



**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY**

**ASSETS**

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	72,399,471		72,399,471	71,753,650
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	0		0	0
2.2 Common stocks .....	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ ..... encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ .....0 , Schedule E-Part 1), cash equivalents (\$ .....3,346,335 , Schedule E-Part 2) and short-term investments (\$ .....0 , Schedule DA).....	3,346,335		3,346,335	1,510,968
6. Contract loans (including \$ ..... premium notes).....			0	0
7. Derivatives (Schedule DB).....	0		0	0
8. Other invested assets (Schedule BA).....	0		0	0
9. Receivables for securities .....	119,481		119,481	121,500
10. Securities lending reinvested collateral assets (Schedule DL).....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	75,865,287	0	75,865,287	73,386,118
13. Title plants less \$ ..... charged off (for Title insurers only).....			0	0
14. Investment income due and accrued .....	687,786		687,786	657,875
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....			0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums).....			0	0
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....			0	0
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
18.2 Net deferred tax asset.....			0	0
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software.....			0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....	185,110		185,110	774,468
24. Health care (\$ ..... ) and other amounts receivable.....			0	0
25. Aggregate write-ins for other-than-invested assets .....	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	76,738,183	0	76,738,183	74,818,461
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27) .....	76,738,183	0	76,738,183	74,818,461
<b>DETAILS OF WRITE-INS</b>				
1101. ....			0	0
1102. ....			0	0
1103. ....			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	0	0	0	0
2501. ....			0	0
2502. ....			0	0
2503. ....			0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	0	0	0	0

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY**

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	.0	0
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	.0	0
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	.0	0
4. Commissions payable, contingent commissions and other similar charges	.0	0
5. Other expenses (excluding taxes, licenses and fees)	4,166	4,166
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	.0	0
7.1 Current federal and foreign income taxes (including \$ 5,960 on realized capital gains (losses))	319,360	330,442
7.2 Net deferred tax liability	67,019	48,051
8. Borrowed money \$ and interest thereon \$	.0	0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 66,934,433 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	.0	0
10. Advance premium	.0	0
11. Dividends declared and unpaid:		
11.1 Stockholders	.0	0
11.2 Policyholders	.0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	.0	0
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)	.0	0
14. Amounts withheld or retained by company for account of others	.0	0
15. Remittances and items not allocated	.0	0
16. Provision for reinsurance (including \$ certified) (Schedule F, Part 3, Column 78)	.0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates	.0	0
18. Drafts outstanding	.0	0
19. Payable to parent, subsidiaries and affiliates	.0	0
20. Derivatives	.0	0
21. Payable for securities	.0	0
22. Payable for securities lending	.0	0
23. Liability for amounts held under uninsured plans	.0	0
24. Capital notes \$ and interest thereon \$	.0	0
25. Aggregate write-ins for liabilities	.0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	390,545	382,659
27. Protected cell liabilities	.0	0
28. Total liabilities (Lines 26 and 27)	390,545	382,659
29. Aggregate write-ins for special surplus funds	.0	0
30. Common capital stock	2,500,000	2,500,000
31. Preferred capital stock	.0	0
32. Aggregate write-ins for other-than-special surplus funds	.0	0
33. Surplus notes	.0	0
34. Gross paid in and contributed surplus	4,657,724	4,657,724
35. Unassigned funds (surplus)	69,189,914	67,278,078
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$ )	.0	0
36.2 shares preferred (value included in Line 31 \$ )	.0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	76,347,638	74,435,802
38. Totals (Page 2, Line 28, Col. 3)	76,738,183	74,818,461
<b>DETAILS OF WRITE-INS</b>		
2501.	.0	0
2502.	.0	0
2503.	.0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	.0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0
2901.	.0	0
2902.	.0	0
2903.	.0	0
2998. Summary of remaining write-ins for Line 29 from overflow page	.0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.	.0	0
3202.	.0	0
3203.	.0	0
3298. Summary of remaining write-ins for Line 32 from overflow page	.0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY**

**STATEMENT OF INCOME**

	1 Current Year	2 Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4) .....	0	0
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7) .....	0	0
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1) .....	0	0
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2) .....	0	0
5. Aggregate write-ins for underwriting deductions .....	0	0
6. Total underwriting deductions (Lines 2 through 5) .....	0	0
7. Net income of protected cells .....	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7) .....	0	0
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....	2,221,784	2,065,518
10. Net realized capital gains (losses) less capital gains tax of \$ .....	5,960 (Exhibit of Capital Gains (Losses))	22,419 (69,138)
11. Net investment gain (loss) (Lines 9 + 10) .....	2,244,203	1,996,380
<b>OTHER INCOME</b>		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ ..... charged off \$ ..... ) .....	amount	0
13. Finance and service charges not included in premiums .....	0	0
14. Aggregate write-ins for miscellaneous income .....	0	0
15. Total other income (Lines 12 through 14) .....	0	0
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) .....	2,244,203	1,996,380
17. Dividends to policyholders .....	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17) .....	2,244,203	1,996,380
19. Federal and foreign income taxes incurred .....	313,400	348,820
20. Net income (Line 18 minus Line 19) (to Line 22) .....	1,930,803	1,647,560
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2) .....	74,435,802	72,734,709
22. Net income (from Line 20) .....	1,930,803	1,647,560
23. Net transfers (to) from Protected Cell accounts .....	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ .....	0	0
25. Change in net unrealized foreign exchange capital gain (loss) .....	0	0
26. Change in net deferred income tax .....	(18,967)	53,533
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3) .....	0	0
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1) .....	0	0
29. Change in surplus notes .....	0	0
30. Surplus (contributed to) withdrawn from protected cells .....	0	0
31. Cumulative effect of changes in accounting principles .....	0	0
32. Capital changes:		
32.1 Paid in .....	0	0
32.2 Transferred from surplus (Stock Dividend) .....	0	0
32.3 Transferred to surplus .....	0	0
33. Surplus adjustments:		
33.1 Paid in .....	0	0
33.2 Transferred to capital (Stock Dividend) .....	0	0
33.3 Transferred from capital .....	0	0
34. Net remittances from or (to) Home Office .....	0	0
35. Dividends to stockholders .....	0	0
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1) .....	0	0
37. Aggregate write-ins for gains and losses in surplus .....	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37) .....	1,911,836	1,701,093
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37) .....	76,347,638	74,435,802
<b>DETAILS OF WRITE-INS</b>		
0501. .....	0	0
0502. .....	0	0
0503. .....	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page .....	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above) .....	0	0
1401. .....	0	0
1402. .....	0	0
1403. .....	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above) .....	0	0
3701. .....	0	0
3702. .....	0	0
3703. .....	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page .....	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above) .....	0	0

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY**

**CASH FLOW**

	1 Current Year	2 Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	0	0
2. Net investment income .....	2,827,186	2,916,123
3. Miscellaneous income .....	0	0
4. Total (Lines 1 through 3) .....	2,827,186	2,916,123
5. Benefit and loss related payments .....	0	0
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	0	0
8. Dividends paid to policyholders .....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ 5,960 tax on capital gains (losses) .....	330,442	(637,093)
10. Total (Lines 5 through 9) .....	330,442	(637,093)
11. Net cash from operations (Line 4 minus Line 10) .....	2,496,744	3,553,216
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	19,552,505	6,330,575
12.2 Stocks .....	0	0
12.3 Mortgage loans .....	0	0
12.4 Real estate .....	0	0
12.5 Other invested assets .....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0
12.7 Miscellaneous proceeds .....	2,019	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	19,554,524	6,330,575
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	20,805,259	12,140,453
13.2 Stocks .....	0	0
13.3 Mortgage loans .....	0	0
13.4 Real estate .....	0	0
13.5 Other invested assets .....	0	0
13.6 Miscellaneous applications .....	0	112,260
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	20,805,259	12,252,713
14. Net increase (decrease) in contract loans and premium notes .....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	(1,250,735)	(5,922,138)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	0
16.3 Borrowed funds .....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0
16.5 Dividends to stockholders .....	0	0
16.6 Other cash provided (applied) .....	589,358	(286,040)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	589,358	(286,040)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	1,835,367	(2,654,962)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	1,510,968	4,165,930
19.2 End of year (Line 18 plus Line 19.1) .....	3,346,335	1,510,968

Part 1  
**NONE**

Part 1A  
**NONE**

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY**

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 1B - PREMIUMS WRITTEN**

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire .....	3,267,665		16,507	3,177,379	106,793	0
2. Allied lines .....	2,059,122		13,440	2,002,567	69,995	0
3. Farmowners multiple peril .....						0
4. Homeowners multiple peril .....	28,615,891		13,784	27,544,953	1,084,723	0
5. Commercial multiple peril .....	8,794,605			8,019,393	775,212	0
6. Mortgage guaranty .....						0
8. Ocean marine .....						0
9. Inland marine .....	382,537			367,569	14,968	0
10. Financial guaranty .....						0
11.1 Medical professional liability-occurrence .....						0
11.2 Medical professional liability-claims-made .....						0
12. Earthquake .....	227,687			218,966	8,721	0
13. Group accident and health .....						0
14. Credit accident and health (group and individual) .....						0
15. Other accident and health .....						0
16. Workers' compensation .....	2,598,279		90	2,454,786	143,583	0
17.1 Other liability-occurrence .....	542,227			535,846	6,381	0
17.2 Other liability-claims-made .....						0
17.3 Excess workers' compensation .....						0
18.1 Products liability-occurrence .....	2,750			2,750	0	0
18.2 Products liability-claims-made .....						0
19.1, 19.2 Private passenger auto liability .....	56,628,766			56,628,766		0
19.3, 19.4 Commercial auto liability .....	5,392,853		11,373	5,404,226		0
21. Auto physical damage .....	48,767,392		778	48,644,047	124,124	0
22. Aircraft (all perils) .....						0
23. Fidelity .....						0
24. Surety .....						0
26. Burglary and theft .....						0
27. Boiler and machinery .....						0
28. Credit .....						0
29. International .....						0
30. Warranty .....						0
31. Reinsurance-nonproportional assumed property .....	XXX					0
32. Reinsurance-nonproportional assumed liability .....	XXX					0
33. Reinsurance-nonproportional assumed financial lines .....	XXX					0
34. Aggregate write-ins for other lines of business .....	0	0	0	0	0	0
35. TOTALS .....	157,279,774	0	55,971	155,001,246	2,334,499	0
<b>DETAILS OF WRITE-INS</b>						
3401. ....						0
3402. ....						0
3403. ....						0
3498. Sum. of remaining write-ins for Line 34 from overflow page .....	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above) .....	0	0	0	0	0	0

