



ANNUAL STATEMENT
For the Year Ended December 31, 2019
of the Condition and Affairs of the
Triumphe Casualty Company

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

NAIC Company Code..... 41106

Employer's ID Number..... 95-3623282

Organized under the Laws of OH

State of Domicile or Port of Entry OH

Country of Domicile US

Incorporated/Organized..... October 20, 1981

Commenced Business..... December 31, 1981

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

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

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

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

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

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

Internet Web Site Address www.natl.com

Statutory Statement Contact Leah Marie Blazek
(Name)

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

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

330-659-8904
(Fax Number)

OFFICERS

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

OTHER

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

DIRECTORS OR TRUSTEES

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

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

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

| | | |
|-------------------------|-------------------|---|
| | | |
| (Signature) | (Signature) | (Signature) |
| Anthony Joseph Mercurio | Sue Ann Erhart | Julie Ann McGraw |
| 1. (Printed Name) | 2. (Printed Name) | 3. (Printed Name) |
| President | Secretary | Senior VP, Chief Financial Officer, & Treasurer |
| (Title) | (Title) | (Title) |

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

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



Attorney Matthew R. Fichter
Resident Summit County
Notary Public, State of Ohio
My Commission Has No Expiration Date
Sec 147.03 RC

ASSETS

| | Current Year | | | Prior Year |
|--|--------------|--------------------|--------------------------------------|---------------------|
| | 1 | 2 | 3 | 4 |
| | Assets | Nonadmitted Assets | Net Admitted Assets (Cols. 1 - 2) | Net Admitted Assets |
| 1. Bonds (Schedule D)..... | 46,275,817 | | 46,275,817 | 46,027,508 |
| 2. Stocks (Schedule D): | | | | |
| 2.1 Preferred stocks..... | | | 0 | |
| 2.2 Common stocks..... | | | 0 | |
| 3. Mortgage loans on real estate (Schedule B): | | | | |
| 3.1 First liens..... | | | 0 | |
| 3.2 Other than first liens..... | | | 0 | |
| 4. Real estate (Schedule A): | | | | |
| 4.1 Properties occupied by the company (less \$.....0 encumbrances)..... | | | 0 | |
| 4.2 Properties held for the production of income (less \$.....0 encumbrances)..... | | | 0 | |
| 4.3 Properties held for sale (less \$.....0 encumbrances)..... | | | 0 | |
| 5. Cash (\$.....79,163, Schedule E-Part 1), cash equivalents (\$.....8,704,776, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA)..... | 8,783,939 | | 8,783,939 | 3,632,012 |
| 6. Contract loans (including \$.....0 premium notes)..... | | | 0 | |
| 7. Derivatives (Schedule DB)..... | | | 0 | |
| 8. Other invested assets (Schedule BA)..... | | | 0 | |
| 9. Receivables for securities..... | | | 0 | |
| 10. Securities lending reinvested collateral assets (Schedule DL)..... | | | 0 | |
| 11. Aggregate write-ins for invested assets..... | 0 | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11)..... | 55,059,756 | 0 | 55,059,756 | 49,659,520 |
| 13. Title plants less \$.....0 charged off (for Title insurers only)..... | | | 0 | |
| 14. Investment income due and accrued..... | 276,012 | | 276,012 | 304,004 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection..... | 1,258,989 | | 1,258,989 | 830,686 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)..... | 6,768,371 | 105,891 | 6,662,480 | 7,315,445 |
| 15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0)..... | | | 0 | |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers..... | 225,412 | | 225,412 | 139,286 |
| 16.2 Funds held by or deposited with reinsured companies..... | 179,125 | | 179,125 | 262,105 |
| 16.3 Other amounts receivable under reinsurance contracts..... | | | 0 | |
| 17. Amounts receivable relating to uninsured plans..... | | | 0 | |
| 18.1 Current federal and foreign income tax recoverable and interest thereon..... | | | 0 | |
| 18.2 Net deferred tax asset..... | 506,690 | 39,552 | 467,138 | 431,239 |
| 19. Guaranty funds receivable or on deposit..... | | | 0 | |
| 20. Electronic data processing equipment and software..... | | | 0 | |
| 21. Furniture and equipment, including health care delivery assets (\$.....0)..... | | | 0 | |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates..... | | | 0 | |
| 23. Receivables from parent, subsidiaries and affiliates..... | 1,870,912 | | 1,870,912 | 2,438,304 |
| 24. Health care (\$.....0) and other amounts receivable..... | | | 0 | |
| 25. Aggregate write-ins for other-than-invested assets..... | 151,092 | 0 | 151,092 | 74,621 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)..... | 66,296,360 | 145,443 | 66,150,917 | 61,455,210 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | | | 0 | |
| 28. TOTAL (Lines 26 and 27)..... | 66,296,360 | 145,443 | 66,150,917 | 61,455,210 |

DETAILS OF WRITE-INS

| | | | | |
|--|---------|---|---------|--------|
| 1101. | | | 0 | |
| 1102. | | | 0 | |
| 1103. | | | 0 | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page..... | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)..... | 0 | 0 | 0 | 0 |
| 2501. Receivable from insureds for deductible payments..... | 85,116 | | 85,116 | 8,598 |
| 2502. Miscellaneous receivables..... | 37,880 | | 37,880 | 39,056 |
| 2503. Commission receivables..... | 28,096 | | 28,096 | 26,967 |
| 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)..... | 151,092 | 0 | 151,092 | 74,621 |

LIABILITIES, SURPLUS AND OTHER FUNDS

| | 1 Current Year | 2 Prior Year |
|---|-------------------|-----------------|
| 1. Losses (Part 2A, Line 35, Column 8)..... | 11,380,265 | 10,998,502 |
| 2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)..... | | |
| 3. Loss adjustment expenses (Part 2A, Line 35, Column 9)..... | 2,609,173 | 2,420,267 |
| 4. Commissions payable, contingent commissions and other similar charges..... | 409,034 | 358,278 |
| 5. Other expenses (excluding taxes, licenses and fees)..... | 558,606 | 441,025 |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes)..... | 200,032 | 171,153 |
| 7.1 Current federal and foreign income taxes (including \$.....1,968 on realized capital gains (losses))..... | 52,634 | 44,913 |
| 7.2 Net deferred tax liability..... | | |
| 8. Borrowed money \$.....0 and interest thereon \$.....0..... | | |
| 9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....9,123,274 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act)..... | 4,914,537 | 4,679,497 |
| 10. Advance premium..... | 4,141 | 4,755 |
| 11. Dividends declared and unpaid: | | |
| 11.1 Stockholders..... | | |
| 11.2 Policyholders..... | | |
| 12. Ceded reinsurance premiums payable (net of ceding commissions)..... | 1,684,829 | 1,716,236 |
| 13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)..... | 23,704,013 | 21,690,157 |
| 14. Amounts withheld or retained by company for account of others..... | 173,926 | 179,810 |
| 15. Remittances and items not allocated..... | 256 | |
| 16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 3, Column 78)..... | 19,000 | 22,000 |
| 17. Net adjustments in assets and liabilities due to foreign exchange rates..... | | |
| 18. Drafts outstanding..... | | |
| 19. Payable to parent, subsidiaries and affiliates..... | 44,186 | 44,893 |
| 20. Derivatives..... | | |
| 21. Payable for securities..... | | |
| 22. Payable for securities lending..... | | |
| 23. Liability for amounts held under uninsured plans..... | | |
| 24. Capital notes \$.....0 and interest thereon \$.....0..... | | |
| 25. Aggregate write-ins for liabilities..... | 0 | 0 |
| 26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)..... | 45,754,631 | 42,771,485 |
| 27. Protected cell liabilities..... | | |
| 28. Total liabilities (Lines 26 and 27)..... | 45,754,631 | 42,771,485 |
| 29. Aggregate write-ins for special surplus funds..... | 0 | 0 |
| 30. Common capital stock..... | 3,000,000 | 3,000,000 |
| 31. Preferred capital stock..... | | |
| 32. Aggregate write-ins for other-than-special surplus funds..... | 0 | 0 |
| 33. Surplus notes..... | | |
| 34. Gross paid in and contributed surplus..... | 6,500,000 | 6,500,000 |
| 35. Unassigned funds (surplus)..... | 10,896,286 | 9,183,725 |
| 36. Less treasury stock, at cost: | | |
| 36.1 .....0.000 shares common (value included in Line 30 \$.....0)..... | | |
| 36.2 .....0.000 shares preferred (value included in Line 31 \$.....0)..... | | |
| 37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)..... | 20,396,286 | 18,683,725 |
| 38. TOTAL (Page 2, Line 28, Col. 3)..... | 66,150,917 | 61,455,210 |

DETAILS OF WRITE-INS

| | | |
|--|---|---|
| 2501. | | |
| 2502. | | |
| 2503. | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page..... | 0 | 0 |
| 2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)..... | 0 | 0 |
| 2901. | | |
| 2902. | | |
| 2903. | | |
| 2998. Summary of remaining write-ins for Line 29 from overflow page..... | 0 | 0 |
| 2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)..... | 0 | 0 |
| 3201. | | |
| 3202. | | |
| 3203. | | |
| 3298. Summary of remaining write-ins for Line 32 from overflow page..... | 0 | 0 |
| 3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)..... | 0 | 0 |

Triumphe Casualty Company
STATEMENT OF INCOME

| UNDERWRITING INCOME | | |
|---|-------------------|-----------------|
| | 1 Current Year | 2 Prior Year |
| 1. Premiums earned (Part 1, Line 35, Column 4)..... | 9,714,976 | 9,164,530 |
| DEDUCTIONS: | | |
| 2. Losses incurred (Part 2, Line 35, Column 7)..... | 4,401,372 | 4,365,657 |
| 3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)..... | 1,160,096 | 1,204,626 |
| 4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)..... | 2,858,600 | 2,635,029 |
| 5. Aggregate write-ins for underwriting deductions..... | 0 | 0 |
| 6. Total underwriting deductions (Lines 2 through 5)..... | 8,420,068 | 8,205,312 |
| 7. Net income of protected cells..... | | |
| 8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)..... | 1,294,908 | 959,218 |
| INVESTMENT INCOME | | |
| 9. Net investment income earned (Exhibit of Net Investment Income, Line 17)..... | 1,469,879 | 1,297,118 |
| 10. Net realized capital gains (losses) less capital gains tax of \$.....1,968 (Exhibit of Capital Gains (Losses))..... | 2,677 | 11,925 |
| 11. Net investment gain (loss) (Lines 9 + 10)..... | 1,472,557 | 1,309,043 |
| OTHER INCOME | | |
| 12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0)..... | 0 | |
| 13. Finance and service charges not included in premiums..... | 25 | 5,397 |
| 14. Aggregate write-ins for miscellaneous income..... | (524,552) | (439,792) |
| 15. Total other income (Lines 12 through 14)..... | (524,527) | (434,395) |
| 16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)..... | 2,242,937 | 1,833,865 |
| 17. Dividends to policyholders..... | | |
| 18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)..... | 2,242,937 | 1,833,865 |
| 19. Federal and foreign income taxes incurred..... | 478,616 | 337,473 |
| 20. Net income (Line 18 minus Line 19) (to Line 22)..... | 1,764,321 | 1,496,392 |
| CAPITAL AND SURPLUS ACCOUNT | | |
| 21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)..... | 18,683,725 | 19,087,466 |
| 22. Net income (from Line 20)..... | 1,764,321 | 1,496,392 |
| 23. Net transfers (to) from Protected Cell accounts..... | | |
| 24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0..... | | |
| 25. Change in net unrealized foreign exchange capital gain (loss)..... | | |
| 26. Change in net deferred income tax..... | 70,380 | 27,341 |
| 27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3)..... | (125,140) | (5,474) |
| 28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)..... | 3,000 | (22,000) |
| 29. Change in surplus notes..... | | |
| 30. Surplus (contributed to) withdrawn from Protected Cells..... | | |
| 31. Cumulative effect of changes in accounting principles..... | | |
| 32. Capital changes: | | |
| 32.1 Paid in..... | | |
| 32.2 Transferred from surplus (Stock Dividend)..... | | |
| 32.3 Transferred to surplus..... | | |
| 33. Surplus adjustments: | | |
| 33.1 Paid in..... | | |
| 33.2 Transferred to capital (Stock Dividend)..... | | |
| 33.3. Transferred from capital..... | | |
| 34. Net remittances from or (to) Home Office..... | | |
| 35. Dividends to stockholders..... | | (1,900,000) |
| 36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)..... | | |
| 37. Aggregate write-ins for gains and losses in surplus..... | 0 | 0 |
| 38. Change in surplus as regards policyholders for the year (Lines 22 through 37)..... | 1,712,561 | (403,741) |
| 39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)..... | 20,396,286 | 18,683,725 |
| DETAILS OF WRITE-INS | | |
| 0501. | | |
| 0502. | | |
| 0503. | | |
| 0598. Summary of remaining write-ins for Line 5 from overflow page..... | 0 | 0 |
| 0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)..... | 0 | 0 |
| 1401. Miscellaneous income..... | 24,433 | 34,600 |
| 1402. Interest from funds held..... | (548,986) | (474,393) |
| 1403. | | |
| 1498. Summary of remaining write-ins for Line 14 from overflow page..... | 0 | 0 |
| 1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)..... | (524,552) | (439,792) |
| 3701. | | |
| 3702. | | |
| 3703. | | |
| 3798. Summary of remaining write-ins for Line 37 from overflow page..... | 0 | 0 |
| 3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)..... | 0 | 0 |

