million from $357.0 million in 2018 to $361.2 million ($210.1 million in total net losses and defense & medical cost containment expenses unpaid and $151.1 million in total net losses & defense and medical cost containment expenses paid) in 2019. Adjusting and other expenses decreased by $3.3 million from $47.3 million in 2018 to $44.0 million ($32.2 million in total net adjusting and other expenses unpaid and $11.8 million in total net adjusting and other expenses paid) in 2019. Included in this change, Central Mutual Insurance Company experienced $0.0 million of unfavorable (favorable) prior year loss development on retrospectively rated policies. Thus, there was no impact to surplus as a result.

There were no changes in the methodologies and assumptions used in calculating the liability for unpaid losses and loss adjusting expenses for the most recent reporting period.

26. Intercompany Pooling Arrangements

An intercompany pooling agreement exists between the following companies to share in premiums, losses, expenses and accounts receivable balances according to the percentages shown:

Lead Company:	Central Mutual Insurance Company	20230	84%
Affiliate:	All America Insurance Company	20222	16%

All lines of business are pooled. Each company can make facultative cessions to non-affiliated reinsurers prior to pooling. All treaty cessions are processed through the lead company after cessions are made from the affiliate. Both companies though, have contract rights under all non-affiliated treaty reinsurance contracts.

27. Structured Settlements

Central Mutual Insurance Company has purchased several 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. Central Mutual has no contingent liability for these annuities since ownership has been transferred to another insurance company.

28. Health Care Receivables - NONE

29. Participating Policies - NONE

30. Premium Deficiency Reserves –

1. Liability carried for premium deficiency reserves	$0.00
2. Date of the most recent evaluation of this liability	12/31/2019
3. Was anticipated investment income utilized in the calculation?	Yes

31. High Deductibles

Central Mutual Insurance Company does not issue policies subject to high deductibles on claims.

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

Central Mutual Insurance Company does not discount the liabilities for unpaid losses or unpaid loss adjustment expenses.

33. Asbestos / Environmental Reserves

A. & D. Does Central Mutual Insurance Company have on the books, or has it ever written an insured for which it has been identified as having a potential for the existence of, a liability due to asbestos losses?
Yes(X) No( )

Does Central Mutual Insurance Company have on the books, or has it ever written an insured for which it has been identified as having a potential for the existence of, a liability due to environmental losses?
Yes(X) No( )

Notes to Financial Statements

Central Mutual's exposure arises primarily from the sale of general liability insurance, including the general liability portion of commercial package policies. However, exposure also exists for these lines of insurance: workers' compensation, homeowners, and commercial property.

Central Mutual tries to estimate the full impact of the environmental and asbestos exposure by establishing full case basis reserves on all known losses and computing incurred but not reported loss reserves and allocated loss adjustment reserves based on previous experience.

The previous experience is combined with the other Company experience and analyzed in a combined manner as part of the regular loss reserve analysis.

Central Mutual's systems do not separate environmental and asbestos-related claims. Therefore, only combined environmental and asbestos-related loss data is available for presentation. Environmental claims represent the majority of the exposure included in the following numbers.

Central Mutual's environmental and asbestos-related losses (including coverage dispute costs) for each of the five most recent calendar years were as follows:

(1) Gross of Reinsurance Basis:

	2015	2016	2017	2018	2019
a. Beginning reserves:	$ 8,379,569	$ 7,099,893	$ 6,659,048	$ 5,976,024	$ 5,645,338
b. Incurred losses and loss adjustment expense:	-778,900	548,698	-381,371	249,898	154,337
c. Calendar year payments for losses and loss adjustment expenses:	500,776	989,542	301,653	580,584	382,352
d. Ending reserves:	7,099,893	6,659,048	5,976,024	5,645,338	5,417,323

(2) Net of Reinsurance Basis:

	2015	2016	2017	2018	2019
a. Beginning reserves:	$ 7,834,257	$ 6,604,573	$ 5,290,961	$ 5,006,594	$ 5,069,173
b. Incurred losses and loss adjustment expense:	-728,909	-323,818	17,286	643,163	-894,537
c. Calendar year payments for losses and loss adjustment expenses:	500,775	989,794	301,653	580,584	75,423
d. Ending reserves:	6,604,573	5,290,961	5,006,594	5,069,173	4,099,213

B. & E. The amount of ending reserves for Bulk + IBNR included in A & D (Loss & LAE) is:

1. Gross of Reinsurance Basis: $ 3,882,465
2. Net of Reinsurance Basis $ 2,564,354

C. & F. The amount of ending reserves for loss adjustment expenses included in A & D (Case, Bulk + IBNR):

1. Gross of Reinsurance Basis: $ 1,707,035
2. Net of Reinsurance Basis $ 1,284,370

34. Subscriber Savings Accounts - NONE

35. Multiple Peril Crop Insurance – NONE

36. Financial Guaranty Insurance – Central Mutual does not write Financial Guaranty insurance.

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. 12/31/2016

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2016

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 04/18/2018

3.4 By what department or departments?
OHIO DEPARTMENT OF INSURANCE

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

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

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

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

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

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[ ] No[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 0.000%
7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

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

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
		No	No	No	No

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
PLANTE & MORAN, PLLC 2601 CAMBRIDGE COURT, SUITE 500 AUBURN HILLS, MI 48326-2572