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

If yes: 1. The amount of such installment premiums \$ .....0

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$ .....0

## ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY

## UNDERWRITING AND INVESTMENT EXHIBIT

## PART 2 - LOSSES PAID AND INCURRED

Line of Business	Direct Business	Losses Paid Less Salvage			Net Losses Unpaid Current Year (Part 2A, Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
		1 Reinsurance Assumed	2 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire	2,218,172	7,879	2,226,051	0	0	0	0	.0
2. Allied lines	600,065	12,276	612,341	0	0	0	0	.0
3. Farmowners multiple peril				0	0	0	0	.0
4. Homeowners multiple peril	15,457,937	9,729	15,467,666	0	0	0	0	.0
5. Commercial multiple peril	1,740,123		1,740,123	0	0	0	0	.0
6. Mortgage guaranty				0	0	0	0	.0
8. Ocean marine				0	0	0	0	.0
9. Inland marine	138,354		138,354	0	0	0	0	.0
10. Financial guaranty				0	0	0	0	.0
11.1 Medical professional liability-occurrence				0	0	0	0	.0
11.2 Medical professional liability-claims-made				0	0	0	0	.0
12. Earthquake				0	0	0	0	.0
13. Group accident and health				0	0	0	0	.0
14. Credit accident and health (group and individual)				0	0	0	0	.0
15. Other accident and health				0	0	0	0	.0
16. Workers' compensation	688,633	1,731	690,365	0	0	0	0	.0
17.1 Other liability-occurrence				0	0	0	0	.0
17.2 Other liability-claims-made				0	0	0	0	.0
17.3 Excess workers' compensation				0	0	0	0	.0
18.1 Products liability-occurrence				0	0	0	0	.0
18.2 Products liability-claims-made				0	0	0	0	.0
19.1,19.2 Private passenger auto liability	34,171,521		34,171,521	0	0	0	0	.0
19.3,19.4 Commercial auto liability	4,757,277	15,651	4,772,928	0	0	0	0	.0
21. Auto physical damage	23,469,808	37	23,469,845	0	0	0	0	.0
22. Aircraft (all perils)				0	0	0	0	.0
23. Fidelity				0	0	0	0	.0
24. Surety				0	0	0	0	.0
26. Burglary and theft				0	0	0	0	.0
27. Boiler and machinery				0	0	0	0	.0
28. Credit				0	0	0	0	.0
29. International				0	0	0	0	.0
30. Warranty				0	0	0	0	.0
31. Reinsurance-nonproportional assumed property	XXX			0	0	0	0	.0
32. Reinsurance-nonproportional assumed liability	XXX			0	0	0	0	.0
33. Reinsurance-nonproportional assumed financial lines	XXX			0	0	0	0	.0
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	.0
35. TOTALS	83,241,890	47,303	83,289,194	0	0	0	0	.0
<b>DETAILS OF WRITE-INS</b>								
3401.				0				.0
3402.				0				.0
3403.				0				.0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	.0
3499. Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	.0

## ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY

## UNDERWRITING AND INVESTMENT EXHIBIT

## PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8	9
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire .....	.62,381	1,549	63,930	0	140,810	.47	140,857	0	0
2. Allied lines .....	.63,518	666	64,184	0	.89,310	.72	.89,382	0	0
3. Farmowners multiple peril .....				0				0	0
4. Homeowners multiple peril .....	.4,151,612	1,220	.4,152,832	0	.1,116,583	.212	.1,116,795	0	0
5. Commercial multiple peril .....	.999,270		.999,270	0	.1,576,904		.1,576,904	0	0
6. Mortgage guaranty .....				0				0	0
8. Ocean marine .....				0				0	0
9. Inland marine .....		(2,495)		(2,495)		.11,705		.11,705	0
10. Financial guaranty .....				0				0	0
11.1 Medical professional liability-occurrence .....				0				0	0
11.2 Medical professional liability-claims-made .....				0				0	0
12. Earthquake .....				0				0	0
13. Group accident and health .....				0				(a)	0
14. Credit accident and health (group and individual) .....				0				(a)	0
15. Other accident and health .....				0				(a)	0
16. Workers' compensation .....	.1,114,007	.10,010	.1,124,017	0	.917,871	.8,706	.926,577	0	0
17.1 Other liability-occurrence .....				0	.316,677			.316,677	0
17.2 Other liability-claims-made .....				0				0	0
17.3 Excess workers' compensation .....				0				0	0
18.1 Products liability-occurrence .....				0		.270		.270	0
18.2 Products liability-claims-made .....				0				0	0
19.1,19.2 Private passenger auto liability .....	.22,145,780		.22,145,780	0	.11,044,475		.11,044,475	0	0
19.3,19.4 Commercial auto liability .....	.5,108,120	9,497	.5,117,617	0	.3,171,306	.11,213	.3,182,519	0	0
21. Auto physical damage .....	(538,667)	1,227	(537,440)	0	.735,815	.18	.735,833	0	0
22. Aircraft (all perils) .....				0				0	0
23. Fidelity .....				0				0	0
24. Surety .....				0				0	0
26. Burglary and theft .....				0				0	0
27. Boiler and machinery .....				0				0	0
28. Credit .....				0				0	0
29. International .....				0				0	0
30. Warranty .....				0				0	0
31. Reinsurance-nonproportional assumed property .....	XXX			0	XXX			0	0
32. Reinsurance-nonproportional assumed liability .....	XXX			0	XXX			0	0
33. Reinsurance-nonproportional assumed financial lines .....	XXX			0	XXX			0	0
34. Aggregate write-ins for other lines of business .....	0	.0	0	0	0	.0	0	0	.0
35. TOTALS .....	33,103,525	24,169	33,127,693	0	19,121,725	20,268	19,141,993	0	0
<b>DETAILS OF WRITE-INS</b>									
3401. ....				0				0	0
3402. ....				0				0	0
3403. ....				0				0	0
3498. Sum. of remaining write-ins for Line 34 from overflow page .....	0	.0	0	0	0	.0	0	0	0
3499. Totals (Lines 3401 through 3403 + 3498) (Line 34 above) .....	0	0	0	0	0	0	0	0	0

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

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY**

**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 .....	1,846,732	0	0	1,846,732
1.2 Reinsurance assumed .....	0	0	0	0
1.3 Reinsurance ceded .....	1,846,732	0	0	1,846,732
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3) .....	0	0	0	0
2. Commission and brokerage:				
2.1 Direct, excluding contingent .....	0	20,215,520	0	20,215,520
2.2 Reinsurance assumed, excluding contingent .....	0	0	0	0
2.3 Reinsurance ceded, excluding contingent .....	0	20,215,520	0	20,215,520
2.4 Contingent-direct .....	0	3,485,367	0	3,485,367
2.5 Contingent-reinsurance assumed .....	0	0	0	0
2.6 Contingent-reinsurance ceded .....	0	3,485,367	0	3,485,367
2.7 Policy and membership fees .....	0	0	0	0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) .....	0	0	0	0
3. Allowances to manager and agents .....	0	0	0	0
4. Advertising .....	0	0	0	0
5. Boards, bureaus and associations .....	0	159	0	159
6. Surveys and underwriting reports .....	0	0	0	0
7. Audit of assureds' records .....	0	0	0	0
8. Salary and related items:				
8.1 Salaries .....	0	26,074	0	26,074
8.2 Payroll taxes .....	0	2,844	0	2,844
9. Employee relations and welfare .....	0	8,675	0	8,675
10. Insurance .....	0	2,843	0	2,843
11. Directors' fees .....	0	309	0	309
12. Travel and travel items .....	0	866	0	866
13. Rent and rent items .....	0	141,556	0	141,556
14. Equipment .....	0	0	0	0
15. Cost or depreciation of EDP equipment and software .....	0	0	0	0
16. Printing and stationery .....	0	326	0	326
17. Postage, telephone and telegraph, exchange and express .....	0	4,533	0	4,533
18. Legal and auditing .....	0	309	0	309
19. Totals (Lines 3 to 18) .....	0	0	188,494	188,494
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ .....	0	0	0	0
20.2 Insurance department licenses and fees .....	0	0	0	0
20.3 Gross guaranty association assessments .....	0	0	0	0
20.4 All other (excluding federal and foreign income and real estate) .....	0	0	0	0
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....	0	0	0	0
21. Real estate expenses .....	0	0	0	0
22. Real estate taxes .....	0	0	0	0
23. Reimbursements by uninsured plans .....	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses .....	0	0	70,412	70,412
25. Total expenses incurred .....	0	0	258,906	(a) 258,906
26. Less unpaid expenses-current year .....	0	0	4,166	4,166
27. Add unpaid expenses-prior year .....	0	0	4,166	4,166
28. Amounts receivable relating to uninsured plans, prior year .....	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year .....	0	0	0	0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29) .....	0	0	258,906	258,906
<b>DETAILS OF WRITE-INS</b>				
2401. Software Expense .....	0	12,516	0	12,516
2402. Miscellaneous Expense .....	0	341	0	341
2403. Deferred Compensation .....	0	3,922	0	3,922
2498. Summary of remaining write-ins for Line 24 from overflow page .....	0	53,634	0	53,634
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above) .....	0	0	70,412	70,412