CASH FLOW

| | 1 Current Year | 2 Prior Year |
|--|-------------------|-----------------|
| CASH FROM OPERATIONS | | |
| 1. Premiums collected net of reinsurance..... | 10,051,686 | 10,300,162 |
| 2. Net investment income..... | 1,697,011 | 1,430,287 |
| 3. Miscellaneous income..... | (524,527) | (434,395) |
| 4. Total (Lines 1 through 3)..... | 11,224,170 | 11,296,054 |
| 5. Benefit and loss related payments..... | 4,022,757 | 4,193,391 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | | |
| 7. Commissions, expenses paid and aggregate write-ins for deductions..... | 3,652,904 | 3,605,364 |
| 8. Dividends paid to policyholders..... | | |
| 9. Federal and foreign income taxes paid (recovered) net of \$.....1,968 tax on capital gains (losses)..... | 472,862 | 328,509 |
| 10. Total (Lines 5 through 9)..... | 8,148,522 | 8,127,264 |
| 11. Net cash from operations (Line 4 minus Line 10)..... | 3,075,648 | 3,168,789 |
| CASH FROM INVESTMENTS | | |
| 12. Proceeds from investments sold, matured or repaid: | | |
| 12.1 Bonds..... | 9,922,844 | 5,112,026 |
| 12.2 Stocks..... | | |
| 12.3 Mortgage loans..... | | |
| 12.4 Real estate..... | | |
| 12.5 Other invested assets..... | | |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments..... | | |
| 12.7 Miscellaneous proceeds..... | | |
| 12.8 Total investment proceeds (Lines 12.1 to 12.7)..... | 9,922,844 | 5,112,026 |
| 13. Cost of investments acquired (long-term only): | | |
| 13.1 Bonds..... | 10,345,317 | 17,865,134 |
| 13.2 Stocks..... | | |
| 13.3 Mortgage loans..... | | |
| 13.4 Real estate..... | | |
| 13.5 Other invested assets..... | | |
| 13.6 Miscellaneous applications..... | | |
| 13.7 Total investments acquired (Lines 13.1 to 13.6)..... | 10,345,317 | 17,865,134 |
| 14. Net increase (decrease) in contract loans and premium notes..... | | |
| 15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14)..... | (422,474) | (12,753,108) |
| CASH FROM FINANCING AND MISCELLANEOUS SOURCES | | |
| 16. Cash provided (applied): | | |
| 16.1 Surplus notes, capital notes..... | | |
| 16.2 Capital and paid in surplus, less treasury stock..... | | |
| 16.3 Borrowed funds..... | | |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities..... | | |
| 16.5 Dividends to stockholders..... | | 1,900,000 |
| 16.6 Other cash provided (applied)..... | 2,498,752 | 949,353 |
| 17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)..... | 2,498,752 | (950,647) |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)..... | 5,151,927 | (10,534,966) |
| 19. Cash, cash equivalents and short-term investments: | | |
| 19.1 Beginning of year..... | 3,632,012 | 14,166,978 |
| 19.2 End of year (Line 18 plus Line 19.1)..... | 8,783,939 | 3,632,012 |

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

| | | |
|---------------|--|--|
| 20.0001 | | |
|---------------|--|--|

Triumphe Casualty Company
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

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

DETAILS OF WRITE-INS

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

Triumphe Casualty Company
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

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

DETAILS OF WRITE-INS

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

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

Triumphe Casualty 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..... | | 1,236 | | | | 1,236 |
| 2. | Allied lines..... | | 639 | | | | 639 |
| 3. | Farmowners multiple peril..... | | | | | | .0 |
| 4. | Homeowners multiple peril..... | | | | | | .0 |
| 5. | Commercial multiple peril..... | | 101,439 | | | | 101,439 |
| 6. | Mortgage guaranty..... | | | | | | .0 |
| 8. | Ocean marine..... | | 154 | | | | 154 |
| 9. | Inland marine..... | | 123,597 | | | | 123,597 |
| 10. | Financial guaranty..... | | | | | | .0 |
| 11.1 | Medical professional liability - occurrence..... | | | | | | .0 |
| 11.2 | Medical professional liability - claims-made..... | | | | | | .0 |
| 12. | Earthquake..... | | | | | | .0 |
| 13. | Group accident and health..... | | 17,052 | | | | 17,052 |
| 14. | Credit accident and health (group and individual)..... | | | | | | .0 |
| 15. | Other accident and health..... | | 433 | | | | 433 |
| 16. | Workers' compensation..... | 25,568,372 | 2,920,033 | 683,836 | 21,710,077 | 4,542,131 | 2,920,033 |
| 17.1 | Other liability - occurrence..... | (2) | 407,290 | | (22) | 20 | 407,290 |
| 17.2 | Other liability - claims-made..... | | 13,756 | | | | 13,756 |
| 17.3 | Excess workers' compensation..... | | | | | | .0 |
| 18.1 | Products liability - occurrence..... | | | | | | .0 |
| 18.2 | Products liability - claims-made..... | | | | | | .0 |
| 19.1, 19.2 | Private passenger auto liability..... | (68) | (30) | | (205) | 138 | (30) |
| 19.3, 19.4 | Commercial auto liability..... | (1,084) | 5,172,035 | 578 | (525) | 19 | 5,172,035 |
| 21. | Auto physical damage..... | (1,084) | 1,192,351 | | (2,039) | 955 | 1,192,351 |
| 22. | Aircraft (all perils)..... | | | | | | .0 |
| 23. | Fidelity..... | | | | | | .0 |
| 24. | Surety..... | | 1 | | | | 1 |
| 26. | Burglary and theft..... | | 43 | | | | 43 |
| 27. | Boiler and machinery..... | | (11) | | | | (11) |
| 28. | Credit..... | | | | | | .0 |
| 29. | International..... | | | | | | .0 |
| 30. | Warranty..... | | | | | | .0 |
| 31. | Reinsurance - nonproportional assumed property..... | XXX | | | | | .0 |
| 32. | Reinsurance - nonproportional assumed liability..... | XXX | | | | | .0 |
| 33. | Reinsurance - nonproportional assumed financial lines..... | XXX | | | | | .0 |
| 34. | Aggregate write-ins for other lines of business..... | .0 | .0 | .0 | .0 | .0 | .0 |
| 35. | TOTALS..... | 25,566,134 | 9,950,016 | 684,414 | 21,707,285 | 4,543,263 | 9,950,016 |

DETAILS OF WRITE-INS

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

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

| | | Losses Paid Less Salvage | | | | 5 | 6 | 7 | 8 |
|----------------------|--|--------------------------|---------------------|-----------------------|--------------------------------|--|------------------------------|--|--|
| | | 1 | 2 | 3 | 4 | | | | |
| Line of Business | | Direct Business | Reinsurance Assumed | Reinsurance Recovered | Net Payments (Cols. 1 + 2 - 3) | Net Losses Unpaid Current Year (Part 2A, Col. 8) | Net Losses Unpaid Prior Year | Losses Incurred Current Year (Cols. 4 + 5 - 6) | Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1) |
| 1. | Fire..... | | | | 0 | 303 | 91 | 212 | 21.6 |
| 2. | Allied lines..... | | | | 0 | 198 | 199 | (1) | (0.1) |
| 3. | Farmowners multiple peril..... | | | | 0 | 0 | 0 | 0 | 0.0 |
| 4. | Homeowners multiple peril..... | | | | 0 | 0 | 0 | 0 | 0.0 |
| 5. | Commercial multiple peril..... | | 34,469 | | 34,469 | 111,066 | 120,140 | 25,395 | 25.0 |
| 6. | Mortgage guaranty..... | | | | 0 | 0 | | 0 | 0.0 |
| 8. | Ocean marine..... | | | | 0 | 50 | 984 | (934) | (605.9) |
| 9. | Inland marine..... | | 31,025 | | 31,025 | 31,184 | 29,128 | 33,081 | 29.4 |
| 10. | Financial guaranty..... | | | | 0 | 0 | | 0 | 0.0 |
| 11.1 | Medical professional liability - occurrence..... | | | | 0 | 0 | | 0 | 0.0 |
| 11.2 | Medical professional liability - claims-made..... | | | | 0 | 0 | | 0 | 0.0 |
| 12. | Earthquake..... | | 1 | | 1 | 3 | 2 | 1 | (4,950.0) |
| 13. | Group accident and health..... | | 2,621 | | 2,621 | 7,849 | 2,917 | 7,553 | 51.7 |
| 14. | Credit accident and health (group and individual)..... | | | | 0 | 0 | | 0 | 0.0 |
| 15. | Other accident and health..... | | 8 | | 8 | 4,950 | 4,863 | 95 | 23.0 |
| 16. | Workers' compensation..... | 10,335,502 | 1,485,861 | 10,776,343 | 1,045,020 | 4,168,327 | 4,263,439 | 949,908 | 30.4 |
| 17.1 | Other liability - occurrence..... | | 183,568 | | 183,568 | 478,327 | 461,272 | 200,623 | 53.3 |
| 17.2 | Other liability - claims-made..... | | 309 | | 309 | 31,245 | 22,496 | 9,058 | 67.5 |
| 17.3 | Excess workers' compensation..... | | | | 0 | 0 | | 0 | 0.0 |
| 18.1 | Products liability - occurrence..... | | | | 0 | 0 | | 0 | 0.0 |
| 18.2 | Products liability - claims-made..... | | | | 0 | 0 | | 0 | 0.0 |
| 19.1, 19.2 | Private passenger auto liability..... | (1,000) | 13,555 | (1,000) | 13,555 | 29,076 | 51,678 | (9,047) | 41,385.6 |
| 19.3, 19.4 | Commercial auto liability..... | (430) | 2,317,504 | (424) | 2,317,498 | 6,376,622 | 5,935,549 | 2,758,570 | 57.1 |
| 21. | Auto physical damage..... | 13,684 | 391,573 | 13,721 | 391,536 | 140,179 | 104,915 | 426,800 | 37.5 |
| 22. | Aircraft (all perils)..... | | | | 0 | 0 | | 0 | 0.0 |
| 23. | Fidelity..... | | | | 0 | 0 | | 0 | 0.0 |
| 24. | Surety..... | | | | 0 | 846 | 807 | 39 | 21.2 |
| 26. | Burglary and theft..... | | 1 | | 1 | 32 | 21 | 12 | 24.7 |
| 27. | Boiler and machinery..... | | | | 0 | 8 | 0 | 8 | (249.2) |
| 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 | 0.0 |
| 35. | TOTALS..... | 10,347,755 | 4,460,494 | 10,788,640 | 4,019,609 | 11,380,265 | 10,998,502 | 4,401,372 | 45.3 |
| DETAILS OF WRITE-INS | | | | | | | | | |
| 3401. | ..... |  |  |  | 0 | 0 | | 0 | 0.0 |
| 3402. | ..... |  |  |  | 0 | 0 | | 0 | 0.0 |
| 3403. | ..... |  |  |  | 0 | 0 | | 0 | 0.0 |
| 3498. | Summary of remaining write-ins for Line 34 from overflow page..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | XXX |
| 3499. | Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 |

Triumphe Casualty Company
UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

| | 1 | 2 | 3 | 4 |
|---|-----------------------------|-----------------------------------|------------------------|---------------|
| | Loss Adjustment Expenses | Other Underwriting Expenses | Investment Expenses | Total |
| 1. Claim adjustment services: | | | | |
| 1.1 Direct..... | 1,931,113 | | | 1,931,113 |
| 1.2 Reinsurance assumed..... | 669,232 | | | 669,232 |
| 1.3 Reinsurance ceded..... | 1,931,114 | | | 1,931,114 |
| 1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)..... | 669,231 | 0 | 0 | 669,231 |
| 2. Commission and brokerage: | | | | |
| 2.1 Direct, excluding contingent..... | | 1,832,990 | | 1,832,990 |
| 2.2 Reinsurance assumed, excluding contingent..... | | 1,139,656 | | 1,139,656 |
| 2.3 Reinsurance ceded, excluding contingent..... | | 2,069,412 | | 2,069,412 |
| 2.4 Contingent - direct..... | | | | 0 |
| 2.5 Contingent - reinsurance assumed..... | | 13,813 | | 13,813 |
| 2.6 Contingent - reinsurance ceded..... | | | | 0 |
| 2.7 Policy and membership fees..... | | 74 | | 74 |
| 2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)..... | 0 | 917,121 | 0 | 917,121 |
| 3. Allowances to manager and agents..... | | 150 | | 150 |
| 4. Advertising..... | 524 | 8,114 | | 8,639 |
| 5. Boards, bureaus and associations..... | 4,208 | 110,217 | | 114,425 |
| 6. Surveys and underwriting reports..... | 2 | 24,849 | | 24,851 |
| 7. Audit of assureds' records..... | 18 | 6,426 | | 6,443 |
| 8. Salary and related items: | | | | |
| 8.1 Salaries..... | 331,489 | 765,997 | 14,038 | 1,111,525 |
| 8.2 Payroll taxes..... | 25,076 | 51,839 | 526 | 77,441 |
| 9. Employee relations and welfare..... | 59,917 | 150,243 | 1,302 | 211,462 |
| 10. Insurance..... | 392 | 4,318 | | 4,710 |
| 11. Directors' fees..... | | | | 0 |
| 12. Travel and travel items..... | 6,428 | 59,389 | 635 | 66,452 |
| 13. Rent and rent items..... | 1,623 | 24,628 | | 26,251 |
| 14. Equipment..... | 2,158 | (1,046) | 0 | 1,112 |
| 15. Cost or depreciation of EDP equipment and software..... | 3,383 | 60,142 | | 63,525 |
| 16. Printing and stationery..... | 4,014 | 13,891 | 878 | 18,783 |
| 17. Postage, telephone and telegraph, exchange and express..... | 4,672 | 9,194 | 5 | 13,871 |
| 18. Legal and auditing..... | 1,628 | 33,849 | 25,080 | 60,557 |
| 19. Totals (Lines 3 to 18)..... | 445,532 | 1,322,201 | 42,465 | 1,810,197 |
| 20. Taxes, licenses and fees: | | | | |
| 20.1 State and local insurance taxes deducting guaranty association credits of \$..... 13,036..... | | 346,096 | | 346,096 |
| 20.2 Insurance department licenses and fees..... | 2,748 | 9,186 | | 11,935 |
| 20.3 Gross guaranty association assessments..... | | 6,402 | | 6,402 |
| 20.4 All other (excluding federal and foreign income and real estate)..... | 1,277 | 24,732 | | 26,008 |
| 20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)..... | 4,025 | 386,416 | 0 | 390,441 |
| 21. Real estate expenses..... | 23,633 | 32,370 | 2,880 | 58,883 |
| 22. Real estate taxes..... | | | | 0 |
| 23. Reimbursements by uninsured plans..... | | | | 0 |
| 24. Aggregate write-ins for miscellaneous expenses..... | 17,675 | 200,492 | 15 | 218,182 |
| 25. Total expenses incurred..... | 1,160,096 | 2,858,600 | 45,360 | (a) 4,064,056 |
| 26. Less unpaid expenses - current year..... | 2,609,173 | 1,167,672 | | 3,776,844 |
| 27. Add unpaid expenses - prior year..... | 2,420,267 | 970,455 | | 3,390,722 |
| 28. Amounts receivable relating to uninsured plans, prior year..... | | | | 0 |
| 29. Amounts receivable relating to uninsured plans, current year..... | | | | 0 |
| 30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)..... | 971,190 | 2,661,383 | 45,360 | 3,677,934 |