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 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 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?
T. CHAD GLENN, FCAS, MAAA, CHIEF ACTUARY Central Mutual Insurance Company Van Wert, OH 45891

GENERAL INTERROGATORIES (Continued)

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes[ ] No[X]
12.11 Name of real estate holding company
12.12 Number of parcels involved 0
12.13 Total book/adjusted carrying value $........ 0
12.2 If yes, provide explanation

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes[ ] No[ ] N/A[X]
13.3 Have there been any changes made to any of the trust indentures during the year? Yes[ ] No[ ] N/A[X]
13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes[ ] No[ ] N/A[X]

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No[ ]
a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
c. Compliance with applicable governmental laws, rules and regulations;
d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
e. Accountability for adherence to the code.
14.11 If the response to 14.1 is no, please explain:
14.2 Has the code of ethics for senior managers been amended? Yes[ ] No[X]
14.21 If the response to 14.2 is yes, provide information related to amendment(s).
14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[ ] No[X]
14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

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

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a 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 or is likely to conflict with the official duties of such person? Yes[X] No[ ]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes[ ] No[X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
20.11 To directors or other officers $........ 0
20.12 To stockholders not officers $........ 0
20.13 Trustees, supreme or grand (Fraternal only) $........ 0
20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
20.21 To directors or other officers $........ 0
20.22 To stockholders not officers $........ 0
20.23 Trustees, supreme or grand (Fraternal only) $........ 0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being 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 $........ 0
21.22 Borrowed from others $........ 0
21.23 Leased from others $........ 0
21.24 Other $........ 0

22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes[ ] No[X]
22.2 If answer is yes:
22.21 Amount paid as losses or risk adjustment $........ 0
22.22 Amount paid as expenses $........ 0
22.23 Other amounts paid $........ 0

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes[ ] No[X]
23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $........ 0

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. $........ 0
24.06 If answer to 24.04 is no, report amount of collateral for other programs. $........ 0
24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes[ ] No[ ] N/A[X]
24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes[ ] No[ ] N/A[X]
24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes[ ] No[ ] N/A[X]
24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

GENERAL INTERROGATORIES (Continued)

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.	$ 0
24.102 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.	$ 0
24.103 Total payable for securities lending reported on the liability page.	$ 0

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is 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	$ 0
25.22	Subject to reverse repurchase agreements	$ 0
25.23	Subject to dollar repurchase agreements	$ 0
25.24	Subject to reverse dollar repurchase agreements	$ 0
25.25	Placed under option agreements	$ 0
25.26	Letter stock or securities restricted as to sale - excluding FHLB Capital Stock	$ 0
25.27	FHLB Capital Stock	$ 0
25.28	On deposit with states	$ 6,509,198
25.29	On deposit with other regulatory bodies	$ 0
25.30	Pledged as collateral - excluding collateral pledged to an FHLB	$ 0
25.31	Pledged as collateral to FHLB - including assets backing funding agreements	$ 0
25.32	Other	$ 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

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

26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes[ ] No[X]

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[X]
26.42 Permitted Accounting Practice Yes[ ] No[X]
26.43 Other Accounting Guidance Yes[ ] No[X]

26.5 By responding yes to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, does the reporting entity at tests to the following: Yes[ ] No[X]
- 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 with in 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. $ 0

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

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

1 Name of Custodian(s)	2 Custodian's Address
JP MORGAN CHASE BANK	4 CHASE METROTECH CENTER FLOOR 6, BROOKLYN, NY 11245

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

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

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes[ ] No[X]

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

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

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

1 Name of Firm or Individual	2 Affiliation
GOLDMAN SACHS ASSET MANAGEMENT, LP	U
BLACKROCK FINANCIAL MANAGEMENT, INC.	U

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

GENERAL INTERROGATORIES (Continued)

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

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
177038	GOLDMAN SACHS ASSET MANAGEMENT, LP	CF5M58QA35CFPUX70H17	SEC	NO
107105	BLACKROCK FINANCIAL MANAGEMENT, INC.	549300LVXYIVJKE13M84	SEC	NO

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

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
922040100	VANGUARD INSTITUTIONAL INDEX	63,917,064
29.2999 Total		63,917,064

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
VANGUARD INSTITUTIONAL INDEX	APPLE INC	1,750,000	12/31/2019

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 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	851,197,266	891,716,951	40,519,685
30.2	Preferred stocks			
30.3	Totals	851,197,266	891,716,951	40,519,685

30.4 Describe the sources or methods utilized in determining the fair values:
ALL BONDS ARE PRICED INDEPENDENTLY THROUGH REUTERS

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[X] No[ ] N/A[ ]

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:

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-designation 5GI securities, the reporting entity is certifying the following elements for 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 an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

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]

GENERAL INTERROGATORIES (Continued)
OTHER

36.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? $ 3,223,362

36.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1 Name	2 Amount Paid
INSURANCE SERVICES OFFICE	2,793,607

37.1 Amount of payments for legal expenses, if any? $ 1,266,096

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

1 Name	2 Amount Paid
SKADDEN ARPS SLATE MEAGHER & FLOM LLP	532,540

38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any? $ 281,608

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

1 Name	2 Amount Paid
PROPERTY CASUALTY INSURERS ASSOCIATION OF AMERICA	166,397

GENERAL INTERROGATORIES (Continued)