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

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY**

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds .....	(a) .75,019	.75,002
1.1 Bonds exempt from U.S. tax .....	(a) 896,829	852,107
1.2 Other bonds (unaffiliated) .....	(a) 1,427,208	1,500,139
1.3 Bonds of affiliates .....	(a) 0	0
2.1 Preferred stocks (unaffiliated) .....	(b) 0	0
2.11 Preferred stocks of affiliates .....	(b) 0	0
2.2 Common stocks (unaffiliated) .....	0	0
2.21 Common stocks of affiliates .....	0	0
3. Mortgage loans .....	(c) 0	0
4. Real estate .....	(d) 0	0
5. Contract loans .....	0	0
6. Cash, cash equivalents and short-term investments .....	(e) .53,742	.53,442
7. Derivative instruments .....	(f) 0	0
8. Other invested assets .....	0	0
9. Aggregate write-ins for investment income .....	0	0
10. Total gross investment income .....	2,452,798	2,480,690
11. Investment expenses .....	(g) 258,906	0
12. Investment taxes, licenses and fees, excluding federal income taxes .....	(g) 0	0
13. Interest expense .....	(h) 0	0
14. Depreciation on real estate and other invested assets .....	(i) 0	0
15. Aggregate write-ins for deductions from investment income .....	0	0
16. Total deductions (Lines 11 through 15) .....	258,906	258,906
17. Net investment income (Line 10 minus Line 16) .....	2,221,784	0
<b>DETAILS OF WRITE-INS</b>		
0901. .....	0	0
0902. .....	0	0
0903. .....	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page .....	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above) .....	0	0
1501. .....	0	0
1502. .....	0	0
1503. .....	0	0
1598. Summary of remaining write-ins for Line 15 from overflow page .....	0	0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above) .....	0	0

(a) Includes \$ .57,587 accrual of discount less \$ .692,899 amortization of premium and less \$ .86,097 paid for accrued interest on purchases.  
 (b) Includes \$ .0 accrual of discount less \$ .0 amortization of premium and less \$ .0 paid for accrued dividends on purchases.  
 (c) Includes \$ .0 accrual of discount less \$ .0 amortization of premium and less \$ .0 paid for accrued interest on purchases.  
 (d) Includes \$ .0 for company's occupancy of its own buildings; and excludes \$ .0 interest on encumbrances.  
 (e) Includes \$ .0 accrual of discount less \$ .0 amortization of premium and less \$ .0 paid for accrued interest on purchases.  
 (f) Includes \$ .0 accrual of discount less \$ .0 amortization of premium.  
 (g) Includes \$ .0 investment expenses and \$ .0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.  
 (h) Includes \$ .0 interest on surplus notes and \$ .0 interest on capital notes.  
 (i) Includes \$ .0 depreciation on real estate and \$ .0 depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds .....	.0	0	.0	0	0
1.1 Bonds exempt from U.S. tax .....	26,189	0	26,189	0	0
1.2 Other bonds (unaffiliated) .....	2,190	0	2,190	0	0
1.3 Bonds of affiliates .....	0	0	0	0	0
2.1 Preferred stocks (unaffiliated) .....	0	0	0	0	0
2.11 Preferred stocks of affiliates .....	0	0	0	0	0
2.2 Common stocks (unaffiliated) .....	0	0	0	0	0
2.21 Common stocks of affiliates .....	0	0	0	0	0
3. Mortgage loans .....	0	0	0	0	0
4. Real estate .....	0	0	0	0	0
5. Contract loans .....	0	0	0	0	0
6. Cash, cash equivalents and short-term investments .....	0	0	0	0	0
7. Derivative instruments .....	0	0	0	0	0
8. Other invested assets .....	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses) .....	0	0	0	0	0
10. Total capital gains (losses) .....	28,379	0	28,379	0	0
<b>DETAILS OF WRITE-INS</b>			0	0	0
0901. .....	0	0	0	0	0
0902. .....	0	0	0	0	0
0903. .....	0	0	0	0	0
0998. Summary of remaining write-ins for Line 9 from overflow page .....	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above) .....	0	0	0	0	0

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY**

**EXHIBIT OF NONADMITTED ASSETS**

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

**NONE**

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE  
TRUSTGARD INSURANCE COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

**1. Summary of Significant Accounting Policies and Going Concern:**

**A. Accounting Practices:**

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

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

	<u>SSAP #</u>	<u>F/S Page</u>	<u>F/S Line #</u>	<u>Amount (\$)</u>	
				<u>2019</u>	<u>2018</u>
<b>NET INCOME</b>					
(1) Company state basis (Page 4, Line 20, Columns 1 & 2)	xxx	xxx	xxx	1,930,803	1,647,560
(2) State Prescribed Practices that increase/(decrease) NAIC SAP				0	0
(3) State Permitted Practices that increase/(decrease) NAIC SAP				0	0
<b>(4) NAIC SAP (1-2-3=4)</b>	<b>xxx</b>	<b>xxx</b>	<b>xxx</b>	<b>1,930,803</b>	<b>1,647,560</b>
<b>SURPLUS</b>					
(5) Company state basis (Page 3, Line 37, Columns 1 & 2)	xxx	xxx	xxx	76,347,638	74,435,802
(6) State Prescribed Practices that increase/(decrease) NAIC SAP				0	0
(7) State Permitted Practices that increase/(decrease) NAIC SAP				0	0
<b>(8) NAIC SAP (5-6-7=8)</b>	<b>xxx</b>	<b>xxx</b>	<b>xxx</b>	<b>76,347,638</b>	<b>74,435,802</b>

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

The preparation of financial statements in conformity with NAIC SAP 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 daily 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, the Company uses the following accounting policies:

1. Short-term investments are stated at amortized cost, which approximates fair value.
2. Bonds not backed by other loans are stated at amortized cost using the scientific method.
3. The Company has no investments in common stocks.
4. The Company has no investments in preferred stocks.
5. The Company has no investments in mortgage loans.
6. Loan-backed securities are stated at either amortized cost or the lower or amortized cost or fair market value. The retrospective adjustment method is used to value all securities except for interest only securities or securities where the yield had become negative, those are valued using the prospective method.
7. The Company has no investment in subsidiaries, controlled and affiliated entities.
8. The Company has no investments in joint ventures, partnerships and limited liability companies.
9. The Company has no investments in derivative instruments.
10. The Company does not anticipate investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property-Casualty Contracts - Premiums.
11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability is continually reviewed and any adjustments are reflected in the period determined.
12. The Company has not modified its capitalization policy from the prior period.
13. The Company does not have pharmaceutical rebate receivables.

**D. Going Concern:**

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

**2. Accounting Changes and Corrections of Errors:** None

**3. Business Combinations and Goodwill:** None

**4. Discontinued Operations:** None

**5. Investments:**

- A. Mortgage Loans, including Mezzanine Real Estate Loans: None
- B. Debt Restructuring: None
- C. Reverse Mortgages: None
- D. Loan-Backed Securities: None
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions: None
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing: None
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing: None

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE  
TRUSTGARD INSURANCE COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

- H. Repurchase Agreements Transactions Accounted for as a Sale: None
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale: None
- J. Real Estate: None
- K. Low Income Housing Tax Credits: None
- L. Restricted Assets:

1. Restricted assets (including pledged) summarized by restricted asset category:

	Amount (\$)										Percentage (%)	
	Gross (Admitted and Nonadmitted) Restricted							Current Year				
	Current year							Current Year				
	1	2	3	4	5	6	7	8	9	10	11	
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/(Decrease) (5 minus 6)	Total Non-admitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Non-Admitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets	
a. Subject to contractual obligation for which liability is not shown												
b. Collateral held under security lending agreements												
c. Subject to repurchase agreements												
d. Subject to reverse repurchase agreements												
e. Subject to dollar repurchase agreements												
f. Subject to dollar reverse repurchase agreements												
g. Placed under option contracts												
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock												
i. FHLB capital stock												
j. On deposit with states	2,331,723				2,331,723	2,334,560	(2,837)		2,331,723	3.0%	3.0%	
k. On deposit with other regulatory bodies												
l. Pledged collateral to FHLB (including assets backing funding agreements)												
m. Pledged as collateral not captured in other categories												
n. Other restricted assets												
o. Total Restricted Assets	2,331,723				2,331,723	2,334,560	(2,837)		2,331,723	3.0%	3.0%	
(a) Subset of column 1												
(b) Subset of column 3												

2. Detail of assets pledged as collateral not captured in other categories (reported on line m in the above table): None
3. Details of other restricted assets: None
4. Collateral received and reflected as assets: None

- M. Working Capital Finance Investments: None

- N. Offsetting and Netting of Assets and Liabilities: None

- O. 5 GI Securities: None

- P. Short Sales: None

- Q. Prepayment Penalty and Acceleration Fees:

	General Account	Protected Cell
1. Number of CUSIPs	4	0
2. Aggregate amount of investment income (\$)	120,149	0

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

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE  
TRUSTGARD INSURANCE COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

7. **Investment Income:** None

8. **Derivative Instruments:** None

9. **Income Taxes:**

A. The components of deferred tax assets ("DTA") and deferred tax liabilities ("DTL") at December 31, 2019 and 2018 are as follows:

	Amount (\$)											
	2019			2018			Change					
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
1.												
a. Gross DTA	0	0	0	0	0	0	0	0	0	0	0	0
b. Statutory valuation allowance adjustment	0	0	0	0	0	0	0	0	0	0	0	0
c. Adjusted gross DTAs	0	0	0	0	0	0	0	0	0	0	0	0
d. DTAs nonadmitted	0	0	0	0	0	0	0	0	0	0	0	0
e. Subtotal net admitted DTAs	0	0	0	0	0	0	0	0	0	0	0	0
f. DTL	67,018	0	67,018	48,051	0	48,051	18,967	0	18,967	0	0	18,967
g. Net admitted DTA(DTL)	(67,018)	0	(67,018)	(48,051)	0	(48,051)	(18,967)	0	(18,967)	0	0	(18,967)

	Amount (\$)											
	2019			2018			Change					
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
2.												
Admission calculation components SSAP No. 101												
a. Recovered through loss carrybacks	0	0	0	0	0	0	0	0	0	0	0	0
b. The lesser of 2(b)1 and 2(b)2 below:	0	0	0	0	0	0	0	0	0	0	0	0
1. Adjusted gross DTAs expected to be realized within one or three years	0	0	0	0	0	0	0	0	0	0	0	0
2. Adjusted DTAs allowed per limitation threshold	xxx	xxx	11,452,146	xxx	xxx	11,171,028	0	0	0	0	0	281,118
c. Adjusted gross DTAs offset by gross DTLs	0	0	0	0	0	0	0	0	0	0	0	0
d. Total DTA admitted	0	0	0	0	0	0	0	0	0	0	0	0

	2019		2018	
	Ordinary	Capital	Ordinary	Capital
a. Ratio percentage used to determine recovery period and threshold limitation (%)			28,330.42 %	26,921.80 %
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above (\$)			76,414,657	74,473,521

	2019		2018		Change	
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
4.						
Impact of tax-planning strategies						
a. Determination of adjusted gross DTAs and net admitted DTAs by tax character as a percentage						
1. Adjusted gross DTAs (\$)	0	0	0	0	0	0
2. Percentage of total adjusted gross DTAs by tax character attributable to planning (%)	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
3. Net admitted adjusted gross DTAs (\$)	0	0	0	0	0	0
4. Percentage of net admitted adjusted gross DTAs by tax character attributable to planning (%)	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
b. Does the Company's tax-planning strategies include the use of reinsurance?			Yes		No	x

B. Unrecognized Deferred Tax Liabilities: None

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

	Amount (\$)		
	2019	2018	Change
1. Current income tax:			
a. Federal	331,806	286,365	45,441
b. Foreign	0	0	0
c. Subtotal	331,806	286,365	45,441
d. Federal income tax on net capital gains	5,960	(18,378)	24,338
e. Utilization of capital loss carry-forward	0	0	0
f. Other	(18,406)	62,455	(80,861)
g. <b>Federal and foreign income taxes incurred</b>	<b>319,360</b>	<b>330,442</b>	<b>(11,082)</b>

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE  
TRUSTGARD INSURANCE COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

	Amount (\$)		
	2019	2018	Change
2. Deferred tax assets:			
a. Ordinary:			
1. Discounting of unpaid losses	0	0	0
2. Unearned premium reserve	0	0	0
3. Policyholder reserves	0	0	0
4. Investments	0	0	0
5. Deferred acquisition costs	0	0	0
6. Policyholder dividends accrual	0	0	0
7. Fixed assets	0	0	0
8. Compensation and benefits accrual	0	0	0
9. Pension accrual	0	0	0
10. Receivables – nonadmitted	0	0	0
11. Net operating loss carry-forward	0	0	0
12. Tax credit carry-forward	0	0	0
13. Other (including items <5% of total ordinary tax assets)	0	0	0
Subtotal	0	0	0
b. Statutory valuation allowance adjustment	0	0	0
c. Nonadmitted	0	0	0
d. Admitted ordinary deferred tax assets	0	0	0
e. Capital:			
1. Investments	0	0	0
2. Net capital loss carry-forward	0	0	0
3. Real estate	0	0	0
4. Other (including items <5% of total capital tax assets)	0	0	0
Subtotal	0	0	0
f. Statutory valuation allowance adjustment	0	0	0
g. Nonadmitted	0	0	0
h. Admitted capital deferred tax assets	0	0	0
i. Admitted deferred tax assets (2d + 2h)	0	0	0
3. Deferred tax liabilities:			
a. Ordinary:			
1. Investments	67,018	48,051	18,967
2. Fixed assets	0	0	0
3. Deferred and uncollected premium	0	0	0
4. Policyholder reserves	0	0	0
5. Other (including items <5% of total ordinary tax liabilities)	0	0	0
Subtotal	67,018	48,051	18,967
b. Capital:			
1. Investments	0	0	0
2. Real estate	0	0	0
3. Other (including items <5% of total capital tax liabilities)	0	0	0
Subtotal	0	0	0
c. Deferred tax liabilities	67,018	48,051	18,967
4. Net deferred tax asset/(liability) (2i – 3c)	(67,018)	(48,051)	(18,967)

D. The Company's provision for income tax incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before taxes. The significant items causing this difference as of December 31, 2019 are as follows:

	Amount (\$)	Tax Effect at 21% (\$)	Effective Tax Rate (%)
1. Tax reconciliation by effective rate:			
a. Income before taxes	2,250,163	472,534	21.00 %
b. Tax-exempt interest	(852,107)	(178,942)	(7.95)%
c. Dividends received deduction	0	0	0.00 %
d. Proration	213,027	44,735	1.98 %
e. Meals & entertainment, lobbying expense, etc.	0	0	0.00 %
f. Pension (pre-paid & unfunded PBO)	0	0	0.00 %
g. Change in nonadmit	0	0	0.00 %
h. Realized (gain)/loss on donation of securities	0	0	0.00 %
i. Rate change	0	0	0.00 %
j. Other, including prior year true-ups	0	0	0.00 %
<b>Total</b>	<b>1,611,083</b>	<b>338,327</b>	<b>15.03 %</b>
2. Tax reconciliation by statement of income:			
a. Federal and foreign income tax incurred expense/(benefit)	313,400	313,400	13.93 %
b. Tax on realized gains/(losses)	5,960	5,960	0.26 %
c. Change in net deferred income tax charge/(benefit)	18,967	18,967	0.84 %
<b>Total</b>	<b>338,327</b>	<b>338,327</b>	<b>15.03 %</b>

E. Operating Loss and Tax Credit Carry-forwards:

	Amount (\$)		
	Ordinary (\$)	Capital (\$)	Total (\$)
1. At December 31, 2019, the Company had net operating loss carry forwards of:			0
At December 31, 2019, the Company had capital loss carry forwards of:			0
At December 31, 2019, the Company had AMT credit carry forwards, which do not expire, of:			0
2. The following is the income tax expense that is available for recoupment in the event of future net losses:			
2019	331,806	5,960	337,766
2018	267,960	(18,378)	249,582
2017	0	149,967	149,967
<b>Total</b>	<b>599,766</b>	<b>137,549</b>	<b>737,315</b>

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

F. Consolidated Federal Income Tax Return:

- The Company's federal income tax return is consolidated through Grange Mutual Holding Company (GMHC), see 10A(1) below for additional information on the corporate structure.
- The method of allocation among companies is subject to a written agreement, approved by the Board of Directors, whereby allocation is made based upon the subsidiary's portion of the consolidated tax liability.

G. Federal or Foreign Income Tax Loss Contingencies: None

H. Repatriation Transition Tax: None

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE  
TRUSTGARD INSURANCE COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

I. Alternative Minimum Tax Credit: None

**10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties:**

A. Relationship with Parent, Subsidiaries and Affiliates:

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

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

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

D. Amounts Due From or To Related Parties:

At December 31, 2019, the Company reported \$0.2 million as amounts due from GIC. The terms of the settlement require that these amounts be settled within the subsequent quarter.

E. Guarantees or Contingencies for Related Parties: None

F. Description of Material Management or Service Contracts:

The Company maintains a service agreement with GIC, whereby GIC provides service for the Company and makes available all services necessary to support its business operations. These services include all necessary financial, actuarial, audit, accounting, tax, information technology, records management and legal and compliance services, other than those provided by third party service providers.

G. Nature of the Control Relationship:

The Company participates in a pooling reinsurance agreement detailed in Note 26.

H. Amount Deducted for Investment in Upstream Company: None

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

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

K. Investments in Foreign Insurance Subsidiary: None

L. Investments in a Downstream Noninsurance Company: None

M. All SCA Investments: None

N. Investment in Insurance SCAs: None

O. SCA and SSAP No. 48 Entity Loss Tracking: None

**11. Debt:** None

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

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

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

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

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

1. The Company has 2,000,000 shares authorized, issued and outstanding. All shares are Class A shares.
2. The Company has no preferred stock outstanding.
3. The Company does not pay dividends to its policyholders.
4. No dividends were paid by the Company.
5. The Company does not pay dividends to its policyholders.
6. There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
7. No advances to surplus were made.
8. No amounts of stock were held by the Company.
9. No special surplus funds are held.
10. The Company has no unrealized gains.
11. The Company has no surplus notes.
12. There has not been a restatement due to prior quasi-reorganizations.
13. There has been no quasi-reorganization in the past 10 years.

**14. Liabilities, Contingencies and Assessments:**

A. Contingent Commitments: None

B. Assessments:

Guaranty Fund Assessments are recorded by the parent, GIC.