DETAILS OF WRITE-INS

| | | | | |
|--|--------|---------|----|---------|
| 2401. Miscellaneous Expense..... | 17,675 | 200,492 | 15 | 218,182 |
| 2402. | | | | 0 |
| 2403. | | | | 0 |
| 2498. Summary of remaining write-ins for Line 24 from overflow page..... | 0 | 0 | 0 | 0 |
| 2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)..... | 17,675 | 200,492 | 15 | 218,182 |

(a) Includes management fees of \$.....2,036,201 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

| | 1 Collected During Year | 2 Earned During Year |
|--|-------------------------------|----------------------------|
| 1. U.S. government bonds..... | (a).....38,830 |40,235 |
| 1.1 Bonds exempt from U.S. tax..... | (a).....460,945 |436,222 |
| 1.2 Other bonds (unaffiliated)..... | (a).....892,302 |877,334 |
| 1.3 Bonds of affiliates..... | (a)..... | ..... |
| 2.1 Preferred stocks (unaffiliated)..... | (b)..... | ..... |
| 2.11 Preferred stocks of affiliates..... | (b)..... | ..... |
| 2.2 Common stocks (unaffiliated)..... | ..... | ..... |
| 2.21 Common stocks of affiliates..... | ..... | ..... |
| 3. Mortgage loans..... | (c)..... | ..... |
| 4. Real estate..... | (d)..... | ..... |
| 5. Contract loans..... | ..... | ..... |
| 6. Cash, cash equivalents and short-term investments..... | (e).....150,725 |161,020 |
| 7. Derivative instruments..... | (f)..... | ..... |
| 8. Other invested assets..... | ..... | ..... |
| 9. Aggregate write-ins for investment income..... |428 |428 |
| 10. Total gross investment income..... |1,543,230 |1,515,239 |
| 11. Investment expenses..... | ..... | (g).....45,360 |
| 12. Investment taxes, licenses and fees, excluding federal income taxes..... | ..... | (g)..... |
| 13. Interest expense..... | ..... | (h)..... |
| 14. Depreciation on real estate and other invested assets..... | ..... | (i).....0 |
| 15. Aggregate write-ins for deductions from investment income..... | ..... | .....0 |
| 16. Total deductions (Lines 11 through 15)..... | ..... | .....45,360 |
| 17. Net investment income (Line 10 minus Line 16)..... | ..... | .....1,469,879 |

DETAILS OF WRITE-INS

| | | |
|--|----------|----------|
| 0901. Miscellaneous investment income..... |428 |428 |
| 0902. .... | ..... | ..... |
| 0903. .... | ..... | ..... |
| 0998. Summary of remaining write-ins for Line 9 from overflow page..... |0 |0 |
| 0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)..... |428 |428 |
| 1501. .... | ..... | ..... |
| 1502. .... | ..... | ..... |
| 1503. .... | ..... | ..... |
| 1598. Summary of remaining write-ins for Line 15 from overflow page..... | ..... | .....0 |
| 1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)..... | ..... | .....0 |

- (a) Includes \$.....34,402 accrual of discount less \$.....213,213 amortization of premium and less \$.....8,269 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

| | 1 Realized Gain (Loss) on Sales or Maturity | 2 Other Realized Adjustments | 3 Total Realized Capital Gain (Loss) (Columns 1 + 2) | 4 Change in Unrealized Capital Gain (Loss) | 5 Change in Unrealized Foreign Exchange Capital Gain (Loss) |
|---|---|---------------------------------------|---|---|---|
| 1. U.S. government bonds..... | | |0 | ..... | ..... |
| 1.1 Bonds exempt from U.S. tax..... | | |0 | ..... | ..... |
| 1.2 Other bonds (unaffiliated)..... |4,645 | ..... | .....4,645 |1 | ..... |
| 1.3 Bonds of affiliates..... | | |0 | ..... | ..... |
| 2.1 Preferred stocks (unaffiliated)..... | | |0 | ..... | ..... |
| 2.11 Preferred stocks of affiliates..... | | |0 | ..... | ..... |
| 2.2 Common stocks (unaffiliated)..... | | |0 | ..... | ..... |
| 2.21 Common stocks of affiliates..... | | |0 | ..... | ..... |
| 3. Mortgage loans..... | | |0 | ..... | ..... |
| 4. Real estate..... | | |0 | ..... | ..... |
| 5. Contract loans..... | | |0 | ..... | ..... |
| 6. Cash, cash equivalents and short-term investments..... | | |0 | ..... | ..... |
| 7. Derivative instruments..... | | |0 | ..... | ..... |
| 8. Other invested assets..... | | |0 | ..... | ..... |
| 9. Aggregate write-ins for capital gains (losses)..... |0 |0 |0 |0 |0 |
| 10. Total capital gains (losses)..... |4,645 |0 |4,645 |1 |0 |

DETAILS OF WRITE-INS

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

EXHIBIT OF NONADMITTED ASSETS

| | 1 Current Year Total Nonadmitted Assets | 2 Prior Year Total Nonadmitted Assets | 3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1) |
|---|--|--|---|
| 1. Bonds (Schedule D)..... | | | 0 |
| 2. Stocks (Schedule D): | | | |
| 2.1 Preferred stocks..... | | | 0 |
| 2.2 Common stocks..... | | | 0 |
| 3. Mortgage loans on real estate (Schedule B): | | | |
| 3.1 First liens..... | | | 0 |
| 3.2 Other than first liens..... | | | 0 |
| 4. Real estate (Schedule A): | | | |
| 4.1 Properties occupied by the company..... | | | 0 |
| 4.2 Properties held for the production of income..... | | | 0 |
| 4.3 Properties held for sale..... | | | 0 |
| 5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)..... | | | 0 |
| 6. Contract loans..... | | | 0 |
| 7. Derivatives (Schedule DB)..... | | | 0 |
| 8. Other invested assets (Schedule BA)..... | | | 0 |
| 9. Receivables for securities..... | | | 0 |
| 10. Securities lending reinvested collateral assets (Schedule DL)..... | | | 0 |
| 11. Aggregate write-ins for invested assets..... | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11)..... | 0 | 0 | 0 |
| 13. Title plants (for Title insurers only)..... | | | 0 |
| 14. Investment income due and accrued..... | | | 0 |
| 15. Premiums and considerations: | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection..... | | | 0 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due..... | 105,891 | 14,921 | (90,970) |
| 15.3 Accrued retrospective premiums and contracts subject to redetermination..... | | | 0 |
| 16. Reinsurance: | | | |
| 16.1 Amounts recoverable from reinsurers..... | | | 0 |
| 16.2 Funds held by or deposited with reinsured companies..... | | | 0 |
| 16.3 Other amounts receivable under reinsurance contracts..... | | | 0 |
| 17. Amounts receivable relating to uninsured plans..... | | | 0 |
| 18.1 Current federal and foreign income tax recoverable and interest thereon..... | | | 0 |
| 18.2 Net deferred tax asset..... | 39,552 | 5,071 | (34,481) |
| 19. Guaranty funds receivable or on deposit..... | | | 0 |
| 20. Electronic data processing equipment and software..... | | | 0 |
| 21. Furniture and equipment, including health care delivery assets..... | | | 0 |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates..... | | | 0 |
| 23. Receivables from parent, subsidiaries and affiliates..... | | | 0 |
| 24. Health care and other amounts receivable..... | | | 0 |
| 25. Aggregate write-ins for other-than-invested assets..... | 0 | 311 | 311 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)..... | 145,443 | 20,303 | (125,140) |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts..... | | | 0 |
| 28. TOTALS (Lines 26 and 27)..... | 145,443 | 20,303 | (125,140) |

DETAILS OF WRITE-INS

| | | | |
|--|---|-----|-----|
| 1101. | | | 0 |
| 1102. | | | 0 |
| 1103. | | | 0 |
| 1198. Summary of remaining write-ins for Line 11 from overflow page..... | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)..... | 0 | 0 | 0 |
| 2501. Commission receivables..... | | 311 | 311 |
| 2502. | | | 0 |
| 2503. | | | 0 |
| 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 | 311 | 311 |

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

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

| | SSAP # | F/S Page | F/S Line # | 2019 | 2018 |
|--|--------|----------|------------|----------------------|----------------------|
| 1. Net income state basis | XXX | XXX | XXX | \$ 1,764,321 | \$ 1,496,392 |
| 2. Effect of state prescribed | | | | - | - |
| 3. Effect of state permitted practices | | | | - | - |
| 4. Net income, NAIC SAP | XXX | XXX | XXX | <u>\$ 1,764,321</u> | <u>\$ 1,496,392</u> |
| 5. Statutory surplus state basis | XXX | XXX | XXX | \$ 20,396,286 | \$ 18,683,725 |
| 6. Effect of state prescribed | | | | - | - |
| 7. Effect of state permitted practices | | | | - | - |
| 8. Statutory surplus, NAIC SAP | XXX | XXX | XXX | <u>\$ 20,396,286</u> | <u>\$ 18,683,725</u> |

B. Use of Estimates

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

C. Accounting Policies

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

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

In addition, the Company uses the following accounting policies:

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

NOTES TO FINANCIAL STATEMENTS

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

D. Going Concern

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

Note 2 – Accounting Changes and Correction of Errors

Not applicable

Note 3 – Business Combinations and Goodwill

A. Statutory Purchase Method

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

B. Statutory Mergers

Not applicable

C. Assumption Reinsurance

Not applicable

D. Impairment Loss

Not applicable

Note 4 – Discontinued Operations

A - D. Not applicable

Note 5 – Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

Not applicable

B. Debt Restructuring

Not applicable

C. Reverse Mortgages

Not applicable

D. Loan-Backed Securities

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

NOTES TO FINANCIAL STATEMENTS

4. The following table shows all loan-backed securities with an unrealized loss:

| | | |
|---|----|-----------|
| a. The aggregate amount of unrealized losses: | | |
| 1. Less than 12 months | \$ | (17,626) |
| 2. 12 months or longer | | (44,344) |
| b. The aggregate related fair value of securities with unrealized losses: | | |
| 1. Less than 12 months | \$ | 7,685,469 |
| 2. 12 months or longer | | 2,949,697 |

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

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

Not applicable

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not applicable

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not applicable

H. Repurchase Agreements Transactions Accounted for as a Sale

Not applicable

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

Not applicable

J. Real Estate

Not applicable

K. Low-Income Housing Tax Credits

Not applicable

NOTES TO FINANCIAL STATEMENTS

L. Restricted Assets

1. Restricted Assets (Including Pledged)

| | Gross (Admitted & Nonadmitted) Restricted | | | | | | | 8 | 9 | Percentage | |
|--|---|--|--|---|------------------|-----------------------|----------------------------------|------------------------------|---------------------------------------|---|--|
| | Current Year | | | | | 6 | 7 | | | 10 | 11 |
| | 1 | 2 | 3 | 4 | 5 | | | | | | |
| | Total General Account (G/A) | G/A Supporting Protected Cell Activity (a) | Total Protected Cell Account Restricted Assets | Protected Cell Account Assets Supporting G/A Activity (b) | Total (1 plus 3) | Total From Prior Year | Increase/ (Decrease) (5 minus 6) | Total Nonadmitted Restricted | Total Admitted Restricted (5 minus 8) | Gross (Admitted & Nonadmitted) Restricted to Total Assets (c) | Admitted Restricted to Total Admitted Assets (d) |
| a. Subject to contractual obligation for which liability is not shown | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - | - |
| b. Collateral held under security lending agreements | - | - | - | - | - | - | - | - | - | - | - |
| c. Subject to repurchase agreements | - | - | - | - | - | - | - | - | - | - | - |
| d. Subject to reverse repurchase agreements | - | - | - | - | - | - | - | - | - | - | - |
| e. Subject to dollar repurchase agreements | - | - | - | - | - | - | - | - | - | - | - |
| f. Subject to dollar reverse repurchase agreements | - | - | - | - | - | - | - | - | - | - | - |
| g. Placed under option contracts | - | - | - | - | - | - | - | - | - | - | - |
| h. Letter stock or securities restricted as to sale – excluding FHLB capital stock | - | - | - | - | - | - | - | - | - | - | - |
| i. FHLB capital stock | - | - | - | - | - | - | - | - | - | - | - |
| j. On deposit with states | 8,134,488 | - | - | - | 8,134,488 | 7,509,490 | 624,998 | - | 8,134,488 | 12.3% | 12.3% |
| k. On deposit with other regulatory bodies | 603,356 | - | - | - | 603,356 | 601,216 | 2,140 | - | 603,356 | 0.9% | 0.9% |
| l. Pledged as 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 | \$ 8,737,844 | \$ - | \$ - | \$ - | \$ 8,737,844 | \$ 8,110,706 | \$ 627,138 | \$ - | \$ 8,737,844 | 13.2% | 13.2% |

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

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

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

3. Detail of Other Restricted Assets

The Company has no other restricted assets.