PART 2 - PROPERTY & 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. $ 0
1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? $ 0
1.31 Reason for excluding:
1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. $ 0
1.5 Indicate total incurred claims on all Medicare Supplement insurance. $ 0
1.6 Individual policies
Most current three years:
1.61 Total premium earned $ 0
1.62 Total incurred claims $ 0
1.63 Number of covered lives 0
All years prior to most current three years:
1.64 Total premium earned $ 0
1.65 Total incurred claims $ 0
1.66 Number of covered lives 0
1.7 Group policies
Most current three years:
1.71 Total premium earned $ 0
1.72 Total incurred claims $ 0
1.73 Number of covered lives 0
All years prior to most current three years:
1.74 Total premium earned $ 0
1.75 Total incurred claims $ 0
1.76 Number of covered lives 0

2. Health Test

		1 Current Year	2 Prior Year
2.1	Premium Numerator		
2.2	Premium Denominator	605,387,096	574,516,140
2.3	Premium Ratio (2.1 / 2.2)		
2.4	Reserve Numerator		
2.5	Reserve Denominator	771,498,480	724,861,928
2.6	Reserve Ratio (2.4 / 2.5)		

3.1 Does the reporting entity issue both participating and non-participating policies? Yes[ ] No[X]
3.2 If yes, state the amount of calendar year premiums written on:
3.21 Participating policies $ 0
3.22 Non-participating policies $ 0

4. For Mutual reporting entities and Reciprocal Exchanges only:
4.1 Does the reporting entity issue assessable policies? Yes[ ] No[X] N/A[ ]
4.2 Does the reporting entity issue non-assessable policies? Yes[X] No[ ] N/A[ ]
4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? 0.000%
4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. $ 0

5. For Reciprocal Exchanges Only:
5.1 Does the exchange appoint local agents? Yes[ ] No[ ] N/A[X]
5.2 If yes, is the commission paid:
5.21 Out of Attorney's-in-fact compensation Yes[ ] No[ ] N/A[X]
5.22 As a direct expense of the exchange Yes[ ] No[ ] N/A[X]
5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?
5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions been deferred? Yes[ ] No[ ] N/A[X]
5.5 If yes, give full information:

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:
THE COMPANY HAS A CASUATLY EXCESS REINSURANCE PROGRAM
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 CATALYST CATASTROPHE RISK ANALYSIS AND IRAS HURRICANE MODELS ARE RUN ANNUALLY
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 HAS PURCHASED CATASTROPHE REINSURANCE COVERAGE
6.4 Does the reporting entity carry catastrophic 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 unreinsured catastrophic loss

7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes[ ] No[X]
7.2 If yes, indicate the number of reinsurance contracts containing such provisions. 0
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[ ] N/A[X]

8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes[ ] No[X]
8.2 If yes, give full information.

9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
(c) Aggregate stop loss reinsurance coverage;

GENERAL INTERROGATORIES (Continued)

(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 reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes[ ] No[ ] N/A[X]

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 $ 0
12.12 Unpaid underwriting expenses (including loss adjustment expenses) $ 0
12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds. $ 0
12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes[ ] No[X] N/A[ ]
12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
12.41 From 0.000%
12.42 To 0.000%
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 current year:
12.61 Letters of Credit $ 0
12.62 Collateral and other funds $ 0

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): $ 1,500,000
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. 12

14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes[ ] No[X]
14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants
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[ ] N/A[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[ ] No[ ] N/A[X]
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 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home					
16.12 Products					
16.13 Automobile					
16.14 Other *					

* Disclose type of coverage:

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that is exempt from the statutory provision for unauthorized reinsurance? Yes[ ] No[X]
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 $ 0
17.12 Unfunded portion of Interrogatory 17.11 $ 0
17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11 $ 0
17.14 Case reserves portion of Interrogatory 17.11 $ 0
17.15 Incurred but not reported portion of Interrogatory 17.11 $ 0
17.16 Unearned premium portion of Interrogatory 17.11 $ 0
17.17 Contingent commission portion of Interrogatory 17.11 $ 0

GENERAL INTERROGATORIES (Continued)

18.1	Do you act as a custodian for health savings accounts?	Yes[ ] No[X]
18.2	If yes, please provide the amount of custodial funds held as of the reporting date:	$ 0
18.3	Do you act as an administrator for health savings accounts?	Yes[ ] No[X]
18.4	If yes, please provide the balance of the funds administered as of the reporting date:	$ 0
19.	Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least 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[X]