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE  
TRUSTGARD INSURANCE COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

- C. Gain Contingencies: None
- D. Claims Related Extra Contractual Obligations and Bad Faith Losses Stemming from Lawsuits: None
- E. Product Warranties: None
- F. Joint and Several Liabilities: None
- G. All Other Contingencies:

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

**15. Leases:** None

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

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

- A. Transfers of Receivables Reported as Sales: None
- B. Transfer and Servicing of Financial Assets: None
- C. Wash Sales: None

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

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

**20. Fair Value Measurements:**

- A. All assets and liabilities of the Company are measured and reported at cost or amortized cost.
  - 1. Fair Value Hierarchy or Investments Reported at Net Asset Value ("NAV"): None
  - 2. Level Three Fair Value Reconciliation: None
  - 3. Level Three Transfers In/Out: None
  - 4. Reported Fair Value of Investments within Level 2 and Level 3: According to statutory accounting rules, fixed income securities with a rating of NAIC 1 or 2 are reported at amortized cost. Securities with a rating of NAIC 3 thru 6, or non-investment grade ratings, are measured and reported at the lower of amortized cost or fair value on the statement of financial position. As of December 31, 2019, the Company did not have any bonds rated NAIC 3 thru 6, and therefore did not report any securities at fair value.
  - 5. Derivative Assets and Liabilities: None.
- B. Other Fair Value Disclosures: None
- C. Fair Values for All Financial Instruments by Levels 1, 2 and 3 and NAV as of December 31, 2019:

Type of Financial Instrument	Aggregate Fair Value/NAV	Admitted Assets	Amount (\$)			NAV	Not Practicable (Carrying Value)
			Level 1	Level 2	Level 3		
Bonds	75,738,426	72,399,471	0	75,738,426	0	0	0
Money market	3,346,335	3,346,335	3,346,335	0	0	0	0
<b>Total</b>	<b>79,084,761</b>	<b>75,745,806</b>	<b>3,346,335</b>	<b>75,738,426</b>	<b>0</b>	<b>0</b>	<b>0</b>

- D. Not Practicable to Estimate Fair Value: None
- E. Investments Measured using NAV: None

**21. Other Items:** None

**22. Events Subsequent:**

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

Did the reporting entity write accident and health insurance premium that is subject to section 9010 of the federal Affordable Care Act? No

**23. Reinsurance:**

- A. Unsecured Reinsurance Recoverable: None exceed 3% of Surplus
- B. Reinsurance Recoverable in Dispute: None
- C. Reinsurance Assumed and Ceded:

- 1. The following table summarizes assumed and ceded unearned premiums and the related commission equity at December 31, 2019:

	Assumed Reinsurance		Ceded Reinsurance		Net	Commission Equity
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity		
a. Affiliates	0	0	66,570,651	11,982,717	(66,570,651)	(11,982,717)
b. All other	30,191	5,434	363,782	65,481	(333,591)	(60,047)
<b>c. Total</b>	<b>30,191</b>	<b>5,434</b>	<b>66,934,433</b>	<b>12,048,198</b>	<b>(66,904,242)</b>	<b>(12,042,764)</b>

d. Direct Unearned Premium Reserve: 66,904,242

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE  
TRUSTGARD INSURANCE COMPANY**

**NOTES TO FINANCIAL STATEMENTS**

2. The Company's contingent commissions associated with existing contractual arrangements:

	Amount (\$)			
	Direct	Assumed	Ceded	Net
a. Contingent commission	3,485,367	0	3,485,367	0
b. Sliding scale adjustments	0	0	0	0
c. Other profit commission arrangements	0	0	0	0
<b>d. Total</b>	<b>3,485,367</b>	<b>0</b>	<b>3,485,367</b>	<b>0</b>

3. Protected Cells: None

- D. Uncollectible Reinsurance: None
- E. Commutation of Ceded Reinsurance: None
- F. Retroactive Reinsurance: None
- G. Reinsurance Accounted for as a Deposit: None
- H. Disclosures for the 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 and Contracts Subject to Redetermination:** None

**25. Changes in Incurred Losses and Loss Adjustment Expenses:**

As a result of the intercompany pooling agreement, all reserves have been ceded based on the pooling agreement (see Note 26).

**26. Intercompany Pooling Agreements:**

Effective January 1, 2017, the Company participates in a pooling agreement with the following percentages:

	NAIC Co Code	Pooling Percentage (%)	
		2019	2018
Lead Company:	Grange Insurance Company	96.0%	96.0%
Affiliates:	Trustgard Insurance Company	0.0%	0.0%
	Grange Indemnity Insurance Company	0.0%	0.0%
	Grange Insurance Company of Michigan	0.0%	0.0%
	Grange Property & Casualty Insurance Company	0.0%	0.0%
	Integrity Insurance Company	4.0%	4.0%
	Integrity Property & Casualty Insurance Company	0.0%	0.0%
	Integrity Select Insurance Company	0.0%	0.0%

The intercompany pooling agreement cedes underwriting results back only to GIC and IIC, with their respective stock subsidiary companies receiving none from the pool.

All lines of business are subject to the pooling agreement, with no exceptions. All members of the pool are parties to all reinsurance treaties entered by the group with non-affiliated reinsurers. There are no discrepancies between the reinsurance schedules of the lead company and the reinsurance schedules of the other participants.

**27. Structured Settlements:**

All unassigned structured settlements where the claimant is the payee have amortized values, by company, less than 1% of the Company's surplus.

**28. Health Care Receivables:** None

**29. Participating Policies:** None

**30. Premium Deficiency Reserves:**

- 1. Liability carried for premium deficiency reserves: \$ 0
- 2. Date of the most recent evaluation of this liability: December 31, 2019
- 3. Was anticipated investment income utilized in the calculation? No

**31. High Deductibles:** None

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

**33. Asbestos/Environmental Reserves:** None

**34. Subscriber Savings Accounts:** None

**35. Multiple Peril Crop Insurance:** None

**36. Financial Guaranty Insurance:** None

**37. Catastrophic Planning:**

The Company utilizes a variety of catastrophe mitigation techniques including exposure management, catastrophe modeling, transfer of risk via reinsurance and claims staff preparation. Exposure management includes active management of exposures and loss potentials such as monitoring of changes in insured values, peril avoidance, pricing actions and/or agency realignments. The Company primarily relies on two probabilistic catastrophe models to identify PML and TVaR estimates on an annual basis. A deterministic model augments this effort. The Company has a comprehensive catastrophic reinsurance program in place and we currently purchase coverage up to our 250-year event outcome. The Company places an emphasis on settlement of claims by Company personnel and these associates receive ongoing training on property claims practices.

# ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES

#### GENERAL

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

1.3 State Regulating? Ohio.....

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

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

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

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

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

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

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

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

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

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

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

4.11 sales of new business? Yes [  ] No [  ]

4.12 renewals? Yes [  ] No [  ]

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

4.21 sales of new business? Yes [  ] No [  ]

4.22 renewals? Yes [  ] No [  ]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [  ] No [  ]

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 [  ]

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

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

7.2 If yes,

7.21 State the percentage of foreign control .....0.0 %

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
.....	.....
.....	.....
.....	.....

# ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY

## GENERAL INTERROGATORIES

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

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

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

8.4 If response to 8.3 is yes, please provide 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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
Deloitte & Touche LLP, 180 East Broad St., Suite 1400, Columbus, OH 43215.....

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [ X ]

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

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [ X ]

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

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [ X ] No [ ] N/A [ ]

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

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
Philip A. Baum, FCAS, MAAA, Officer of the Reporting Entity.....

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 \$.....

12.2 If yes, provide explanation

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

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

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ]

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [ ]

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [ X ] No [ ]

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

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

c. Compliance with applicable governmental laws, rules and regulations;

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

e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

14.2 Has the code of ethics for senior managers been amended? Yes [ ] No [ X ]

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

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [ X ]

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

# ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY

## GENERAL INTERROGATORIES

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [ ] No [ X ]

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

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

### BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [ X ] No [ ]

17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [ X ] No [ ]

18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict 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 \$.....  
20.12 To stockholders not officers \$.....  
20.13 Trustees, supreme or grand (Fraternal only) \$.....

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

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [ ] No [ X ]

21.2 If yes, state the amount thereof at December 31 of the current year: 21.21 Rented from others \$.....  
21.22 Borrowed from others \$.....  
21.23 Leased from others \$.....  
21.24 Other \$.....

22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [ ] No [ X ]

22.2 If answer is yes: 22.21 Amount paid as losses or risk adjustment \$.....  
22.22 Amount paid as expenses \$.....  
22.23 Other amounts paid \$.....

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ X ] No [ ]

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$..... 185,110

### INVESTMENT

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

24.02 If no, give full and complete information, relating thereto  
On deposit in custodial account.....

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 [ ] NA [ X ]

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

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

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

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

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

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

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY**

**GENERAL INTERROGATORIES**

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 [  ] No [  ]

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

25.21 Subject to repurchase agreements	\$.....
25.22 Subject to reverse repurchase agreements	\$.....
25.23 Subject to dollar repurchase agreements	\$.....
25.24 Subject to reverse dollar repurchase agreements	\$.....
25.25 Placed under option agreements	\$.....
25.26 Letter stock or securities restricted as to sale – excluding FHLB Capital Stock	\$.....
25.27 FHLB Capital Stock	\$.....
25.28 On deposit with states	\$..... 2,331,723
25.29 On deposit with other regulatory bodies	\$.....
25.30 Pledged as collateral – excluding collateral pledged to an FHLB	\$.....
25.31 Pledged as collateral to FHLB – including assets backing funding agreements	\$.....
25.32 Other	\$.....

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

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

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

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

26.41 Special accounting provision of SSAP No. 108	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
26.42 Permitted accounting practice	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]
26.43 Other accounting guidance	Yes [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]

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

Yes [  ] No [  ]

- The reporting entity has obtained explicit approval from the domiciliary state.
- Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
- Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
- Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [  ] No [  ]

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

28. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [  ] 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
Northern Trust.....	50 S. LaSalle St. -M27, Chicago, IL 60603.....