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

Not applicable

M. Working Capital Finance Investments

Not applicable

N. Offsetting and Netting of Assets and Liabilities

Not applicable

O. 5GI Securities

Not applicable

P. Short Sales

The Company did not have any short sales during 2019.

NOTES TO FINANCIAL STATEMENTS

Q. Prepayment Penalty and Acceleration Fees

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

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

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

Not applicable

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

Not applicable

Note 7 – Investment Income

A. Accrued Investment Income

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

B. Amounts Nonadmitted

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

Note 8 – Derivative Instruments

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

Note 9 – Income Taxes

A. Deferred Tax Assets and Deferred Tax Liabilities

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

| | 2019 | | | 2018 | | | Change | | |
|---|-----------------|----------------|---------------------------|-----------------|----------------|---------------------------|------------------------------|-----------------------------|---------------------------|
| | (1) Ordinary | (2) Capital | (3) (Col 1+2) Total | (4) Ordinary | (5) Capital | (6) (Col 4+5) Total | (7) (Col 1-4) Ordinary | (8) (Col 2-5) Capital | (9) Col (7+8) Total |
| (a) Gross Deferred Tax Assets | \$ 567,033 | \$ - | \$ 567,033 | \$ 517,325 | \$ - | \$ 517,325 | \$ 49,708 | \$ - | \$ 49,708 |
| (b) Statutory Valuation Allowance Adjustment | - | - | - | - | - | - | - | - | - |
| (c) Adjusted Gross Deferred Tax Assets (1a-1b) | 567,033 | - | 567,033 | 517,325 | - | 517,325 | 49,708 | - | 49,708 |
| (d) Deferred Tax Assets Nonadmitted | 39,552 | - | 39,552 | 5,071 | - | 5,071 | 34,481 | - | 34,481 |
| (e) Subtotal (Net Deferred Tax Assets) (1c-1d) | 527,481 | - | 527,481 | 512,254 | - | 512,254 | 15,227 | - | 15,227 |
| (f) Deferred Tax Liabilities | 59,781 | 562 | 60,343 | 79,461 | 1,554 | 81,015 | (19,680) | (992) | (20,672) |
| (g) Net Admitted Deferred Tax Assets/(Net Deferred Tax Liability) (1e-1f) | \$ 467,700 | \$ (562) | \$ 467,138 | \$ 432,793 | \$ (1,554) | \$ 431,239 | \$ 34,907 | \$ 992 | \$ 35,899 |

NOTES TO FINANCIAL STATEMENTS

2. Admission Calculation Components, SSAP No. 101:

| | 2019 | | | 2018 | | | Change | | |
|--|-----------------|----------------|---------------------------|-----------------|----------------|---------------------------|------------------------------|-----------------------------|---------------------------|
| | (1) Ordinary | (2) Capital | (3) (Col 1+2) Total | (4) Ordinary | (5) Capital | (6) (Col 4+5) Total | (7) (Col 1-4) Ordinary | (8) (Col 2-5) Capital | (9) Col (7+8) Total |
| (a). Federal income taxes paid in prior years recoverable through loss carrybacks | \$ 422,642 | \$ - | \$ 422,642 | \$ 303,340 | \$ - | \$ 303,340 | \$ 119,302 | \$ - | \$ 119,302 |
| (b). Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below: | 44,496 | - | 44,496 | 127,899 | - | 127,899 | (83,403) | - | (83,403) |
| 1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date | 44,496 | - | 44,496 | 127,899 | - | 127,899 | (83,403) | - | (83,403) |
| 2. Adjusted gross deferred tax assets allowed per limitation threshold | XXX | XXX | 2,989,372 | XXX | XXX | 2,737,873 | XXX | XXX | 251,499 |
| (c). Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities | 60,343 | - | 60,343 | 81,015 | - | 81,015 | (20,672) | - | (20,672) |
| (d). Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c)) | \$ 527,481 | \$ - | \$ 527,481 | \$ 512,254 | \$ - | \$ 512,254 | \$ 15,227 | \$ - | \$ 15,227 |

3. Other Admissibility Criteria:

| | 2019 | 2018 |
|---|---------------|---------------|
| a. Ratio percentage used to determine recovery period and threshold limitation amount | 1,461% | 1,497% |
| b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above | \$ 19,929,148 | \$ 18,252,486 |

4. Impact of Tax Planning Strategies

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

| | 2019 | | | 2018 | | | Change | | |
|--|------------|---------|------------|-----------|---------|------------|-----------|---------|-----------|
| | Ordinary | Capital | Total | Ordinary | Capital | Total | Ordinary | Capital | Total |
| 1. Adjusted gross DTAs amount from Note 9A1(c). | \$ 567,033 | \$ - | \$ 567,033 | \$517,325 | \$ - | \$ 517,325 | \$ 49,708 | \$ - | \$ 49,708 |
| 2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies. | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e). | 527,481 | - | 527,481 | 512,254 | - | 512,254 | 15,227 | - | 15,227 |
| 4. Percentage of net adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies. | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

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

B. The Company has recognized all deferred tax liabilities.

NOTES TO FINANCIAL STATEMENTS

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

1.

| Current Income Tax: | | (1) | (2) | (3) |
|---------------------|--|------------|------------|---------------------|
| | | 2019 | 2018 | (Col 1-2) Change |
| (a) | Federal | \$ 478,616 | \$ 337,473 | \$ 141,143 |
| (b) | Foreign | - | - | - |
| (c) | Subtotal | 478,616 | 337,473 | 141,143 |
| (d) | Federal income tax on net capital gains | 1,968 | (1,823) | 3,791 |
| (e) | Utilization of capital loss carry-forwards | - | - | - |
| (f) | Other | - | - | - |
| (g) | Federal and Foreign income taxes incurred | \$ 480,584 | \$ 335,650 | \$ 144,934 |

2.

| Deferred Tax Assets: | | (1) | (2) | (3) |
|--|---|------------|------------|---------------------|
| | | 2019 | 2018 | (Col 1-2) Change |
| (a) | Ordinary: | | | |
| (1) | Discounting of unpaid losses | \$ 256,531 | \$ 259,337 | \$ (2,806) |
| (2) | Unearned premium reserve | 206,585 | 196,739 | 9,846 |
| (3) | Policyholder reserves | - | - | - |
| (4) | Investments | - | - | - |
| (5) | Deferred acquisition costs | - | - | - |
| (6) | Policyholder dividends accrual | - | - | - |
| (7) | Fixed assets | - | - | - |
| (8) | Compensation and benefits accrual | 60,430 | 50,828 | 9,602 |
| (9) | Pension accrual | - | - | - |
| (10) | Receivables - nonadmitted | - | - | - |
| (11) | Net operating loss carry-forward | - | - | - |
| (12) | Tax credit carry-forward | - | - | - |
| (13) | Other (items <=5% and >5% of total ordinary tax assets) | 43,487 | 10,421 | 33,066 |
| Other (items listed individually >5% of total ordinary tax assets) | | | | |
| | Bad Debt Reserves | 28,177 | 6,638 | 21,539 |
| (99) | Subtotal | \$ 567,033 | \$ 517,325 | \$ 49,708 |
| (b) | Statutory valuation allowance adjustment | - | - | - |
| (c) | Nonadmitted | 39,552 | 5,071 | 34,481 |
| (d) | Admitted ordinary deferred tax assets (2a99-2b-2c) | \$ 527,481 | \$ 512,254 | \$ 15,227 |
| (e) | Capital: | | | |
| (1) | Investments | \$ - | \$ - | \$ - |
| (2) | Net capital loss carry-forward | - | - | - |
| (3) | Real Estate | - | - | - |
| (4) | Other (including items <5% of total capital tax assets) | - | - | - |
| (99) | Subtotal | \$ - | \$ - | \$ - |
| (f) | Statutory valuation allowance adjustment | - | - | - |
| (g) | Nonadmitted | - | - | - |
| (h) | Admitted capital deferred tax assets (2e99-2f-2g) | \$ - | \$ - | \$ - |
| (i) | Admitted deferred tax assets (2d+2h) | \$ 527,481 | \$ 512,254 | \$ 15,227 |

NOTES TO FINANCIAL STATEMENTS

3.

| Deferred Tax Liabilities: | | (1) | (2) | (3) |
|---------------------------|---|-----------|-----------|---------------------|
| | | 2019 | 2018 | (Col 1-2) Change |
| (a) | Ordinary: | | | |
| (1) | Investments | - | - | - |
| (2) | Fixed assets | - | - | - |
| (3) | Deferred and uncollected premium | - | - | - |
| (4) | Policyholder reserves | - | - | - |
| (5) | Discount of unpaid losses transition | 55,713 | 74,035 | (18,322) |
| (6) | Accruals | - | - | - |
| (7) | Salvage and subrogation | 4,068 | - | 4,068 |
| (8) | Other (including items <5% of total ordinary tax liabilities) | - | 5,426 | (5,426) |
| (99) | Subtotal | \$ 59,781 | \$ 79,461 | \$ (19,680) |
| | | | | |
| (b) | Capital: | | | |
| (1) | Investments | \$ 562 | \$ 1,554 | \$ (992) |
| (2) | Real estate | - | - | - |
| (3) | Other (including items <5% of total capital tax liabilities) | - | - | - |
| (99) | Subtotal | \$ 562 | \$ 1,554 | \$ (992) |
| | | | | |
| (c) | Deferred tax liabilities (3a99+3b99) | \$ 60,343 | \$ 81,015 | \$ (20,672) |

4. Net Deferred Tax Assets/Liabilities (2i-3c) \$ 467,138 \$ 431,239 \$ 35,899

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

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

| | 2019 | 2018 |
|--|------------|------------|
| Income taxes at the statutory rate | \$ 471,028 | \$ 386,457 |
| | | |
| Tax exempt income deduction | (68,705) | (72,729) |
| Other | 7,881 | 49,263 |
| Totals | \$ 410,204 | \$ 362,991 |
| | | |
| Federal and foreign income taxes incurred | \$ 478,616 | \$ 337,473 |
| Federal income tax on net capital gains | 1,968 | (1,823) |
| Change in net deferred income taxes ex. unrealized | (70,380) | 27,341 |
| Total statutory income taxes | \$ 410,204 | \$ 362,991 |

E. Operating Loss and Tax Credit Carryforwards

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

| Year | Amount | Ordinary | Capital |
|------|------------|------------|----------|
| 2019 | \$ 311,106 | \$ 309,146 | \$ 1,960 |
| 2018 | 223,210 | 223,210 | - |
| 2017 | - | - | - |

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

NOTES TO FINANCIAL STATEMENTS

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

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

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

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

G. Federal or Foreign Federal Income Tax Loss Contingencies:

The Company does not have any tax loss contingencies.

H. Repatriation Transition Tax (RTT) - RTT owed under the TCJA

The Company has no liability under the Repatriation Transition Tax.

I. Alternative Minimum Tax (AMT Credit)

The Company has no AMT credit.

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

A. Nature of Relationships

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

NOTES TO FINANCIAL STATEMENTS

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

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

Not applicable

C. Change in Terms of Intercompany Arrangements

Not applicable

D. Amounts Due to or from Related Parties

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

| | 2019 | 2018 |
|---|--------------|--------------|
| National Interstate Insurance Company | \$ 1,867,716 | \$ 2,437,984 |
| TransProtection Service Company | 3,196 | 1 |
| National Interstate Insurance Company of Hawaii | - | 142 |
| American Highways Insurance Agency, Inc. | - | 136 |
| National Interstate Insurance Agency, Inc. | (81) | 41 |
| National Interstate Corporation | (581) | (1,032) |
| Vanliner Insurance Company | (43,524) | (43,861) |
| Totals | \$ 1,826,726 | \$ 2,393,411 |

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

E. Guarantees or Undertakings for Related Parties

Not applicable (See Note 14A)

F. Management, Service Contracts, Cost Sharing Arrangements

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

The Company has a cost sharing agreement with some of its affiliates under which costs are allocated between companies to reflect the actual costs to operate each company. Allocated expenses incurred in 2019 related to these agreements amounted to \$2,022,902.

The Company has an agreement with American Money Management Corporation (AMMC), a wholly owned subsidiary of AFG whereby AMMC manages the Company's investment portfolio. Fees incurred for these services during 2019 were \$13,302.

G. Nature of Relationships that Could Affect Operations

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

H. Amount Deducted for Investment in Upstream Company

Not applicable

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

Not applicable

J. Write-downs for Impairment of Investments in Affiliates

Not applicable

K. Foreign Insurance Subsidiary Valued Using CARVM

Not applicable

L. Downstream Holding Company Valued Using Look-Through Method

Not applicable

NOTES TO FINANCIAL STATEMENTS

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

Not applicable

N. Insurance SCA Entities Utilizing Prescribed or Permitted Practices

Not applicable

O. SCA and SSAP No. 48 Entity Loss Tracking

Not applicable

Note 11 – Debt

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

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

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

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

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

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

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

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

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

G. Consolidated / Holding Company Plans

Employee Retirement Plan

AFG has established the American Financial Group, Inc. 401(k) Retirement and Savings Plan (the AFG Plan) for the benefit of employees of AFG and its participating subsidiaries, which includes the Company. The Company transitioned to the AFG Plan on January 1, 2018. Substantially all employees of the Company meeting minimum requirements regarding service are eligible to participate in the AFG Plan. The AFG Plan is a defined contribution plan in which participating employees are entitled to share in contributions made by the Company on their behalf. The AFG Plan has three types of contributions, including (1) Retirement Contributions made by the Company, (2) 401(k) Contributions made by participating employees, and (3) Matching Contributions made by the Company. The benefits for the Retirement Contributions are based on eligible compensation as defined by the AFG Plan for each year of participation. Funding is determined annually. Each AFG participating subsidiary contributes an amount for Retirement Contributions based upon the relationship of its total eligible compensation to total eligible compensation under the AFG Plan for all participating subsidiaries. In addition, participating employees are permitted to make 401(k) Contributions to the AFG Plan. Matching Contributions may be made by the Company based on the amount of 401(k) Contributions made by the participating employees. The AFG Plan costs are funded as they accrue and vested benefits are fully funded. Both Retirement Contributions and Matching Contributions to the Plan are subject to the discretion of the Company. The Company has no liability for future contributions to the AFG Plan. At December 31, 2019, the fair market value of the AFG Plan's Retirement Contribution assets was \$471,118,765 and the fair market value of the AFG Plan's Matching Contributions assets was \$323,507,248. The Company's share of the expense for the plan during 2019 was \$40,712.