FIVE - YEAR HISTORICAL DATA

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

		1 2019	2 2018	3 2017	4 2016	5 2015
	Gross Premiums Written (Page 8, Part 1B, Columns 1, 2 & 3)					
1.	Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	286,399,391	273,715,676	244,235,089	218,835,321	204,185,593
2.	Property Lines (Lines 1, 2, 9, 12, 21, & 26)	169,702,908	169,358,796	155,956,452	139,898,295	128,680,953
3.	Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27)	324,215,008	326,352,129	319,222,007	308,657,077	297,529,144
4.	All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	18,186	17,950	22,925	18,828	25,914
5.	Nonproportional Reinsurance Lines (Lines 31, 32, & 33)					
6.	TOTAL (Line 35)	780,335,493	769,444,551	719,436,472	667,409,521	630,421,605
	Net Premiums Written (Page 8, Part 1B, Column 6)					
7.	Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1,19.2 & 19.3,19.4)	228,311,631	217,675,594	194,430,567	173,692,584	161,371,051
8.	Property Lines (Lines 1, 2, 9, 12, 21 & 26)	139,792,169	139,495,125	128,392,965	114,864,705	105,356,348
9.	Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27)	237,092,204	235,015,796	236,263,657	230,275,464	221,244,204
10.	All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	15,008	14,826	18,987	15,716	21,725
11.	Non-proportional Reinsurance Lines (Lines 31, 32 & 33)					
12.	TOTAL (Line 35)	605,211,012	592,201,341	559,106,177	518,848,468	487,993,328
	Statement of Income (Page 4)					
13.	Net underwriting gain or (loss) (Line 8)	(17,572,494)	(27,618,008)	918,373	6,698,137	33,206,336
14.	Net investment gain or (loss) (Line 11)	45,515,235	95,546,504	39,948,569	32,789,678	35,885,330
15.	TOTAL other income (Line 15)	1,752,845	1,970,713	2,071,252	2,193,156	2,334,215
16.	Dividends to policyholders (Line 17)	301,220	375,752	388,806	512,797	448,835
17.	Federal and foreign income taxes incurred (Line 19)	2,178,863	(19,368,536)	7,621,968	8,637,505	13,941,700
18.	Net income (Line 20)	27,215,504	88,891,993	34,927,420	32,530,668	57,035,346
	Balance Sheet Lines (Pages 2 and 3)					
19.	TOTAL admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	1,775,187,737	1,643,017,165	1,618,407,950	1,514,508,192	1,451,183,408
20.	Premiums and considerations (Page 2, Column 3)					
	20.1 In course of collection (Line 15.1)	32,290,319	35,401,901	33,486,810	29,238,832	28,006,945
	20.2 Deferred and not yet due (Line 15.2)	163,825,658	158,968,443	145,876,021	133,613,661	125,382,429
	20.3 Accrued retrospective premiums (Line 15.3)					
21.	TOTAL liabilities excluding protected cell business (Page 3, Line 26)	878,339,408	834,392,185	796,374,524	771,460,568	745,381,290
22.	Losses (Page 3, Line 1)	335,321,230	298,721,134	261,156,476	255,102,085	260,050,327
23.	Loss adjustment expenses (Page 3, Line 3)	115,715,713	105,564,982	99,852,517	101,028,735	101,216,734
24.	Unearned premiums (Page 3, Line 9)	320,461,537	320,575,812	302,673,901	279,269,173	263,403,060
25.	Capital paid up (Page 3, Lines 30 & 31)					
26.	Surplus as regards policyholders (Page 3, Line 37)	896,848,323	808,624,984	822,033,414	743,047,617	705,802,121
	Cash Flow (Page 5)					
27.	Net cash from operations (Line 11)	68,174,673	13,283,820	50,938,577	50,194,440	67,249,643
	Risk-Based Capital Analysis					
28.	TOTAL adjusted capital	896,848,323	808,624,984	822,033,414	743,047,617	705,802,121
29.	Authorized control level risk-based capital	103,012,311	97,674,914	73,528,631	68,924,003	64,830,805
	Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3) (Item divided by Page 2, Line 12, Column 3) x 100.0					
30.	Bonds (Line 1)	56.2	54.6	55.1	58.7	60.5
31.	Stocks (Lines 2.1 & 2.2)	35.4	33.2	36.9	35.3	33.3
32.	Mortgage loans on real estate (Lines 3.1 and 3.2)					
33.	Real estate (Lines 4.1, 4.2 & 4.3)	2.6	2.9	2.9	3.3	3.6
34.	Cash, cash equivalents and short-term investments (Line 5)	5.8	9.2	5.1	2.8	2.6
35.	Contract loans (Line 6)					
36.	Derivatives (Line 7)					
37.	Other invested assets (Line 8)		0.0	0.0	0.0	0.0
38.	Receivables for securities (Line 9)	0.1	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
	Investments in Parent, Subsidiaries and Affiliates					
42.	Affiliated bonds, (Schedule D, Summary, Line 12, Column 1)					
43.	Affiliated preferred stocks (Schedule D, Summary, Line 18, Column 1)					
44.	Affiliated common stocks (Schedule D, Summary, Line 24, Column 1)	165,195,985	161,860,543	158,769,362	154,958,286	148,284,227
45.	Affiliated short-term investments (subtotals included in Schedule DA Verification, Column 5, Line 10)					
46.	Affiliated mortgage loans on real estate					
47.	All other affiliated					
48.	TOTAL of above Lines 42 to 47	165,195,985	161,860,543	158,769,362	154,958,286	148,284,227
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, Column 1, Line 37 x 100.0)	18.4	20.0	19.3	20.9	21.0

FIVE - YEAR HISTORICAL DATA (Continued)