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 [  ]

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

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

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY**

**GENERAL INTERROGATORIES**

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
J. Christopher Montgomery.....	.....
James Habegger.....	.....
John Ammendola.....	.....
Teresa Dalenta.....	.....

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) manage more than 10% of the reporting entity’s invested assets?

Yes [ ] No [ X ]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a “U”) listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity’s invested assets?

Yes [ ] No [ X ]

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

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

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

Yes [ ] No [ X ]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
.....	.....	.....
.....	.....	.....
.....	.....	.....
29.2999 TOTAL		0

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
.....	.....	.....	.....
.....	.....	.....	.....
.....	.....	.....	.....

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.....	72,399,470	75,738,426	3,338,956
30.2 Preferred Stocks.....	0		0
30.3 Totals	72,399,470	75,738,426	3,338,956

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

The Company utilizes fair values provided by its custodian Northern Trust. ICE is their primary source.....

Yes [ X ] No [ ]

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 [ ]

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:

# ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY

## GENERAL INTERROGATORIES

33. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities?

Yes [ ] No [ X ]

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

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as 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 ]

### OTHER

36.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ ..... 0

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
.....	\$.....
.....	\$.....
.....	\$.....

37.1 Amount of payments for legal expenses, if any? \$ ..... 0

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

1 Name	2 Amount Paid
.....	\$.....
.....	\$.....
.....	\$.....

38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers, or departments of government, if any? \$ ..... 0

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

1 Name	2 Amount Paid
.....	\$.....
.....	\$.....
.....	\$.....

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY**

**GENERAL INTERROGATORIES**  
**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? ..... \$ .....

1.31 Reason for excluding

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

1.5 Indicate total incurred claims on all Medicare Supplement insurance. ..... \$ ..... 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	\$ ..... 0	\$ ..... 0
2.2 Premium Denominator	\$ ..... 0	\$ ..... 0
2.3 Premium Ratio (2.1/2.2)	.....0.000	.....0.000
2.4 Reserve Numerator	\$ ..... 0	\$ ..... 0
2.5 Reserve Denominator	\$ ..... 0	\$ ..... 0
2.6 Reserve Ratio (2.4/2.5)	.....0.000	.....0.000

3.1 Does the reporting entity issue both participating and non-participating policies? ..... Yes [ ] No [ X ]

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

3.21 Participating policies ..... \$ .....  
3.22 Non-participating policies ..... \$ .....

4. For Mutual reporting entities and Reciprocal Exchanges only:

4.1 Does the reporting entity issue assessable policies? ..... Yes [ ] No [ X ]

4.2 Does the reporting entity issue non-assessable policies? ..... Yes [ X ] No [ ]

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

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

5. For Reciprocal Exchanges Only:

5.1 Does the exchange appoint local agents? ..... Yes [ ] No [ 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 [ X ]

5.5 If yes, give full information

# ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY

## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:  
 Purchased statutory workers' compensation reinsurance.....

6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:  
 See Notes to the Financial Statements Number 37.....

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?  
 See Notes to the Financial Statements Number 37.....

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

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)?.....

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

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

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?.....

8.2 If yes, give full information.....

9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:  
 (a) A contract term longer than two years and the contract is noncancelable by the reporting entity during the contract term;  
 (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;  
 (c) Aggregate stop loss reinsurance coverage;  
 (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;  
 (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or  
 (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity.....

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.....

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?.....

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

9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:  
 (a) The entity does not utilize reinsurance; or  
 (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or  
 (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.....

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?.....

Yes [ X ] No [ ]

Yes [ ] No [ X ]

Yes [ ] No [ ]

Yes [ ] No [ X ]

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

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY**

**GENERAL INTERROGATORIES**  
**PART 2 - PROPERTY & CASUALTY INTERROGATORIES**

11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force:..... Yes [ ] No [ X ]  
 11.2 If yes, give full information

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

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

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

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

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

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

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation):..... \$..... 2,000,000  
 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..... 1

14.1 Is the reporting entity a cedant in a multiple cedant reinsurance contract?..... Yes [ X ] No [ ]  
 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:  
 See Notes to Financial Statement Number 26. Catastrophe Excess Loss Agreement allocated on percentage of participation.....

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?..... Yes [ X ] No [ ]  
 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?..... Yes [ ] No [ ]  
 14.5 If the answer to 14.4 is no, please explain:.....

15.1 Has the reporting entity guaranteed any financed premium accounts?..... Yes [ ] No [ X ]  
 15.2 If yes, give full information

16.1 Does the reporting entity write any warranty business?..... Yes [ ] No [ X ]

If yes, disclose the following information for each of the following types of warranty coverage:

	1 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:

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY**

**GENERAL INTERROGATORIES**  
**PART 2 - PROPERTY & CASUALTY INTERROGATORIES**

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F – Part 3 that is exempt from the statutory provision for unauthorized reinsurance? ..... Yes [ ] No [ X ]

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

	Gross amount of unauthorized reinsurance in Schedule F – Part 3
17.11	exempt from the statutory provision for unauthorized reinsurance..... \$.....
17.12	Unfunded portion of Interrogatory 17.11..... \$.....
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11..... \$.....
17.14	Case reserves portion of Interrogatory 17.11..... \$.....
17.15	Incurred but not reported portion of Interrogatory 17.11..... \$.....
17.16	Unearned premium portion of Interrogatory 17.11..... \$.....
17.17	Contingent commission portion of Interrogatory 17.11..... \$.....

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

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

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

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

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

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

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY**

**FIVE-YEAR HISTORICAL DATA**

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

	1 2019	2 2018	3 2017	4 2016	5 2015
<b>Gross Premiums Written</b> (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....	65,176,338	62,903,407	55,712,044	79,281,921	87,413,248
2. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	54,735,128	50,173,873	45,138,644	62,369,921	65,563,312
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	37,424,280	35,248,281	29,377,101	57,996,225	66,122,165
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	0	0	1,150
5. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
6. Total (Line 35) .....	157,335,746	148,325,562	130,227,790	199,648,067	219,099,875
<b>Net Premiums Written</b> (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....	0	0	(5,294,940)	15,631,152	16,733,963
8. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	0	0	(3,788,336)	11,514,384	11,670,894
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	0	0	(7,269,462)	13,815,255	14,377,846
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	0	0	1,150
11. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
12. Total (Line 35) .....	0	0	(16,352,738)	40,960,792	42,783,854
<b>Statement of Income</b> (Page 4)					
13. Net underwriting gain (loss) (Line 8) .....	0	0	0	2,360,097	127,689
14. Net investment gain (loss) (Line 11) .....	2,244,203	1,996,380	3,105,371	3,208,541	3,173,510
15. Total other income (Line 15) .....	0	0	0	3,341,705	4,009,539
16. Dividends to policyholders (Line 17) .....	0	0	0	126,294	115,456
17. Federal and foreign income taxes incurred (Line 19) .....	313,400	348,820	(861,868)	2,686,504	2,085,861
18. Net income (Line 20) .....	1,930,803	1,647,560	3,967,239	6,097,545	5,109,421
<b>Balance Sheet Lines</b> (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3) .....	76,738,183	74,818,461	72,840,459	117,003,866	113,303,405
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1) .....	0	0	0	8,231,136	8,301,996
20.2 Deferred and not yet due (Line 15.2) .....	0	0	0	32,628	25,937
20.3 Accrued retrospective premiums (Line 15.3) .....	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26) .....	390,545	382,659	105,750	46,900,937	49,272,250
22. Losses (Page 3, Line 1) .....	0	0	0	18,742,947	18,566,594
23. Loss adjustment expenses (Page 3, Line 3) .....	0	0	0	5,630,010	5,024,402
24. Unearned premiums (Page 3, Line 9) .....	0	0	0	16,352,738	16,790,842
25. Capital paid up (Page 3, Lines 30 & 31) .....	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
26. Surplus as regards policyholders (Page 3, Line 37) .....	76,347,638	74,435,802	72,734,709	70,102,929	64,031,155
<b>Cash Flow</b> (Page 5)					
27. Net cash from operations (Line 11) .....	2,496,744	3,553,216	(34,847,384)	7,808,073	8,580,475
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital .....	76,347,638	74,435,802	72,734,709	70,102,929	64,031,155
29. Authorized control level risk-based capital .....	269,490	225,941	253,154	3,194,946	3,521,941
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b>					
(Page 2, Col. 3)(Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1) .....	95.4	97.8	94.1	99.4	95.4
31. Stocks (Lines 2.1 & 2.2) .....	0.0	0.0	0.0	0.0	0.0
32. Mortgage loans on real estate (Lines 3.1 and 3.2) .....	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3) .....	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5) .....	4.4	2.1	5.9	0.6	1.3
35. Contract loans (Line 6) .....	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7) .....	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8) .....	0.0	0.0	0.0	0.0	0.0
38. Receivables for securities (Line 9) .....	0.2	0.2	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10) .....	0.0	0.0	0.0	0.0	3.3
40. Aggregate write-ins for invested assets (Line 11) .....	0.0	0.0	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 12) .....	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1) .....	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1) .....	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1) .....	0	0	0	0	0
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10) .....	0	0	0	0	0
46. Affiliated mortgage loans on real estate .....					
47. All other affiliated .....	0	0	0	0	0
48. Total of above Lines 42 to 47 .....	0	0	0	0	0
49. Total Investment in parent included in Lines 42 to 47 above .....					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0) .....	0.0	0.0	0.0	0.0	0.0