Postretirement Benefit Plan

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

NOTES TO FINANCIAL STATEMENTS

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

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

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

H. Postemployment Benefits and Compensated Absences

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

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

A. Outstanding Shares

The Company has 75,000 Class A Common shares with a par value of \$40 a share, authorized, issued and outstanding at December 31, 2019.

B. Dividend Rate of Preferred Stock

Not applicable as no preferred shares are authorized.

C. Dividend Restrictions

The maximum amount of dividends or distributions which may be paid to stockholders by property/casualty insurance companies domiciled in the State of Ohio without (i) prior approval or (ii) expiration of a 30 day waiting period without disapproval of the Director of Insurance is the greater of net income or 10% of policyholders' surplus as of the preceding December 31, but only to the extent of earned surplus as of the preceding December 31. The maximum amount of ordinary dividends or distributions, which may be paid in 2020 is \$2,039,629.

D. Dates and Amounts of Dividends Paid

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

E. Amount of Ordinary Dividends That May Be Paid

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

F. Restrictions on Unassigned Funds

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

G. Mutual Surplus Advances

Not applicable

H. Company Stock Held for Special Purposes

Not applicable

I. Changes in Special Surplus Funds

Not applicable

J. Changes in Unassigned Funds

Not applicable

K. Surplus Notes

Not applicable

L and M. Quasi Reorganizations

Not applicable

NOTES TO FINANCIAL STATEMENTS

Note 14 – Liabilities, Contingencies and Assessments

A. Contingent Commitments

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

B. Assessments

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

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

C. Gain Contingencies

Not applicable

D. Extra Contractual Obligation and Bad Faith Losses

Not applicable

E. Product Warranties

Not applicable

F. Joint and Several Liabilities

Not applicable

G. All Other Contingencies

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

At the end of the current and prior year, the Company had admitted assets of \$7,921,469 and \$8,146,131, respectively, in premiums due from policyholders and agents. The Company routinely assesses the collectability of these receivables. Based upon Company experience, any uncollectable premiums receivable as of the end of the current year are not expected to exceed the nonadmitted amounts totaling \$105,891 and therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial position.

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

Note 15 – Leases

A. Lessee Leasing Arrangements

Not applicable as the Company has no lease obligations nor has it entered into any sale and leaseback arrangements.

B. Lessor Leasing Arrangements

Not applicable

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

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

NOTES TO FINANCIAL STATEMENTS

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

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

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

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

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

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

Note 20 – Fair Value Measurements

- A. Inputs Used for Assets and Liabilities Measured and Reported at Fair Value
 - 1. Items Measured and Reported at Fair Value by Levels 1, 2 and 3

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

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

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

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

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

- 2. Rollforward of Level 3 Items

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

- 3. Policy on Transfers Into and Out of Level 3

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

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

The Company's investment manager, AMMC (an affiliate), is responsible for the valuation process and uses data from outside sources (including nationally recognized pricing services and broker/dealers) in establishing fair value. Pricing services use a variety of observable inputs to estimate the fair value of fixed maturities that do not trade on a daily basis. These inputs include, but are not limited to, recent reported trades, benchmark yields, issuer spreads, bids or offers, reference data and measures of volatility. Included in the pricing of mortgage-backed securities are estimates of the rate of future prepayments and defaults of principal over the remaining life of the underlying collateral. Inputs from brokers and independent financial institutions include, but are not limited to, yields or spreads of comparable investments which have recent trading activity, credit quality, duration, credit enhancements, collateral value and estimated cash flows based

NOTES TO FINANCIAL STATEMENTS

on inputs including delinquency rates, estimated defaults and losses, and estimates of the rate of future prepayments. Valuation techniques utilized by pricing services and prices obtained from external sources are reviewed by the Company’s affiliated investment professionals who are familiar with the securities being priced and the markets in which they trade to ensure the fair value determination is representative of an exit price. To validate the appropriateness of the prices obtained, these investment professionals compare the valuation received to independent third party pricing sources and consider widely published indices (as benchmarks), recent trades, changes in interest rates, general economic conditions and the credit quality of the specific issuers. In addition, AMMC communicates directly with the pricing service regarding the methods and assumptions used in pricing, including verifying, on a test basis, the inputs used by the pricing service to value specific securities.

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

5. Derivative Fair Values

Not applicable

B. Other Fair Value Disclosures

The Company has no additional fair value disclosures.

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

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

| | Fair Value | Admitted Value | Level 1 | Level 2 | Level 3 | Net Asset Value (NAV) | Not Practicable (Carrying Value) |
|---|---------------|----------------|---------------|---------------|---------|-----------------------|----------------------------------|
| U.S. Government and government agencies | \$ 1,730,081 | \$ 1,711,257 | \$ 1,505,100 | \$ 224,981 | \$ - | \$ - | \$ - |
| States, municipalities and political subdivisions | 14,582,069 | 14,314,911 | - | 14,582,069 | - | - | - |
| Residential MBS | 9,675,915 | 9,657,882 | - | 9,675,915 | - | - | - |
| Collateralized loan obligations | 2,246,484 | 2,265,166 | - | 2,246,484 | - | - | - |
| Asset backed securities | 7,949,946 | 7,823,638 | - | 7,949,946 | - | - | - |
| All other bonds | 10,980,710 | 10,502,963 | - | 10,980,710 | - | - | - |
| Total bonds | \$ 47,165,205 | \$ 46,275,817 | \$ 1,505,100 | \$ 45,660,105 | \$ - | \$ - | \$ - |
| Cash, cash equivalents & short-term investments | 8,783,939 | 8,783,939 | 8,783,939 | - | - | - | - |
| Totals | \$ 55,949,144 | \$ 55,059,756 | \$ 10,289,039 | \$ 45,660,105 | \$ - | \$ - | \$ - |

D. Items for which Not Practicable to Determine Fair Values

Not applicable

E. Instruments Measured at Net Asset Value (NAV)

Not applicable

Note 21 – Other Items

A. Unusual or Infrequent Items

Not applicable

B. Troubled Debt Restructuring for Debtors

Not applicable

C. Other Disclosures

Not applicable

NOTES TO FINANCIAL STATEMENTS

D. Business Interruption Insurance Recoveries

Not applicable

E. State Transferable Tax Credits

Not applicable

F. Sub-Prime Exposure

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

| | Actual Cost | Book/Adjusted Carrying Value (excluding interest) | Fair Value | Other- Than- Temporary Impairment Losses Recognized |
|---|-------------|--|------------|--|
| a. Residential mortgage-backed securities | \$ 471,855 | \$ 574,249 | \$ 585,627 | \$ - |
| b. Commercial mortgage-backed securities | - | - | - | - |
| c. Collateralized debt obligations | - | - | - | - |
| d. Structured securities | - | - | - | - |
| e. Equity investment in SCAs | - | - | - | - |
| f. Other Assets | - | - | - | - |
| g. Totals | \$ 471,855 | \$ 574,249 | \$ 585,627 | \$ - |

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

G. Insurance-Linked Securities (ILS) Contracts

Not applicable

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

Not applicable

Note 22 – Events Subsequent

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

Note 23 – Reinsurance

A. Unsecured Reinsurance Recoverables

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

| NAIC Code | Federal ID # | Name of Reinsurer | Amount |
|-----------|--------------|--|---------------|
| 32620 | 34-1607395 | National Interstate Insurance Co | \$ 23,587,000 |
| 15105 | 43-0727872 | Safety National Casualty Corporation | 1,209,000 |
| 10357 | 52-1952955 | Renaissance Reinsurance U.S. Inc. | 873,000 |
| 25364 | 13-1675535 | Swiss Reinsurance American Corporation | 840,000 |

NOTES TO FINANCIAL STATEMENTS

B. Reinsurance Recoverables in Dispute

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

C. Reinsurance Assumed and Ceded and Protected Cells

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

| | Assumed Reinsurance | | Ceded Reinsurance | | Net | |
|------------|---------------------|------------|-------------------|------------|----------------|--------------|
| | Premium | Commission | Premium | Commission | Premium | Commission |
| | Reserve | Equity | Reserve | Equity | Reserve | Equity |
| Affiliates | \$ 4,914,537 | \$ 446,128 | \$ 7,693,977 | \$ 705,106 | \$ (2,779,440) | \$ (258,978) |
| All other | 282,367 | 97,540 | 1,429,297 | 24,505 | (1,146,930) | 73,035 |
| Totals | \$ 5,196,904 | \$ 543,668 | \$ 9,123,274 | \$ 729,611 | \$ (3,926,370) | \$ (185,943) |

Direct Unearned Premium Reserve: \$8,840,908.

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

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

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

D. Uncollectible Reinsurance

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

E. Commutation of Ceded Reinsurance

Not applicable as the Company did not commute any of its ceded reinsurance in the current year.

F. Retroactive Reinsurance

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

G. Reinsurance Accounted for as a Deposit

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

H. Run-off Agreements

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

I. Certified Reinsurer Rating Downgraded of Status Subject to Revocation

Not applicable

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation.

Not applicable

NOTES TO FINANCIAL STATEMENTS

Note 24 – Retrospectively Rated Contracts & Contracts Subject to Redetermination

- A. Method Used to Estimate
- The Company estimates accrued retrospective premium adjustments through the review of each individual retrospective rate risk, comparing case basis loss and allocated loss adjustment expense with that anticipated in the policy contract to arrive at the best estimate of return or additional retrospective premium.
- B. Method Used to Record
- The Company records accrued retrospective premium through written premium.
- C. Amount and Percent of Net Retrospective Premiums
- Net premiums written for 2019 on retrospective policies were \$469,068 or 4.7%, of total net premiums written.
- D. Medical Loss Ratio
- Not applicable
- E. Calculation of Nonadmitted Accrued Retrospective Premiums
- Not applicable
- F. Risk-Sharing Provisions of the Affordable Care Act (ACA)
- Not applicable

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

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

| | Year Ended December 31 | |
|---|-------------------------------|---------------|
| | 2019 | 2018 |
| Outstanding losses and LAE, net of reinsurance recoverables, at beginning of year | \$ 13,418,769 | \$ 12,732,177 |
| Add provision for claims, net of reinsurance, occurring in: | | |
| Current year | 6,161,468 | 5,967,000 |
| Prior years | (600,000) | (399,782) |
| Net incurred losses during the current year | 5,561,468 | 5,567,218 |
| Deduct payments for claims, net of reinsurance occurring in: | | |
| Current year | 1,274,573 | 1,280,000 |
| Prior years | 3,716,226 | 3,600,626 |
| Net claim payments during the current year | 4,990,799 | 4,880,626 |
| Outstanding losses and LAE, net of reinsurance recoverables, at end of year | \$ 13,989,438 | \$ 13,418,769 |

The foregoing reconciliation shows that \$600,000 of favorable development in the December 31, 2018 balances emerged in 2019, and \$399,782 of favorable development in the December 31, 2017 balances emerged in 2018. The favorable development in 2019 and 2018 resulted from the combination of settling cases and adjusting current estimates of case and incurred but not reported (IBNR) reserves for amounts less than the case and IBNR estimates carried at the end of December 31, 2018 and December 31, 2017, respectively. Management of the Company evaluates case and IBNR estimates based on data from a variety of sources including the Company's historical experience and knowledge of various factors such as the historic loss experience of the industry, trends in claims frequency and severity, the Company's mix of business and claims processing procedures, legislative enactments, judicial decisions, legal developments in imposition of damages and changes and trends in general economic conditions, including the effects of inflation.

- B. Significant Change in Methodologies and Assumptions
- Not applicable

NOTES TO FINANCIAL STATEMENTS

Note 26 – Intercompany Pooling Arrangements

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

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

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

Note 27 – Structured Settlements

A. Reserves Released Due to Purchase of Annuities

None

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

None

Note 28 – Health Care Receivables

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

Note 29 – Participating Policies

Not applicable as the Company does not have participating policies.

Note 30 – Premium Deficiency Reserves

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

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

Note 31 – High Deductibles

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

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

| Annual Statement Line of Business (ASL) | | 3 | 4 | 5 | 6 |
|---|-----------------------|--|-------------------------------------|------------------------------------|--|
| 1 | 2 | Gross (of High Deductible) Loss Reserves | Reserve Credit for High Deductibles | Billed Recoverables on Paid Claims | Total High Deductibles and Billed Recoverables (Col. 4 + Col. 5) |
| ASL # | ASL Description | | | | |
| 16 | Workers’ Compensation | \$ 29,660 | \$ 29,660 | \$ 12,654 | \$ 42,314 |

2. Unsecured Amounts of High Deductibles

| | | |
|---|----|--------|
| a. Total high deductibles and billed recoverables on paid claims | \$ | 42,314 |
| b. Collateral on balance sheet | | - |
| c. Collateral off balance sheet | | 42,314 |
| d. Total Unsecured deductibles and billed recoverables on paid claims | | - |
| e. Percentage unsecured | | 0% |

NOTES TO FINANCIAL STATEMENTS

3. High Deductible Recoverables Amounts on Paid Claims

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

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

Not applicable

B. Unsecured High Deductibles Recoverables for Individual Obligors Part of a Group Under the Same Management or Control Which are Greater Than 1% of Capital and Surplus – Not Applicable

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

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

Note 33 – Asbestos/Environmental Reserves

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

Note 34 – Subscriber Savings Accounts

Not applicable

Note 35 – Multiple Peril Crop Insurance

Not applicable

Note 36 – Financial Guaranty Insurance

The Company does not write financial guaranty insurance.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1

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

Yes [X]No []

1.2

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

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

1.3

State regulating?