		1 2019	2 2018	3 2017	4 2016	5 2015
Capital and Surplus Accounts (Page 4)						
51.	Net unrealized capital gains or (Losses) (Line 24)	51,922,306	(81,101,545)	27,874,547	10,435,907	1,495,189
52.	Dividends to stockholders (Line 35)					
53.	Change in surplus as regards policyholders for the year (Line 38)	88,223,319	(13,408,426)	78,985,797	37,245,492	65,706,103
Gross Losses Paid (Page 9, Part 2, Columns 1 and 2)						
54.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1,19.2 & 19.3,19.4)	147,652,173	124,375,530	109,428,149	101,568,056	93,867,685
55.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	93,995,849	91,788,791	92,366,890	90,334,212	69,461,875
56.	Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27)	197,261,967	260,494,666	181,872,994	178,007,985	125,255,445
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)	438,909,989	476,658,987	383,668,033	369,910,253	288,585,005
Net Losses Paid (Page 9, Part 2, Column 4)						
60.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1,19.2 & 19.3,19.4)	120,532,516	99,239,342	87,016,167	81,627,919	76,587,053
61.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	78,774,553	77,275,096	76,066,425	69,470,224	58,043,145
62.	Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27)	147,458,887	151,968,615	140,071,991	139,776,187	101,979,616
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)	346,765,955	328,483,053	303,154,583	290,874,330	236,609,814
Operating Percentages (Page 4)						
(Item divided by Page 4, Line 1) x 100.0						
66.	Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67.	Losses incurred (Line 2)	63.3	63.7	57.8	56.8	50.2
68.	Loss expenses incurred (Line 3)	9.2	8.7	7.2	7.2	7.7
69.	Other underwriting expenses incurred (Line 4)	30.4	32.4	34.8	34.6	35.1
70.	Net underwriting gain (loss) (Line 8)	(2.9)	(4.8)	0.2	1.3	7.1
Other Percentages						
71.	Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Column 6, Line 35 x 100.0)	30.1	31.1	33.0	33.2	33.1
72.	Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	72.5	72.5	65.0	64.0	57.8
73.	Net premiums written to policyholders' surplus (Page 8, Part 1B, Column 6, Line 35 divided by Page 3, Line 37, Column 1 x 100.0)	67.5	73.2	68.0	69.8	69.1
One Year Loss Development ($000 omitted)						
74.	Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Column 11)	8,938	13,165	(17,553)	(34,481)	(29,834)
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, Column 1 x 100.0)	1.1	1.6	(2.4)	(4.9)	(4.7)
Two Year Loss Development ($000 omitted)						
76.	Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Column 12)	13,574	(14,351)	(57,625)	(55,581)	(47,782)
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, Column 2 x 100.0)	1.7	(1.9)	(8.2)	(8.7)	(7.7)

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[ ] N/A[X]

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES
SCHEDULE P - PART 1 - SUMMARY

($000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned: 1 Direct and Assumed	Premiums Earned: 2 Ceded	Premiums Earned: 3 Net (Columns 1 - 2)	Loss Payments: 4 Direct and Assumed	Loss Payments: 5 Ceded	Defense and Cost Containment Payments: 6 Direct and Assumed	Defense and Cost Containment Payments: 7 Ceded	Adjusting and Other Payments: 8 Direct and Assumed	Adjusting and Other Payments: 9 Ceded	10 Salvage and Subrogation Received	11 Total Net Paid (Columns 4 - 5 + 6 - 7 + 8 - 9)	12 Number of Claims Reported - Direct and Assumed
1. Prior	XXX	XXX	XXX	2,220	241	1,343	(39)	505	40	201	3,826	XXX
2. 2010	483,486	50,238	433,248	317,210	25,563	10,484	537	23,874	329	13,297	325,138	XXX
3. 2011	439,211	45,839	393,372	334,573	31,054	9,910	109	23,143	727	13,334	335,736	XXX
4. 2012	420,929	51,980	368,949	249,767	3,701	8,976	0	18,386	118	11,964	273,309	XXX
5. 2013	434,648	47,225	387,423	229,195	11,605	8,522	43	18,314	137	11,021	244,247	XXX
6. 2014	468,912	40,951	427,961	240,123	6,697	10,197	3	21,050	255	12,804	264,415	XXX
7. 2015	510,295	42,696	467,599	247,900	9,071	11,289	84	22,607	60	14,062	272,581	XXX
8. 2016	546,774	43,336	503,438	344,894	35,870	9,585	241	26,294	931	20,154	343,731	XXX
9. 2017	582,446	47,113	535,332	323,268	19,832	7,384	129	25,579	408	18,780	335,863	XXX
10. 2018	630,444	55,928	574,516	368,907	77,318	3,801	31	30,133	2,978	18,167	322,514	XXX
11. 2019	659,769	54,382	605,387	212,078	2,992	704	13	19,589	48	10,188	229,319	XXX
12. Totals	XXX	XXX	XXX	2,870,136	223,944	82,195	1,152	229,474	6,031	143,973	2,950,678	XXX