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY**

**FIVE-YEAR HISTORICAL DATA**

**(Continued)**

	1 2019	2 2018	3 2017	4 2016	5 2015
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24) .....	0	0	0	0	0
52. Dividends to stockholders (Line 35) .....	0	0	0	0	0
53. Change in surplus as regards policyholders for the year (Line 38) .....	1,911,836	1,701,093	2,631,780	6,071,775	5,030,112
<b>Gross Losses Paid (Page 9, Part 2, Cols. 1 &amp; 2)</b>					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....	39,634,813	41,218,835	56,727,496	54,337,205	55,259,385
55. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	26,446,591	24,542,204	23,402,644	30,889,013	35,503,317
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	17,207,789	17,025,284	25,880,015	24,892,312	30,819,619
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	24	23	401
58. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
59. Total (Line 35) .....	83,289,194	82,786,323	106,010,179	110,118,552	121,582,722
<b>Net Losses Paid (Page 9, Part 2, Col. 4)</b>					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....	0	0	14,568,114	9,509,371	9,654,050
61. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	0	0	129,197	5,734,243	6,214,802
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	0	0	4,045,612	5,148,437	6,261,564
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	24	23	401
64. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
65. Total (Line 35) .....	0	0	18,742,947	20,392,073	22,130,816
<b>Operating Percentages (Page 4)</b> (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) .....	0.0	0.0	0.0	49.7	57.3
68. Loss expenses incurred (Line 3) .....	0.0	0.0	0.0	12.6	11.9
69. Other underwriting expenses incurred (Line 4) .....	0.0	0.0	0.0	32.0	30.6
70. Net underwriting gain (loss) (Line 8) .....	0.0	0.0	0.0	5.7	0.3
<b>Other Percentages</b>					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0) .....	0.0	0.0	0.0	24.2	21.3
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0) .....	0.0	0.0	0.0	62.3	69.1
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0) .....	0.0	0.0	(22.5)	58.4	66.8
<b>One Year Loss Development (\$000 omitted)</b>					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11) .....	0	0	0	(836)	723
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0) .....	0.0	0.0	0.0	(1.3)	1.2
<b>Two Year Loss Development (\$000 omitted)</b>					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12) .....	0	0	0	227	762
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0) .....	0.0	0.0	0.0	0.4	1.4

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

Yes  No

If no, please explain

Schedule P - Part 1 - Summary

**NONE**

Schedule P - Part 2 - Summary

**NONE**

Schedule P - Part 3 - Summary

**NONE**

Schedule P - Part 4 - Summary

**NONE**

**ANNUAL STATEMENT FOR THE YEAR 2019 OF THE TRUSTGARD INSURANCE COMPANY**

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

**Allocated By States And Territories**

States, etc.	1 Active Status (a)	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	N	0	0	0	0	0	0	0
2. Alaska	AK	N	0	0	0	0	0	0	0
3. Arizona	AZ	N	0	0	0	0	0	0	0
4. Arkansas	AR	N	0	0	0	0	0	0	0
5. California	CA	N	0	0	0	0	0	0	0
6. Colorado	CO	L	0	0	0	0	0	0	0
7. Connecticut	CT	N	0	0	0	0	0	0	0
8. Delaware	DE	N	0	0	0	0	0	0	0
9. Dist. Columbia	DC	N	0	0	0	0	0	0	0
10. Florida	FL	N	0	0	0	0	0	0	0
11. Georgia	GA	L	24,688,945	24,471,000	0	11,864,838	15,363,816	9,782,848	203,889
12. Hawaii	HI	N	0	0	0	0	0	0	0
13. Idaho	ID	N	0	0	0	0	0	0	0
14. Illinois	IL	L	11,799,192	11,717,963	0	8,408,008	6,394,004	3,670,923	146,103
15. Indiana	IN	L	35,686,444	32,353,428	0	16,526,329	16,731,555	8,678,832	506,657
16. Iowa	IA	L	0	0	0	0	0	0	0
17. Kansas	KS	L	0	0	0	0	0	0	0
18. Kentucky	KY	L	7,201,690	7,275,694	0	2,520,228	2,076,107	1,690,219	80,079
19. Louisiana	LA	N	0	0	0	0	0	0	0
20. Maine	ME	N	0	0	0	0	0	0	0
21. Maryland	MD	N	0	0	0	0	0	0	0
22. Massachusetts	MA	N	0	0	0	0	0	0	0
23. Michigan	MI	N	0	0	0	0	0	0	0
24. Minnesota	MN	L	0	0	0	0	0	0	0
25. Mississippi	MS	N	0	0	0	0	0	0	0
26. Missouri	MO	L	0	0	0	(67)	(67)	0	0
27. Montana	MT	N	0	0	0	0	0	0	0
28. Nebraska	NE	L	0	0	0	0	0	0	0
29. Nevada	NV	N	0	0	0	0	0	0	0
30. New Hampshire	NH	N	0	0	0	0	0	0	0
31. New Jersey	NJ	N	0	0	0	0	0	0	0
32. New Mexico	NM	N	0	0	0	0	0	0	0
33. New York	NY	N	0	0	0	0	0	0	0
34. No. Carolina	NC	N	0	0	0	0	0	0	0
35. No. Dakota	ND	L	0	0	0	0	0	0	0
36. Ohio	OH	L	13,190,718	12,841,513	0	6,670,489	6,544,331	4,998,924	568,087
37. Oklahoma	OK	N	0	0	0	0	0	0	0
38. Oregon	OR	L	0	0	0	0	0	0	0
39. Pennsylvania	PA	L	11,388,412	11,690,457	0	7,703,906	6,934,282	5,357,408	122,941
40. Rhode Island	RI	N	0	0	0	0	0	0	0
41. So. Carolina	SC	L	15,085	650,396	0	2,796,333	694,604	2,520,088	4,810
42. So. Dakota	SD	L	0	0	0	0	0	0	0
43. Tennessee	TN	L	29,712,403	26,901,267	0	13,455,424	13,951,099	6,236,838	308,587
44. Texas	TX	L	0	0	0	0	0	0	0
45. Utah	UT	N	0	0	0	0	0	0	0
46. Vermont	VT	N	0	0	0	0	0	0	0
47. Virginia	VA	L	23,596,886	20,068,402	0	13,296,402	11,260,839	9,289,171	287,888
48. Washington	WA	L	0	0	0	0	0	0	0
49. West Virginia	WV	N	0	0	0	0	0	0	0
50. Wisconsin	WI	L	0	0	0	0	0	0	0
51. Wyoming	WY	N	0	0	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0	0	0
53. Guam	GU	N	0	0	0	0	0	0	0
54. Puerto Rico	PR	N	0	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	N	0	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0	0
57. Canada	CAN	N	0	0	0	0	0	0	0
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0
59. Totals	XXX		157,279,774	147,970,119	0	83,241,890	79,950,570	52,225,250	2,229,041
<b>DETAILS OF WRITE-INS</b>									
58001.		XXX							
58002.		XXX							
58003.		XXX							
58998. Sum. of remaining write-ins for Line 58 from overflow page		XXX	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 + 58998) (Line 58 above)		XXX	0	0	0	0	0	0	0

(a) Active Status Counts

L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG ..... 21 R – Registered – Non-domiciled RRGs ..... 0  
E – Eligible – Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSLI) ..... 0 Q – Qualified – Qualified or accredited reinsurer ..... 0  
D – Domestic Surplus Lines Insurer (DSLI) – Reporting entities authorized to write surplus lines in the state of domicile ..... 0 N – None of the above – Not allowed to write business in the state ..... 36

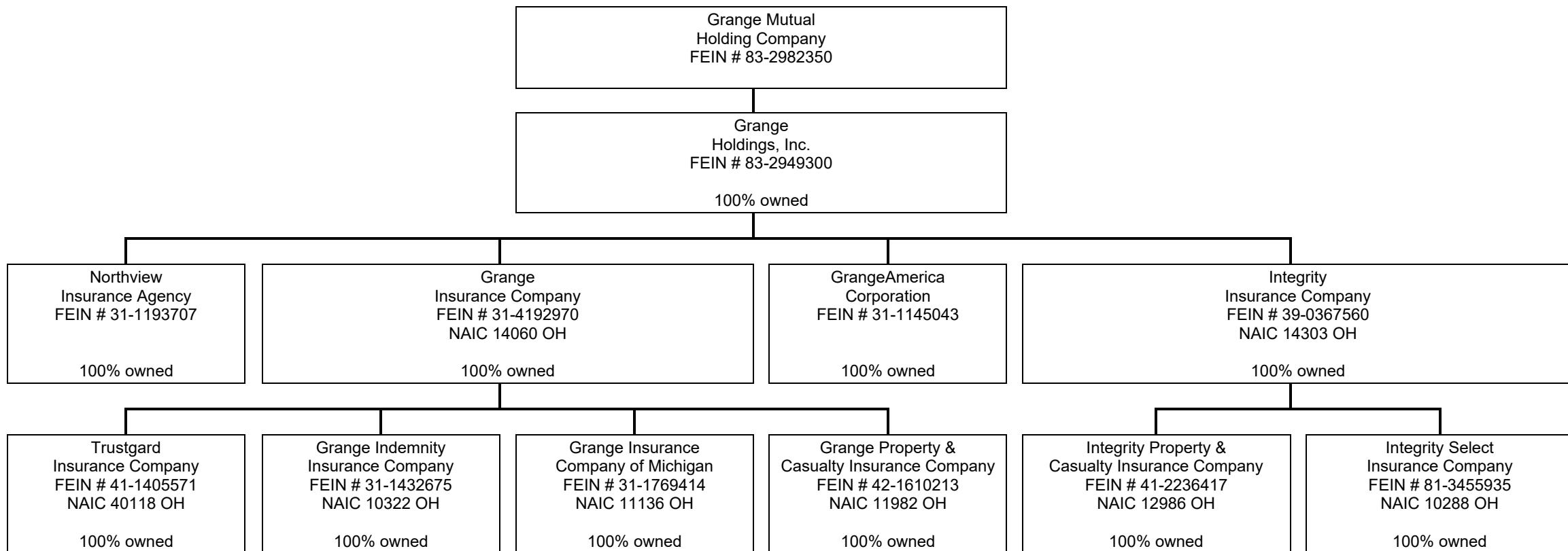
(b) Explanation of basis of allocation of premiums by states, etc.