Ohio

1.4

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

Yes [X]No []

1.5

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

1042046

2.1

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

Yes []No [X]

2.2

If yes, date of change:

3.1

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

12/31/2016

3.2

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

12/31/2016

3.3

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

11/17/2017

3.4

By what department or departments?
Ohio Department of Insurance

3.5

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

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

3.6

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

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

4.1

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

4.11

sales of new business?

Yes [X]No []

4.12

renewals?

Yes []No [X]

4.2

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

4.21

sales of new business?

Yes []No [X]

4.22

renewals?

Yes [X]No []

5.1

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

Yes []No [X]

5.2

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

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

6.1

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

Yes []No [X]

6.2

If yes, give full information:

7.1

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

Yes []No [X]

7.2

If yes,

7.21

State the percentage of foreign control

%

7.22

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

| | |
|-------------|----------------|
| 1 | 2 |
| Nationality | Type of Entity |
| | |

8.1

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

Yes []No [X]

8.2

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

8.3

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

Yes [X]No []

8.4

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

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

9.

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

10.1

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

Yes []No [X]

10.2

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

10.3

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

Yes []No [X]

10.4

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

10.5

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

Yes [☐]No [☒]N/A [☐]

10.6

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

11.

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

12.1

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

Yes [☐]No [☒]

12.11

Name of real estate holding company

12.12

Number of parcels involved

0

12.13

Total book/adjusted carrying value

\$0

12.2

If yes, provide explanation

13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1

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

13.2

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

Yes [☐]No [☐]

13.3

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

Yes [☐]No [☐]

13.4

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

Yes [☐]No [☐]N/A [☐]

14.1

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

Yes [☒]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 [☒]

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 [☒]

14.31

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

15.1

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

Yes [☐]No [☒]

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

BOARD OF DIRECTORS

16.

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

Yes [☒]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 [☒]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 [☒]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 [☒]

20.1

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

20.11

To directors or other officers

\$0

20.12

To stockholders not officers

\$0

20.13

Trustees, supreme or grand (Fraternal only)

\$0

20.2

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

20.21

To directors or other officers

\$0

20.22

To stockholders not officers

0

20.23

Trustees, supreme or grand (Fraternal only)

0

21.1

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

Yes [☐]No [☒]

21.2

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

21.21

Rented from others

\$0

21.22

Borrowed from others

\$0

21.23

Leased from others

\$0

21.24

Other

\$0

22.1

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

Yes [☒]No [☐]

22.2

If answer is yes:

22.21

Amount paid as losses or risk adjustment

\$0

22.22

Amount paid as expenses

\$1,578

22.23

Other amounts paid

\$0

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

| | | | |
|------|---|-----------|-----------|
| 23.1 | Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? | Yes [X] | No [] |
| 23.2 | If yes, indicate any amounts receivable from parent included in the Page 2 amount: | \$ | 1,867,716 |

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 <input checked="" type="checkbox"/> | No <input type="checkbox"/> | | | | | | |
|----------------------------|--|---|---|-------------|--|--|----|--|--|
| 24.02 | If no, give full and complete information, relating thereto: | | | | | | | | |
| 24.03 | For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided). | | | | | | | | |
| 24.04 | Does the company's security lending program meet the requirements for a conforming program as outlined in the <i>Risk-Based Capital Instructions</i> ? | Yes <input type="checkbox"/> | No <input type="checkbox"/> N/A <input checked="" type="checkbox"/> | | | | | | |
| 24.05 | If answer to 24.04 is yes, report amount of collateral for conforming programs. | \$ | 0 | | | | | | |
| 24.06 | If answer to 24.04 is no, report amount of collateral for other programs | \$ | 0 | | | | | | |
| 24.07 | Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? | Yes <input type="checkbox"/> | No <input type="checkbox"/> N/A <input checked="" type="checkbox"/> | | | | | | |
| 24.08 | Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? | Yes <input type="checkbox"/> | No <input type="checkbox"/> N/A <input checked="" type="checkbox"/> | | | | | | |
| 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 <input type="checkbox"/> | No <input type="checkbox"/> N/A <input checked="" type="checkbox"/> | | | | | | |
| 24.10 | For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year: | | | | | | | | |
| 24.101 | Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: | \$ | 0 | | | | | | |
| 24.102 | Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: | \$ | 0 | | | | | | |
| 24.103 | Total payable for securities lending reported on the liability page: | \$ | 0 | | | | | | |
| 25.1 | Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.) | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | | | | | | |
| 25.2 | If yes, state the amount thereof at December 31 of the current year: | | | | | | | | |
| 25.21 | Subject to repurchase agreements | \$ | 0 | | | | | | |
| 25.22 | Subject to reverse repurchase agreements | \$ | 0 | | | | | | |
| 25.23 | Subject to dollar repurchase agreements | \$ | 0 | | | | | | |
| 25.24 | Subject to reverse dollar repurchase agreements | \$ | 0 | | | | | | |
| 25.25 | Placed under option agreements | \$ | 0 | | | | | | |
| 25.26 | Letter stock or securities restricted as sale – excluding FHLB Capital Stock | \$ | 0 | | | | | | |
| 25.27 | FHLB Capital Stock | \$ | 0 | | | | | | |
| 25.28 | On deposit with states | \$ | 8,134,488 | | | | | | |
| 25.29 | On deposit with other regulatory bodies | \$ | 603,356 | | | | | | |
| 25.30 | Pledged as collateral – excluding collateral pledged to an FHLB | \$ | 0 | | | | | | |
| 25.31 | Pledged as collateral to FHLB – including assets backing funding agreements | \$ | 0 | | | | | | |
| 25.32 | Other | \$ | 0 | | | | | | |
| 25.3 | For category (25.26) provide the following: | | | | | | | | |
| | <table><tr><th>1 Nature of Restriction</th><th>2 Description</th><th>3 Amount</th></tr><tr><td></td><td></td><td>\$</td></tr></table> | 1 Nature of Restriction | 2 Description | 3 Amount | | | \$ | | |
| 1 Nature of Restriction | 2 Description | 3 Amount | | | | | | | |
| | | \$ | | | | | | | |

| | | | |
|------|--|---------|------------------|
| 26.1 | Does the reporting entity have any hedging transactions reported on Schedule DB? | Yes [] | No [X] |
| 26.2 | If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement. | Yes [] | No [] N/A [X] |

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

| 26.3 | Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a results of interest rate sensitivity? | Yes [] | No [] | | | | |
|-----------------------------|--|---------------------------|--------------------------|-----------------------------|----------------------------|--|--|
| 26.4 | If the response to 26.3 is yes, does the reporting entity utilize: | | | | | | |
| 26.41 | Special accounting provision of SSAP No. 108 | Yes [] | No [] | | | | |
| 26.42 | Permitted accounting practice | Yes [] | No [] | | | | |
| 26.43 | Other accounting guidance | Yes [] | No [] | | | | |
| 26.5 | By responding yes to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following: | Yes [] | No [] | | | | |
| | <ul style="list-style-type: none">The reporting entity has obtained explicit approval from the domiciliary state.Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guidance Conditional Tail Expectation Amount.Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts. | | | | | | |
| 27.1 | Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? | Yes [] | No [X] | | | | |
| 27.2 | If yes, state the amount thereof at December 31 of the current year: | \$ | 0 | | | | |
| 28. | Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC <i>Financial Condition Examiners Handbook</i> ? | Yes [X] | No [] | | | | |
| 28.01 | For agreements that comply with the requirements of the NAIC <i>Financial Condition Examiners Handbook</i> , complete the following: | | | | | | |
| | <table><tr><th>1 Name of Custodian(s)</th><th>2 Custodian's Address</th></tr><tr><td>The Bank of New York Mellon</td><td>1 Wall Street NY, NY 10286</td></tr></table> | 1 Name of Custodian(s) | 2 Custodian's Address | The Bank of New York Mellon | 1 Wall Street NY, NY 10286 | | |
| 1 Name of Custodian(s) | 2 Custodian's Address | | | | | | |
| The Bank of New York Mellon | 1 Wall Street NY, NY 10286 | | | | | | |

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

28.02

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

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

28.03

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

Yes [] No [X]

28.04

If yes, give full and complete information relating thereto:

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

28.05

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

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

28.0597

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

Yes [] No [X]

28.0598

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

Yes [] No [X]

28.06

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

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

29.1

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

Yes [] No [X]

29.2

If yes, complete the following schedule:

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

29.3

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

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

30.

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

| | | | | |
|------|------------------|----------------------------|---------------|---|
| | | 1 | 2 | 3 |
| | | Statement (Admitted) Value | Fair Value | Excess of Statement over Fair Value (-), or Fair Value over Statement (+) |
| 30.1 | Bonds | \$ 46,275,817 | \$ 47,165,205 | \$ 889,388 |
| 30.2 | Preferred Stocks | \$ 0 | \$ 0 | \$ 0 |
| 30.3 | Totals | \$ 46,275,817 | \$ 47,165,205 | \$ 889,388 |

30.4

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

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

31.1

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

Yes [X] No []

31.2

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

Yes [] No [X]

31.3

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

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

32.1

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

Yes [X] No []

32.2

If no, list exceptions:

33.

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

a.

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

b.

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

c.

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

Has the reporting entity self-designated 5GI securities?

Yes [] No [X]

34.

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

a.

The security was purchased prior to January 1, 2018.

b.

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

c.

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

d.

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

Has the reporting entity self-designated PLGI securities?

Yes [] No [X]

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

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

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

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

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

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

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

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

Yes [] No [X]

OTHER

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

\$118,099

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 |
|---------------------|------------------|
| NCCI HOLDINGS, INC. | \$76,162 |

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 |
|-----------|------------------|
| | \$ |

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

| | | | |
|------|---|-----------|------------------|
| 6.5 | If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss: | | |
| 7.1 | Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer’s losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? | Yes [X] | No [] |
| 7.2 | If yes, indicate the number of reinsurance contracts containing such provisions. | 27 | |
| 7.3 | If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? | Yes [X] | No [] |
| 8.1 | Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? | Yes [] | No [X] |
| 8.2 | If yes, give full information | | |
| 9.1 | Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results: (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term; (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer; (c) Aggregate stop loss reinsurance coverage; (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party; (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity? | Yes [X] | No [] |
| 9.2 | Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where: (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. | Yes [X] | No [] |
| 9.3 | If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9: (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income; (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and (c) A brief discussion of management’s principle objectives in entering into the reinsurance contract including the economic purpose to be achieved. | | |
| 9.4 | Except for transactions meeting the requirements of paragraph 37 of SSAP No. 62R, <i>Property and Casualty Reinsurance</i> , has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either: (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles (“SAP”) and as a deposit under generally accepted accounting principles (“GAAP”); or (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? | Yes [] | No [X] |
| 9.5 | If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP. | | |
| 9.6 | The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria: (a) The entity does not utilize reinsurance; or (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. | Yes [] | No [X] |
| 10. | If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? | Yes [X] | No [] N/A [] |
| 11.1 | Has the reporting entity guaranteed policies issued by any other entity and now in force? | Yes [] | No [X] |
| 11.2 | If yes, give full information | | |
| 12.1 | If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for: 12.11 Unpaid losses 12.12 Unpaid underwriting expenses (including loss adjustment expenses) | \$ | 74,768 3,561 |
| 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? | \$ | 81,668 |
| 12.3 | If the reporting entity underwrites commercial insurance risks, such as workers’ compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? | Yes [] | No [X] N/A [] |
| 12.4 | If yes, provide the range of interest rates charged under such notes during the period covered by this statement: 12.41 From 12.42 To | | % % |
| 12.5 | Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity’s reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? | Yes [X] | No [] |
| 12.6 | If yes, state the amount thereof at December 31 of current year: 12.61 Letters of Credit 12.62 Collateral and other funds | \$ | 0 1,295 |