	Losses Unpaid - Case Basis: 13 Direct and Assumed	Losses Unpaid - Case Basis: 14 Ceded	Losses Unpaid - Bulk + IBNR: 15 Direct and Assumed	Losses Unpaid - Bulk + IBNR: 16 Ceded	Defense and Cost Containment Unpaid - Case Basis: 17 Direct and Assumed	Defense and Cost Containment Unpaid - Case Basis: 18 Ceded	Defense and Cost Containment Unpaid - Bulk + IBNR: 19 Direct and Assumed	Defense and Cost Containment Unpaid - Bulk + IBNR: 20 Ceded	Adjusting and Other Unpaid: 21 Direct and Assumed	Adjusting and Other Unpaid: 22 Ceded	23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
1. Prior	24,266	7,650	29,729	13,042			6,570	1,898	7,656	490		45,141	XXX
2. 2010	1,284		1,951	633			986	223	613	50	158	3,928	XXX
3. 2011	958		1,513	344			769	97	580	66	189	3,315	XXX
4. 2012	1,004		1,454	311			1,087	134	571	50	226	3,621	XXX
5. 2013	1,555	123	1,392	251			1,013	139	530	38	228	3,940	XXX
6. 2014	1,692	163	2,566	601			2,923	374	817	44	389	6,817	XXX
7. 2015	6,236	2,410	3,709	857			4,037	527	1,644	86	584	11,747	XXX
8. 2016	12,230	1,187	6,144	1,407			6,141	737	2,939	186	1,751	23,938	XXX
9. 2017	31,448	4,873	7,631	1,622			10,311	676	5,167	206	2,475	47,180	XXX
10. 2018	68,915	24,453	30,191	7,369			16,212	994	11,659	1,530	4,911	92,631	XXX
11. 2019	81,457	3,181	100,655	12,184			22,447	1,260	21,978	1,133	14,707	208,779	XXX
12. Totals	231,046	44,039	186,934	38,620			72,497	7,057	54,155	3,879	25,617	451,037	XXX

	Total Losses and Loss Expenses Incurred: 26 Direct and Assumed	Total Losses and Loss Expenses Incurred: 27 Ceded	Total Losses and Loss Expenses Incurred: 28 Net	Loss and Loss Expense Percentage (Incurred/Premiums Earned): 29 Direct and Assumed	Loss and Loss Expense Percentage (Incurred/Premiums Earned): 30 Ceded	Loss and Loss Expense Percentage (Incurred/Premiums Earned): 31 Net	Nontabular Discount: 32 Loss	Nontabular Discount: 33 Loss Expense	34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount: 35 Losses Unpaid	Net Balance Sheet Reserves After Discount: 36 Loss Expenses Unpaid
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX			XXX	33,304	11,838
2. 2010	356,401	27,334	329,066	73.7	54.4	76.0			84.0	2,602	1,326
3. 2011	371,447	32,396	339,051	84.6	70.7	86.2			84.0	2,128	1,187
4. 2012	281,245	4,315	276,930	66.8	8.3	75.1			84.0	2,147	1,474
5. 2013	260,522	12,335	248,187	59.9	26.1	64.1			84.0	2,573	1,367
6. 2014	279,368	8,136	271,232	59.6	19.9	63.4			84.0	3,494	3,323
7. 2015	297,423	13,095	284,327	58.3	30.7	60.8			84.0	6,679	5,068
8. 2016	408,228	40,559	367,669	74.7	93.6	73.0			84.0	15,781	8,158
9. 2017	410,788	27,745	383,043	70.5	58.9	71.6			84.0	32,584	14,596
10. 2018	529,817	114,672	415,145	84.0	205.0	72.3			84.0	67,284	25,347
11. 2019	458,909	20,811	438,097	69.6	38.3	72.4			84.0	166,747	42,032
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX			XXX	335,321	115,716

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)										DEVELOPMENT	
	1 2010	2 2011	3 2012	4 2013	5 2014	6 2015	7 2016	8 2017	9 2018	10 2019	11 One Year	12 Two Year
1. Prior	314,228	274,932	264,929	228,835	213,736	204,908	195,330	190,405	189,387	187,916	(1,470)	(2,489)
2. 2010	344,392	336,703	329,524	322,710	311,247	309,007	308,714	306,449	305,683	304,958	(724)	(1,491)
3. 2011	XXX	335,116	329,918	324,772	323,849	320,440	317,570	315,941	316,137	316,121	(16)	180
4. 2012	XXX	XXX	262,945	274,103	271,406	267,477	263,003	258,474	258,156	258,142	(14)	(332)
5. 2013	XXX	XXX	XXX	238,522	245,740	239,328	233,117	229,283	230,086	229,518	(568)	235
6. 2014	XXX	XXX	XXX	XXX	258,672	253,656	251,335	247,716	247,957	249,664	1,707	1,947
7. 2015	XXX	XXX	XXX	XXX	XXX	275,794	267,061	264,717	265,385	260,222	(5,163)	(4,494)
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX	331,105	336,697	340,095	339,553	(542)	2,856
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	335,749	345,712	352,911	7,199	17,162
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	369,331	377,861	8,529	XXX
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	397,711	XXX	XXX
12. TOTALS											8,938	13,574