Location of the risk.

STATEMENT AS OF DECEMBER 31, 2019 OF THE  
TRUSTGARD INSURANCE COMPANY

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

PART 1 – ORGANIZATIONAL CHART



## ALPHABETICAL INDEX

---

### ANNUAL STATEMENT BLANK

Assets	2
Cash Flow	5
Exhibit of Capital Gains (Losses)	12
Exhibit of Net Investment Income	12
Exhibit of Nonadmitted Assets	13
Exhibit of Premiums and Losses (State Page)	19
Five-Year Historical Data	17
General Interrogatories	15
Jurat Page	1
Liabilities, Surplus and Other Funds	3
Notes To Financial Statements	14
Overflow Page For Write-Ins	100
Schedule A – Part 1	E01
Schedule A – Part 2	E02
Schedule A – Part 3	E03
Schedule A – Verification Between Years	SI02
Schedule B – Part 1	E04
Schedule B – Part 2	E05
Schedule B – Part 3	E06
Schedule B – Verification Between Years	SI02
Schedule BA – Part 1	E07
Schedule BA – Part 2	E08
Schedule BA – Part 3	E09
Schedule BA – Verification Between Years	SI03
Schedule D – Part 1	E10
Schedule D – Part 1A – Section 1	SI05
Schedule D – Part 1A – Section 2	SI08
Schedule D – Part 2 – Section 1	E11
Schedule D – Part 2 – Section 2	E12
Schedule D – Part 3	E13
Schedule D – Part 4	E14
Schedule D – Part 5	E15
Schedule D – Part 6 – Section 1	E16
Schedule D – Part 6 – Section 2	E16
Schedule D – Summary By Country	SI04
Schedule D – Verification Between Years	SI03
Schedule DA – Part 1	E17

## ALPHABETICAL INDEX

---

### ANNUAL STATEMENT BLANK (Continued)

Schedule DA – Verification Between Years	SI10
Schedule DB – Part A – Section 1	E18
Schedule DB – Part A – Section 2	E19
Schedule DB – Part A – Verification Between Years	SI11
Schedule DB – Part B – Section 1	E20
Schedule DB – Part B – Section 2	E21
Schedule DB – Part B – Verification Between Years	SI11
Schedule DB – Part C – Section 1	SI12
Schedule DB – Part C – Section 2	SI13
Schedule DB – Part D – Section 1	E22
Schedule DB – Part D – Section 2	E23
Schedule DB – Part E	E24
Schedule DB – Verification	SI14
Schedule DL – Part 1	E25
Schedule DL – Part 2	E26
Schedule E – Part 1 – Cash	E27
Schedule E – Part 2 – Cash Equivalents	E28
Schedule E – Part 2 - Verification Between Years	SI15
Schedule E – Part 3 – Special Deposits	E29
Schedule F – Part 1	20
Schedule F – Part 2	21
Schedule F – Part 3	22
Schedule F – Part 4	27
Schedule F – Part 5	28
Schedule F – Part 6	29
Schedule H – Part 1 - Accident and Health Exhibit	30
Schedule H – Part 2, Part 3, and Part 4	31
Schedule H – Part 5 – Health Claims	32
Schedule P – Part 1 – Summary	33
Schedule P – Part 1A – Homeowners/Farmowners	35
Schedule P – Part 1B – Private Passenger Auto Liability/Medical	36
Schedule P – Part 1C – Commercial Auto/Truck Liability/Medical	37
Schedule P – Part 1D – Workers' Compensation (Excluding Excess Workers' Compensation)	38

## ALPHABETICAL INDEX

---

### ANNUAL STATEMENT BLANK (Continued)

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

## ALPHABETICAL INDEX

---

### ANNUAL STATEMENT BLANK (Continued)

Schedule P – Part 3B – Private Passenger Auto Liability/Medical	62
Schedule P – Part 3C – Commercial Auto/Truck Liability/Medical	62
Schedule P – Part 3D – Workers' Compensation (Excluding Excess Workers' Compensation)	62
Schedule P – Part 3E – Commercial Multiple Peril	62
Schedule P – Part 3F – Section 1 – Medical Professional Liability – Occurrence	63
Schedule P – Part 3F – Section 2 – Medical Professional Liability – Claims-Made	63
Schedule P – Part 3G – Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery)	63
Schedule P – Part 3H – Section 1 – Other Liability – Occurrence	63
Schedule P – Part 3H – Section 2 – Other Liability – Claims-Made	63
Schedule P – Part 3I – Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft)	64
Schedule P – Part 3J – Auto Physical Damage	64
Schedule P – Part 3K – Fidelity/Surety	64
Schedule P – Part 3L – Other (Including Credit, Accident and Health)	64
Schedule P – Part 3M – International	64
Schedule P – Part 3N – Reinsurance – Nonproportional Assumed Property	65
Schedule P – Part 3O – Reinsurance – Nonproportional Assumed Liability	65
Schedule P – Part 3P – Reinsurance – Nonproportional Assumed Financial Lines	65
Schedule P – Part 3R – Section 1 – Products Liability – Occurrence	66
Schedule P – Part 3R – Section 2 – Products Liability – Claims-Made	66
Schedule P – Part 3S – Financial Guaranty/Mortgage Guaranty	66
Schedule P – Part 3T – Warranty	66
Schedule P – Part 4A – Homeowners/Farmowners	67
Schedule P – Part 4B – Private Passenger Auto Liability/Medical	67
Schedule P – Part 4C – Commercial Auto/Truck Liability/Medical	67
Schedule P – Part 4D – Workers' Compensation (Excluding Excess Workers' Compensation)	67
Schedule P – Part 4E – Commercial Multiple Peril	67
Schedule P – Part 4F – Section 1 – Medical Professional Liability – Occurrence	68
Schedule P – Part 4F – Section 2 – Medical Professional Liability – Claims-Made	68
Schedule P – Part 4G – Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery)	68
Schedule P – Part 4H – Section 1 – Other Liability – Occurrence	68
Schedule P – Part 4H – Section 2 – Other Liability – Claims-Made	68
Schedule P – Part 4I – Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary and Theft)	69
Schedule P – Part 4J – Auto Physical Damage	69
Schedule P – Part 4K – Fidelity/Surety	69
Schedule P – Part 4L – Other (Including Credit, Accident and Health)	69
Schedule P – Part 4M – International	69
Schedule P – Part 4N – Reinsurance – Nonproportional Assumed Property	70
Schedule P – Part 4O – Reinsurance – Nonproportional Assumed Liability	70
Schedule P – Part 4P – Reinsurance – Nonproportional Assumed Financial Lines	70
Schedule P – Part 4R – Section 1 – Products Liability – Occurrence	71
Schedule P – Part 4R – Section 2 – Products Liability – Claims-Made	71

## ALPHABETICAL INDEX

---

### ANNUAL STATEMENT BLANK (Continued)

Schedule P – Part 4S – Financial Guaranty/Mortgage Guaranty	71
Schedule P – Part 4T – Warranty	71
Schedule P – Part 5A – Homeowners/Farmowners	72
Schedule P – Part 5B – Private Passenger Auto Liability/Medical	73
Schedule P – Part 5C – Commercial Auto/Truck Liability/Medical	74
Schedule P – Part 5D – Workers' Compensation (Excluding Excess Workers' Compensation)	75
Schedule P – Part 5E – Commercial Multiple Peril	76
Schedule P – Part 5F – Medical Professional Liability – Claims-Made	78
Schedule P – Part 5F – Medical Professional Liability – Occurrence	77
Schedule P – Part 5H – Other Liability – Claims-Made	80
Schedule P – Part 5H – Other Liability – Occurrence	79
Schedule P – Part 5R – Products Liability – Claims-Made	82
Schedule P – Part 5R – Products Liability – Occurrence	81
Schedule P – Part 5T – Warranty	83
Schedule P – Part 6C – Commercial Auto/Truck Liability/Medical	84
Schedule P – Part 6D – Workers' Compensation (Excluding Excess Workers' Compensation)	84
Schedule P – Part 6E – Commercial Multiple Peril	85
Schedule P – Part 6H – Other Liability – Claims-Made	86
Schedule P – Part 6H – Other Liability – Occurrence	85
Schedule P – Part 6M – International	86
Schedule P – Part 6N – Reinsurance – Nonproportional Assumed Property	87
Schedule P – Part 6O – Reinsurance – Nonproportional Assumed Liability	87
Schedule P – Part 6R – Products Liability – Claims-Made	88
Schedule P – Part 6R – Products Liability – Occurrence	88
Schedule P – Part 7A – Primary Loss Sensitive Contracts	89
Schedule P – Part 7B – Reinsurance Loss Sensitive Contracts	91
Schedule P Interrogatories	93
Schedule T – Exhibit of Premiums Written	94
Schedule T – Part 2 – Interstate Compact	95
Schedule Y – Part 1 - Information Concerning Activities of Insurer Members of a Holding Company Group	96
Schedule Y – Part 1A – Detail of Insurance Holding Company System	97
Schedule Y – Part 2 – Summary of Insurer's Transactions With Any Affiliates	98
Statement of Income	4
Summary Investment Schedule	SI01
Supplemental Exhibits and Schedules Interrogatories	99
Underwriting and Investment Exhibit Part 1	6
Underwriting and Investment Exhibit Part 1A	7
Underwriting and Investment Exhibit Part 1B	8
Underwriting and Investment Exhibit Part 2	9
Underwriting and Investment Exhibit Part 2A	10
Underwriting and Investment Exhibit Part 3	11