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

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

FIVE-YEAR HISTORICAL DATA

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

| | 1 2019 | 2 2018 | 3 2017 | 4 2016 | 5 2015 |
|---|------------|------------|------------|------------|-------------|
| Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3) | | | | | |
| 1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)..... | 34,764,715 | 35,450,040 | 37,160,321 | 31,462,798 | 42,717,698 |
| 2. Property lines (Lines 1, 2, 9, 12, 21 & 26)..... | 1,316,781 | 1,062,701 | 5,802,028 | 8,629,178 | 9,167,679 |
| 3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)..... | 101,581 | 99,143 | 117,264 | 120,436 | 104,216 |
| 4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)..... | 17,485 | 11,081 | 7,957 | 1,442 | 2,667 |
| 5. Nonproportional reinsurance lines (Lines 31, 32 & 33)..... | | | | | |
| 6. Total (Line 35)..... | 36,200,563 | 36,622,965 | 43,087,569 | 40,213,854 | 51,992,260 |
| Net Premiums Written (Page 8, Part 1B, Col. 6) | | | | | |
| 7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)..... | 8,513,084 | 8,032,385 | 7,792,828 | 7,258,020 | 6,919,111 |
| 8. Property lines (Lines 1, 2, 9, 12, 21 & 26)..... | 1,317,866 | 1,147,480 | 1,321,291 | 1,447,331 | 1,410,879 |
| 9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)..... | 101,581 | 99,143 | 117,264 | 120,436 | 104,216 |
| 10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)..... | 17,485 | 11,081 | 7,957 | 1,442 | 2,667 |
| 11. Nonproportional reinsurance lines (Lines 31, 32 & 33)..... | | | | | |
| 12. Total (Line 35)..... | 9,950,016 | 9,290,089 | 9,239,339 | 8,827,228 | 8,436,873 |
| Statement of Income (Page 4) | | | | | |
| 13. Net underwriting gain (loss) (Line 8)..... | 1,294,908 | 959,218 | 448,415 | 102,924 | (198,057) |
| 14. Net investment gain (loss) (Line 11)..... | 1,472,557 | 1,309,043 | 1,020,664 | 1,043,151 | 967,453 |
| 15. Total other income (Line 15)..... | (524,527) | (434,395) | (108,293) | (31,270) | 184,841 |
| 16. Dividends to policyholders (Line 17)..... | | | | | |
| 17. Federal and foreign income taxes incurred (Line 19)..... | 478,616 | 337,473 | 376,600 | 286,219 | 103,481 |
| 18. Net income (Line 20)..... | 1,764,321 | 1,496,392 | 984,186 | 828,586 | 850,757 |
| Balance Sheet Lines (Pages 2 and 3) | | | | | |
| 19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)..... | 66,150,917 | 61,455,210 | 60,484,278 | 60,947,013 | 57,400,446 |
| 20. Premiums and considerations (Page 2, Col. 3): | | | | | |
| 20.1 In course of collection (Line 15.1)..... | 1,258,989 | 830,686 | 1,732,981 | 257,342 | 588,516 |
| 20.2 Deferred and not yet due (Line 15.2)..... | 6,662,480 | 7,315,445 | 7,598,954 | 8,389,876 | 12,753,385 |
| 20.3 Accrued retrospective premiums (Line 15.3)..... | | | | | |
| 21. Total liabilities excluding protected cell business (Page 3, Line 26)..... | 45,754,631 | 42,771,485 | 41,396,812 | 40,987,316 | 38,301,807 |
| 22. Losses (Page 3, Line 1)..... | 11,380,265 | 10,998,502 | 10,600,311 | 10,180,914 | 9,417,941 |
| 23. Loss adjustment expenses (Page 3, Line 3)..... | 2,609,173 | 2,420,267 | 2,131,866 | 1,978,423 | 2,115,827 |
| 24. Unearned premiums (Page 3, Line 9)..... | 4,914,537 | 4,679,497 | 4,553,938 | 4,109,504 | 3,800,881 |
| 25. Capital paid up (Page 3, Lines 30 & 31)..... | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 | 3,000,000 |
| 26. Surplus as regards policyholders (Page 3, Line 37)..... | 20,396,286 | 18,683,725 | 19,087,466 | 19,959,697 | 19,098,638 |
| Cash Flow (Page 5) | | | | | |
| 27. Net cash from operations (Line 11)..... | 3,075,648 | 3,168,789 | 2,182,373 | 6,407,354 | (7,107,106) |
| Risk-Based Capital Analysis | | | | | |
| 28. Total adjusted capital..... | 20,396,286 | 18,683,725 | 19,087,466 | 19,959,697 | 19,098,638 |
| 29. Authorized control level risk-based capital..... | 1,363,621 | 1,219,256 | 1,644,342 | 1,430,153 | 1,478,744 |
| Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0 | | | | | |
| 30. Bonds (Line 1)..... | 84.0 | 92.7 | 70.3 | 75.6 | 86.7 |
| 31. Stocks (Lines 2.1 & 2.2)..... | | | | | |
| 32. Mortgage loans on real estate (Lines 3.1 & 3.2)..... | | | | | |
| 33. Real estate (Lines 4.1, 4.2 & 4.3)..... | | | | | |
| 34. Cash, cash equivalents and short-term investments (Line 5)..... | 16.0 | 7.3 | 29.7 | 24.4 | 13.3 |
| 35. Contract loans (Line 6)..... | | | | | |
| 36. Derivatives (Line 7)..... | | | | | |
| 37. Other invested assets (Line 8)..... | | | | | |
| 38. Receivables for securities (Line 9)..... | | | | | |
| 39. Securities lending reinvested collateral assets (Line 10)..... | | | | | |
| 40. Aggregate write-ins for invested assets (Line 11)..... | | | | | |
| 41. Cash, cash equivalents and invested assets (Line 12)..... | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Investments in Parent, Subsidiaries and Affiliates | | | | | |
| 42. Affiliated bonds (Sch. D, Summary, Line 12, Col. 1)..... | | | | | |
| 43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)..... | | | | | |
| 44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)..... | | | | | |
| 45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10)..... | | | | | |
| 46. Affiliated mortgage loans on real estate..... | | | | | |
| 47. All other affiliated..... | | | | | |
| 48. Total of above lines 42 to 47..... | 0 | 0 | 0 | 0 | 0 |
| 49. Total investment in parent included in Lines 42 to 47 above..... | | | | | |
| 50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)..... | 0.0 | | | | |

FIVE-YEAR HISTORICAL DATA

(Continued)

| | 1 | 2 | 3 | 4 | 5 |
|---|-----------------|------------------|------------------|-----------------|-----------------|
| | 2019 | 2018 | 2017 | 2016 | 2015 |
| Capital and Surplus Accounts (Page 4) | | | | | |
| 51. Net unrealized capital gains (losses) (Line 24)..... | | |0 | | |
| 52. Dividends to stockholders (Line 35)..... | |(1,900,000) |(1,900,000) | | |
| 53. Change in surplus as regards policyholders for the year (Line 38)..... |1,712,561 |(403,741) |(872,231) |861,059 |648,749 |
| Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2) | | | | | |
| 54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)..... |14,334,868 |14,180,009 |12,239,226 |11,512,145 |6,282,007 |
| 55. Property lines (Lines 1, 2, 9, 12, 21 & 26)..... |436,284 |2,313,501 |6,108,721 |6,338,395 |6,371,569 |
| 56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)..... |34,469 |61,143 |31,348 |34,522 |26,856 |
| 57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)..... |2,628 |1,088 |102 | |2,110 |
| 58. Nonproportional reinsurance lines (Lines 31, 32 & 33)..... | | | | | |
| 59. Total (Line 35)..... |14,808,249 |16,555,740 |18,379,398 |17,885,062 |12,682,541 |
| Net Losses Paid (Page 9, Part 2, Col. 4) | | | | | |
| 60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)..... |3,559,949 |3,376,205 |3,678,320 |3,661,771 |3,583,016 |
| 61. Property lines (Lines 1, 2, 9, 12, 21 & 26)..... |422,563 |526,295 |685,689 |740,495 |752,552 |
| 62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)..... |34,469 |61,143 |31,348 |34,522 |26,856 |
| 63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)..... |2,628 |1,088 |102 | |2,110 |
| 64. Nonproportional reinsurance lines (Lines 31, 32 & 33)..... | | | | | |
| 65. Total (Line 35)..... |4,019,609 |3,964,730 |4,395,459 |4,436,788 |4,364,534 |
| Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0 | | | | | |
| 66. Premiums earned (Line 1)..... |100.0 |100.0 |100.0 |100.0 |100.0 |
| 67. Losses incurred (Line 2)..... |45.3 |47.6 |54.7 |61.0 |62.5 |
| 68. Loss expenses incurred (Line 3)..... |11.9 |13.1 |12.4 |9.2 |12.7 |
| 69. Other underwriting expenses incurred (Line 4)..... |29.4 |28.8 |27.8 |28.6 |27.2 |
| 70. Net underwriting gain (loss) (Line 8)..... |13.3 |10.5 |5.1 |1.2 |(2.4) |
| Other Percentages | | | | | |
| 71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)..... |34.0 |33.0 |27.6 |27.9 |24.9 |
| 72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)..... |57.2 |60.8 |67.1 |70.2 |75.2 |
| 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)..... |48.8 |49.7 |48.4 |44.2 |44.2 |
| One Year Loss Development (\$000 omitted) | | | | | |
| 74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)..... |(699) |(477) |(111) |373 |423 |
| 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)..... |(3.7) |(2.5) |(0.6) |2.0 |2.3 |
| Two Year Loss Development (\$000 omitted) | | | | | |
| 76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12)..... |(1,130) |(549) |316 |807 |960 |
| 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)..... |(5.9) |(2.7) |1.7 |4.4 |5.4 |

If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of

SSAP No. 3, Accounting Changes and Correction of Errors?

Yes [] No []

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

| Years in Which Premiums Were Earned and Losses Were Incurred | Premiums Earned | | | Loss and Loss Expense Payments | | | | | | | | 12 Number of Claims Reported- Direct and Assumed |
|---|-----------------------------------|------------------|-------------------------------|-----------------------------------|------------------|--|-----------------|-----------------------------------|----------------|---|---|---|
| | 1 Direct and Assumed | 2 Ceded | 3 Net (Cols. 1 - 2) | Loss Payments | | Defense and Cost Containment Payments | | Adjusting and Other Payments | | 10 Salvage and Subrogation Received | 11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9) | |
| | | | | 4 Direct and Assumed | 5 Ceded | 6 Direct and Assumed | 7 Ceded | 8 Direct and Assumed | 9 Ceded | | | |
| 1. Prior..... |XXX..... |XXX..... |XXX..... |48..... |16..... |10..... |3..... |7..... | ..... | .....3..... |46..... |XXX..... |
| 2. 2010..... |7,709..... |447..... |7,262..... |4,540..... |50..... |536..... |5..... |475..... | ..... | .....133..... |5,497..... |XXX..... |
| 3. 2011..... |7,520..... |503..... |7,017..... |4,760..... |223..... |541..... |12..... |450..... | ..... | .....141..... |5,516..... |XXX..... |
| 4. 2012..... |7,839..... |671..... |7,168..... |4,775..... |699..... |501..... |36..... |381..... | ..... | .....120..... |4,923..... |XXX..... |
| 5. 2013..... |8,610..... |766..... |7,844..... |5,546..... |961..... |583..... |111..... |397..... | ..... | .....120..... |5,453..... |XXX..... |
| 6. 2014..... |10,252..... |2,123..... |8,129..... |5,710..... |1,545..... |670..... |279..... |429..... | ..... | .....132..... |4,985..... |XXX..... |
| 7. 2015..... |20,462..... |12,067..... |8,395..... |10,062..... |5,941..... |999..... |670..... |480..... | ..... | .....144..... |4,930..... |XXX..... |
| 8. 2016..... |26,353..... |17,834..... |8,519..... |8,946..... |5,554..... |924..... |676..... |509..... | ..... | .....155..... |4,148..... |XXX..... |
| 9. 2017..... |14,516..... |5,721..... |8,795..... |6,196..... |3,196..... |504..... |350..... |486..... | ..... | .....122..... |3,641..... |XXX..... |
| 10. 2018..... |14,872..... |5,708..... |9,165..... |4,633..... |2,384..... |323..... |234..... |441..... | ..... | .....96..... |2,780..... |XXX..... |
| 11. 2019..... |16,049..... |6,334..... |9,715..... |2,044..... |1,111..... |126..... |93..... |309..... | ..... | .....49..... |1,275..... |XXX..... |
| 12. Totals..... |XXX..... |XXX..... |XXX..... |57,260..... |21,681..... |5,718..... |2,467..... |4,364..... |0..... |1,215..... |43,193..... |XXX..... |

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

| | Total Losses and Loss Expenses Incurred | | | Loss and Loss Expense Percentage (Incurred/Premiums Earned) | | | Nontabular Discount | | 34 | Net Balance Sheet Reserves after Discount | |
|------------|--|-----------------|-----------------|--|-----------------|----------------|------------------------|---------------------------|---|--|----------------------------------|
| | 26 Direct and Assumed | 27 Ceded | 28 Net | 29 Direct and Assumed | 30 Ceded | 31 Net | 32 Loss | 33 Loss Expense | Inter-Company Pooling Participation Percentage | 35 Losses Unpaid | 36 Loss Expenses Unpaid |
| | | | | | | | | | | | |
| 1. Prior.. |XXX..... |XXX..... |XXX..... |XXX..... |XXX..... |XXX..... | ..... | ..... | .....XXX..... |273..... |21..... |
| 2. 2010. |5,871..... |277..... |5,594..... |76.2..... |61.9..... |77.0..... | ..... | ..... | .....0.02..... |88..... |10..... |
| 3. 2011. |5,958..... |292..... |5,666..... |79.2..... |58.0..... |80.7..... | ..... | ..... | .....0.02..... |132..... |18..... |
| 4. 2012. |5,944..... |820..... |5,125..... |75.8..... |122.2..... |71.5..... | ..... | ..... | .....0.02..... |166..... |36..... |
| 5. 2013. |7,109..... |1,363..... |5,746..... |82.6..... |177.9..... |73.3..... | ..... | ..... | .....0.02..... |236..... |58..... |
| 6. 2014. |7,631..... |2,174..... |5,457..... |74.4..... |102.4..... |67.1..... | ..... | ..... | .....0.02..... |388..... |84..... |
| 7. 2015. |12,852..... |7,132..... |5,719..... |62.8..... |59.1..... |68.1..... | ..... | ..... | .....0.02..... |636..... |153..... |
| 8. 2016. |12,841..... |7,339..... |5,502..... |48.7..... |41.2..... |64.6..... | ..... | ..... | .....0.02..... |1,102..... |252..... |
| 9. 2017. |11,114..... |5,209..... |5,905..... |76.6..... |91.0..... |67.1..... | ..... | ..... | .....0.02..... |1,871..... |394..... |
| 10. 2018. |11,423..... |5,456..... |5,967..... |76.8..... |95.6..... |65.1..... | ..... | ..... | .....0.02..... |2,586..... |601..... |
| 11. 2019. |11,483..... |5,322..... |6,161..... |71.6..... |84.0..... |63.4..... | ..... | ..... | .....0.02..... |3,903..... |984..... |
| 12. Totals |XXX..... |XXX..... |XXX..... |XXX..... |XXX..... |XXX..... |0..... |0..... |XXX..... |11,380..... |2,609..... |