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)										11	12
	1 2010	2 2011	3 2012	4 2013	5 2014	6 2015	7 2016	8 2017	9 2018	10 2019	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
1. Prior	000	58,554	90,956	111,734	123,340	133,223	138,439	142,555	146,580	149,941	XXX	XXX
2. 2010	197,330	258,566	281,438	291,705	296,789	298,356	299,898	300,361	300,536	301,593	XXX	XXX
3. 2011	XXX	218,397	269,790	289,511	300,032	307,866	310,242	311,669	312,811	313,320	XXX	XXX
4. 2012	XXX	XXX	170,961	220,317	238,092	248,059	252,971	253,623	254,413	255,041	XXX	XXX
5. 2013	XXX	XXX	XXX	149,334	192,887	206,971	214,600	220,662	224,820	226,070	XXX	XXX
6. 2014	XXX	XXX	XXX	XXX	151,949	201,008	221,372	230,561	236,728	243,620	XXX	XXX
7. 2015	XXX	XXX	XXX	XXX	XXX	155,234	210,759	230,487	244,356	250,033	XXX	XXX
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX	205,037	273,271	300,182	318,368	XXX	XXX
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	204,904	274,436	310,692	XXX	XXX
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	216,099	295,359	XXX	XXX
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	209,777	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)									
	1 2010	2 2011	3 2012	4 2013	5 2014	6 2015	7 2016	8 2017	9 2018	10 2019
1. Prior	172,451	113,701	110,728	68,941	54,020	44,490	33,280	24,068	23,817	21,359
2. 2010	77,110	36,326	25,917	18,641	8,486	6,004	4,245	2,951	2,403	2,081
3. 2011	XXX	48,350	22,422	11,177	9,209	7,072	3,557	2,328	2,069	1,842
4. 2012	XXX	XXX	30,043	22,182	16,538	12,473	7,563	3,790	2,583	2,096
5. 2013	XXX	XXX	XXX	37,456	27,101	14,517	7,933	2,999	2,556	2,015
6. 2014	XXX	XXX	XXX	XXX	55,761	26,142	14,228	6,864	5,611	4,514
7. 2015	XXX	XXX	XXX	XXX	XXX	61,482	26,215	14,115	9,447	6,362
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX	60,243	23,573	14,695	10,142
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	60,682	27,683	15,645
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	75,997	38,040
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	109,657

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

ALLOCATED BY STATES AND TERRITORIES

		1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
	States, Etc.	Active Status (a)	2 Direct Premiums Written	3 Direct Premiums Earned	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	Direct Premium Written for Federal Purchasing Groups (Included in Column 2)
1.	Alabama (AL)	N								
2.	Alaska (AK)	N								
3.	Arizona (AZ)	L	31,050,412	30,757,155		16,785,408	17,164,102	15,412,705	88,202	
4.	Arkansas (AR)	L								
5.	California (CA)	L				85,653	(388,296)	854,442		
6.	Colorado (CO)	L	14,795,855	15,272,546		8,735,056	8,517,445	7,710,250	37,891	
7.	Connecticut (CT)	L	41,196,910	41,390,729	22,502	18,690,821	21,184,868	20,862,596	152,641	
8.	Delaware (DE)	L								
9.	District of Columbia (DC)	N								
10.	Florida (FL)	N				7,237	(7,960)	680,434		
11.	Georgia (GA)	L	96,065,059	95,677,877		50,569,675	55,837,232	42,814,018	228,916	
12.	Hawaii (HI)	N								
13.	Idaho (ID)	L	2,117,609	1,553,219		631,665	977,606	407,268	4,430	
14.	Illinois (IL)	L	18,291,247	19,561,966		13,832,567	13,381,164	15,445,104	48,634	
15.	Indiana (IN)	L	32,096,014	31,972,466		15,075,276	18,953,153	16,419,643	88,074	
16.	Iowa (IA)	L								
17.	Kansas (KS)	N								
18.	Kentucky (KY)	L	9,339,539	8,243,900		4,073,373	6,266,134	3,890,269	20,022	
19.	Louisiana (LA)	N								
20.	Maine (ME)	L								
21.	Maryland (MD)	L	1,116,237	1,000,768		230,971	383,935	417,423	1,568	
22.	Massachusetts (MA)	L	13,528,182	12,836,674		3,752,070	4,175,798	10,764,976	36,559	
23.	Michigan (MI)	L	23,571,462	24,229,963		15,231,562	15,778,445	15,026,680	60,984	
24.	Minnesota (MN)	L								
25.	Mississippi (MS)	L								
26.	Missouri (MO)	N								
27.	Montana (MT)	L								
28.	Nebraska (NE)	N								
29.	Nevada (NV)	L	4,069,703	3,252,769		713,577	2,086,468	1,593,293	5,803	
30.	New Hampshire (NH)	L	15,579,409	15,270,072	22,483	7,965,290	8,082,060	7,690,779	37,348	
31.	New Jersey (NJ)	L				665,045	5,659,103	15,877,781		
32.	New Mexico (NM)	L	20,139,624	20,127,284		11,085,361	14,897,290	13,923,658	52,275	
33.	New York (NY)	L	24,953,253	24,685,639		15,901,239	12,052,074	16,497,134	86,863	
34.	North Carolina (NC)	L	76,614,781	76,993,025		42,492,383	44,749,152	38,302,506	223,671	
35.	North Dakota (ND)	N								
36.	Ohio (OH)	L	84,430,020	83,702,522		40,895,834	57,842,023	46,174,638	279,723	
37.	Oklahoma (OK)	L	10,010,577	10,758,030		14,858,983	3,288,100	24,713,332	21,262	
38.	Oregon (OR)	L								
39.	Pennsylvania (PA)	L	185,311	184,748		93,902	60,516	55,610	896	
40.	Rhode Island (RI)	N								
41.	South Carolina (SC)	L	17,569,433	17,203,735		8,317,016	7,664,423	7,958,524	34,325	
42.	South Dakota (SD)	N								
43.	Tennessee (TN)	L	23,547,992	23,590,062		14,413,635	16,835,359	11,931,174	62,738	
44.	Texas (TX)	L	135,682,142	142,184,235		94,716,416	111,216,362	84,236,212	354,530	
45.	Utah (UT)	L	1,154,950	833,572		119,015	487,626	433,143	1,248	
46.	Vermont (VT)	L					32,251	229,561		
47.	Virginia (VA)	L	27,366,714	27,039,935		13,572,753	14,094,650	11,878,245	106,517	
48.	Washington (WA)	L								
49.	West Virginia (WV)	N								
50.	Wisconsin (WI)	L	263,533	36,575			7,948	7,948	64	
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	724,735,968	728,359,467	44,985	413,511,780	461,279,029	432,209,347	2,035,184	
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:

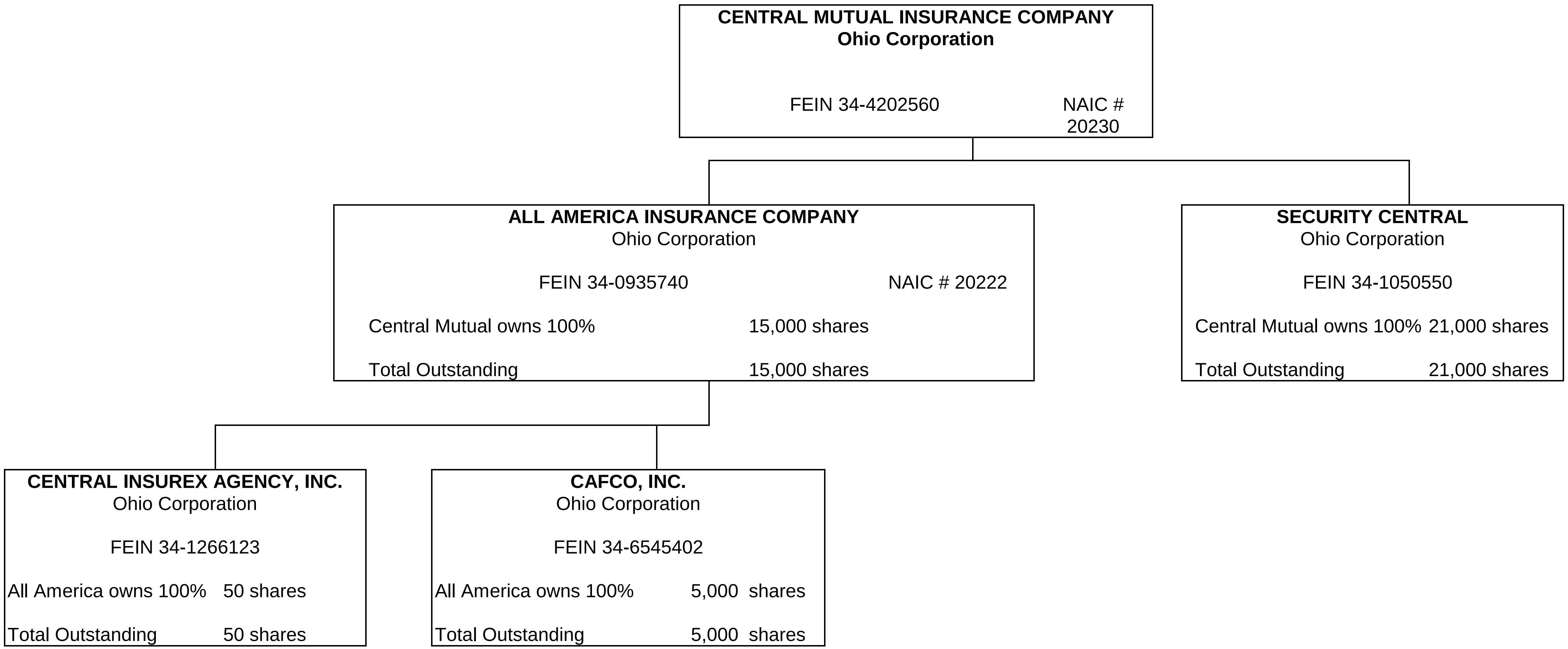
L Licensed or Chartered - Licensed insurance carrier or domiciled RRG 37
R Registered - Non-domiciled RRGs
E Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile See DSLI)
Q Qualified - Qualified or accredited reinsurer
D Domestic Surplus Lines Insurer (DSLI) Reporting entities authorized to write surplus lines in the state of domicile.
N None of the above Not allowed to write business in the state 20

(b) Explanation of basis of allocation of premiums by states, etc.: PREMIUMS ARE ALLOCATED ACCORDING TO THE FOLLOWING: WORKERS' COMPENSATION-THE LOCATIONS OF THE INSURED'S OPERATIONS; AUTOMOBILE LIABILITY AND AUTOMOBILE PHYSICAL DAMAGE-THE LOCATION OF THE PRINCIPAL GARAGE; GROUP ACCIDENT AND HEALTH AND OTHER ACCIDENT AND HEALTH-THE ADDRESS OF THE INSURED'S RESIDENCE; FIDELITY-THE LOCATION OF THE EMPLOYER OR INSURED; SURETY-THE PRINCIPAL, THE COURT, THE OBLIGEE, OR WORK. ALL OTHER PREMIUMS-THE LOCATIONS OF THE RISK.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER

MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



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