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

SCHEDULE P - PART 2 - SUMMARY

| Years in Which Losses Were Incurred | Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted) | | | | | | | | | | DEVELOPMENT | |
|-------------------------------------|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|--------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | One Year | Two Year |
| 1. Prior..... |5,857 |5,694 |5,098 |4,910 |4,738 |4,813 |4,775 |4,777 |4,758 |4,733 |(25) |(44) |
| 2. 2010..... |4,942 |4,859 |5,025 |4,924 |5,078 |5,138 |5,152 |5,152 |5,116 |5,116 |(1) |(36) |
| 3. 2011..... |XXX |4,248 |4,452 |4,753 |4,941 |5,108 |5,265 |5,271 |5,218 |5,210 |(8) |(61) |
| 4. 2012..... |XXX |XXX |4,404 |4,406 |4,626 |4,735 |4,930 |4,884 |4,847 |4,729 |(117) |(155) |
| 5. 2013..... |XXX |XXX |XXX |5,117 |5,205 |5,276 |5,401 |5,423 |5,409 |5,324 |(86) |(99) |
| 6. 2014..... |XXX |XXX |XXX |XXX |5,335 |5,276 |5,207 |5,208 |5,111 |4,991 |(120) |(217) |
| 7. 2015..... |XXX |XXX |XXX |XXX |XXX |5,347 |5,336 |5,296 |5,233 |5,177 |(55) |(118) |
| 8. 2016..... |XXX |XXX |XXX |XXX |XXX |XXX |5,242 |5,187 |5,067 |4,896 |(171) |(291) |
| 9. 2017..... |XXX |XXX |XXX |XXX |XXX |XXX |XXX |5,424 |5,384 |5,314 |(70) |(110) |
| 10. 2018..... |XXX |XXX |XXX |XXX |XXX |XXX |XXX |XXX |5,418 |5,371 |(47) |XXX |
| 11. 2019..... |XXX |XXX |XXX |XXX |XXX |XXX |XXX |XXX |XXX |5,570 |XXX |XXX |
| 12. Totals..... | | | | | | | | | | |(699) |(1,130) |

SCHEDULE P - PART 3 - SUMMARY

| Years in Which Losses Were Incurred | Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted) | | | | | | | | | | 11 | 12 |
|-------------------------------------|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|---|--|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Number of Claims Closed With Loss Payment | Number of Claims Closed Without Loss Payment |
| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | | |
| 1. Prior..... |000 |1,606 |2,740 |3,477 |3,921 |4,152 |4,238 |4,341 |4,404 |4,443 |XXX |XXX |
| 2. 2010..... |1,490 |2,645 |3,365 |4,146 |4,683 |4,846 |4,912 |4,966 |5,001 |5,021 |XXX |XXX |
| 3. 2011..... |XXX |1,578 |2,610 |3,436 |4,138 |4,662 |4,921 |4,995 |5,034 |5,066 |XXX |XXX |
| 4. 2012..... |XXX |XXX |1,344 |2,344 |3,195 |3,829 |4,222 |4,380 |4,479 |4,542 |XXX |XXX |
| 5. 2013..... |XXX |XXX |XXX |1,588 |2,803 |3,687 |4,331 |4,676 |4,898 |5,056 |XXX |XXX |
| 6. 2014..... |XXX |XXX |XXX |XXX |1,347 |2,471 |3,334 |3,994 |4,363 |4,556 |XXX |XXX |
| 7. 2015..... |XXX |XXX |XXX |XXX |XXX |1,246 |2,529 |3,560 |4,107 |4,451 |XXX |XXX |
| 8. 2016..... |XXX |XXX |XXX |XXX |XXX |XXX |1,238 |2,370 |3,083 |3,639 |XXX |XXX |
| 9. 2017..... |XXX |XXX |XXX |XXX |XXX |XXX |XXX |1,239 |2,467 |3,154 |XXX |XXX |
| 10. 2018..... |XXX |XXX |XXX |XXX |XXX |XXX |XXX |XXX |1,007 |2,339 |XXX |XXX |
| 11. 2019..... |XXX |XXX |XXX |XXX |XXX |XXX |XXX |XXX |XXX |966 |XXX |XXX |

SCHEDULE P - PART 4 - SUMMARY

| Years in Which Losses Were Incurred | Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted) | | | | | | | | | |
|-------------------------------------|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
| 1. Prior..... |3,080 |2,323 |1,161 |634 |158 |216 |173 |163 |127 |113 |
| 2. 2010..... |2,312 |1,437 |930 |259 |155 |135 |122 |104 |54 |53 |
| 3. 2011..... |XXX |1,807 |1,040 |572 |308 |155 |205 |187 |123 |95 |
| 4. 2012..... |XXX |XXX |2,199 |1,146 |614 |382 |391 |322 |258 |144 |
| 5. 2013..... |XXX |XXX |XXX |2,391 |1,305 |762 |561 |408 |316 |167 |
| 6. 2014..... |XXX |XXX |XXX |XXX |2,713 |1,601 |957 |645 |456 |289 |
| 7. 2015..... |XXX |XXX |XXX |XXX |XXX |2,699 |1,530 |940 |588 |433 |
| 8. 2016..... |XXX |XXX |XXX |XXX |XXX |XXX |2,784 |1,805 |1,232 |752 |
| 9. 2017..... |XXX |XXX |XXX |XXX |XXX |XXX |XXX |3,037 |1,886 |1,275 |
| 10. 2018..... |XXX |XXX |XXX |XXX |XXX |XXX |XXX |XXX |3,090 |1,743 |
| 11. 2019..... |XXX |XXX |XXX |XXX |XXX |XXX |XXX |XXX |XXX |3,321 |

Triumphe Casualty Company
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

| | | 1 | Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken | | 4 | 5 | 6 | 7 | 8 | 9 |
|--------------|---------------------------------|-------------------|--|------------------------|--|--|------------------------|----------------------|--|---|
| | | | 2 | 3 | | | | | | |
| States, Etc. | | Active Status (a) | Direct Premiums Written | Direct Premiums Earned | Dividends Paid or Credited to Policyholders on Direct Business | Direct Losses Paid (Deducting Salvage) | Direct Losses Incurred | Direct Losses Unpaid | Finance and Service Charges not Included in Premiums | Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2) |
| 1. | Alabama.....AL | L | 216,488 | 216,249 | | 25,076 | 13,797 | 169,858 | | |
| 2. | Alaska.....AK | L | 121,999 | 131,865 | | 41,876 | 95,339 | 285,981 | | |
| 3. | Arizona.....AZ | L | 1,162,225 | 1,752,630 | | 215,753 | 651,840 | 1,024,940 | | |
| 4. | Arkansas.....AR | L | 357,746 | 286,497 | | 50,416 | 129,851 | 429,894 | | |
| 5. | California.....CA | L | 1,362,794 | 1,213,940 | | 207,107 | 480,435 | 1,369,096 | | |
| 6. | Colorado.....CO | L | 1,182,757 | 1,017,909 | | 231,333 | 675,936 | 786,732 | | |
| 7. | Connecticut.....CT | L | 599,320 | 1,237,594 | | 195,609 | 506,914 | 1,094,295 | | |
| 8. | Delaware.....DE | L | (27,158) | (16,187) | | 29,569 | 131,524 | 312,211 | | |
| 9. | District of Columbia.....DC | L | | | | | | | | |
| 10. | Florida.....FL | L | 300,225 | 367,134 | | 217,123 | 22,814 | 335,835 | | |
| 11. | Georgia.....GA | L | 1,330,403 | 1,308,496 | | 1,576,554 | 830,987 | 1,787,439 | | |
| 12. | Hawaii.....HI | L | 8,382 | 7,647 | | | 1,980 | 1,980 | | |
| 13. | Idaho.....ID | L | 1,332,091 | 1,268,387 | | 223,615 | 609,050 | 697,432 | | |
| 14. | Illinois.....IL | L | 802,095 | 806,421 | | 345,037 | 484,660 | 1,265,046 | | |
| 15. | Indiana.....IN | L | 556,115 | 514,089 | | 160,472 | (242,977) | 412,327 | | |
| 16. | Iowa.....IA | L | 355,108 | 419,399 | | 207,656 | 408,092 | 336,061 | | |
| 17. | Kansas.....KS | L | 1,175,762 | 1,138,476 | | 537,850 | 215,604 | 1,526,265 | | |
| 18. | Kentucky.....KY | L | 1,386,036 | 1,349,606 | | 370,277 | 719,185 | 1,229,516 | | |
| 19. | Louisiana.....LA | L | 169,756 | 182,152 | | 51,340 | 106,394 | 157,658 | | |
| 20. | Maine.....ME | L | 45,110 | 44,760 | | | 4,480 | 11,587 | | |
| 21. | Maryland.....MD | L | 571,175 | 551,588 | | 180,835 | 256,118 | 630,307 | | |
| 22. | Massachusetts.....MA | L | 478,619 | 296,113 | | 65,920 | 204,652 | 152,604 | | |
| 23. | Michigan.....MI | N | | | | | | | | |
| 24. | Minnesota.....MN | L | 486,089 | 361,965 | | 11,410 | 25,512 | 339,794 | | |
| 25. | Mississippi.....MS | L | 374,621 | 369,194 | | 133,059 | 242,952 | 399,327 | | |
| 26. | Missouri.....MO | L | 1,460,986 | 1,454,137 | | 1,027,339 | 394,005 | 2,317,086 | | |
| 27. | Montana.....MT | L | (27,564) | (27,458) | | (1,873) | 33,485 | 168,166 | | |
| 28. | Nebraska.....NE | L | 430,864 | 438,608 | | 87,395 | 203,724 | 529,864 | | |
| 29. | Nevada.....NV | L | 673,706 | 626,640 | | 128,451 | 260,461 | 345,676 | | |
| 30. | New Hampshire.....NH | L | 341,867 | 407,235 | | 135,814 | 230,820 | 310,271 | | |
| 31. | New Jersey.....NJ | N | | | | | | | | |
| 32. | New Mexico.....NM | L | | | | | | | | |
| 33. | New York.....NY | N | | | | | | | | |
| 34. | North Carolina.....NC | L | 1,242,138 | 1,410,616 | | 716,925 | 650,717 | 1,555,678 | | |
| 35. | North Dakota.....ND | L | | | | | 126 | 459 | | |
| 36. | Ohio.....OH | L | | | | | 21,472 | 21,885 | | |
| 37. | Oklahoma.....OK | L | 388,701 | 512,422 | | 416,824 | 637,297 | 1,322,114 | | |
| 38. | Oregon.....OR | L | 124,909 | 134,241 | | 130,895 | 149,389 | 101,006 | | |
| 39. | Pennsylvania.....PA | L | 2,450,059 | 1,692,345 | | 761,432 | 1,018,600 | 1,525,804 | | |
| 40. | Rhode Island.....RI | L | 158,097 | 136,627 | | 5,123 | 49,420 | 52,759 | | |
| 41. | South Carolina.....SC | L | 415,074 | 514,150 | | 103,824 | 117,546 | 513,376 | | |
| 42. | South Dakota.....SD | L | 295,651 | 298,977 | | 45,183 | 232,311 | 363,190 | | |
| 43. | Tennessee.....TN | L | 497,314 | 500,344 | | 164,302 | 192,798 | 632,883 | | |
| 44. | Texas.....TX | L | 405,786 | 688,349 | | 118,574 | (471,503) | 1,253,989 | 25 | |
| 45. | Utah.....UT | L | 1,150,316 | 1,191,588 | | 1,141,403 | 1,067,872 | 1,422,512 | | |
| 46. | Vermont.....VT | L | 310,303 | 309,453 | | 2,826 | 84,318 | 81,493 | | |
| 47. | Virginia.....VA | L | 719,303 | 715,856 | | 259,195 | 8,072 | 1,335,689 | | |
| 48. | Washington.....WA | L | | | | | (848) | 4,723 | | |
| 49. | West Virginia.....WV | L | 23,829 | 37,200 | | 220 | (3,432) | 81,252 | | |
| 50. | Wisconsin.....WI | L | 157,037 | 318,530 | | 26,018 | 84,963 | 219,623 | | |
| 51. | Wyoming.....WY | N | | | | | | | | |
| 52. | American Samoa.....AS | N | | | | | | | | |
| 53. | Guam.....GU | N | | | | | | | | |
| 54. | Puerto Rico.....PR | N | | | | | | | | |
| 55. | US Virgin Islands.....VI | N | | | | | | | | |
| 56. | Northern Mariana Islands.....MP | N | | | | | | | | |
| 57. | Canada.....CAN | N | | | | | | | | |
| 58. | Aggregate Other Alien.....OT | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. | Totals..... | XXX | 25,566,134 | 26,185,782 | 0 | 10,347,755 | 11,536,753 | 28,915,680 | 25 | 0 |

DETAILS OF WRITE-INS

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

(a) Active Status Counts:

| | |
|---|----|
| L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG..... | 47 |
| E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - See DSLI)..... | 0 |
| D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile..... | 0 |

| | |
|---|----|
| R - Registered - Non-domiciled RRGs..... | 0 |
| Q - Qualified - Qualified or accredited reinsurer..... | 0 |
| N - None of the above - Not allowed to write business in the state..... | 10 |

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

- Workers' Compensation - Location of risk
- Other Liability - Location of risk
- Auto Liability - Location of primary garage
- Auto Physical - Location of primary garage

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

Part 1 - Organizational Chart

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

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

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

Part 1 - Organizational Chart

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

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

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

Part 1 - Organizational Chart

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

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

2019 ALPHABETICAL INDEX -- PROPERTY & CASUALTY ANNUAL STATEMENT BLANK

| | | | |
|--|------|--|------|
| Assets | 2 | Schedule P-Part 2H-Section 1-Other Liability-Occurrence | 58 |
| Cash Flow | 5 | Schedule P-Part 2H-Section 2-Other Liability-Claims-Made | 58 |
| Exhibit of Capital Gains (Losses) | 12 | Schedule P-Part 2I-Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, Theft) | 59 |
| Exhibit of Net Investment Income | 12 | Schedule P-Part 2J-Auto Physical Damage | 59 |
| Exhibit of Nonadmitted Assets | 13 | Schedule P-Part 2K-Fidelity, Surety | 59 |
| Exhibit of Premiums and Losses (State Page) | 19 | Schedule P-Part 2L-Other (Including Credit, Accident and Health) | 59 |
| Five-Year Historical Data | 17 | Schedule P-Part 2M-International | 59 |
| General Interrogatories | 15 | Schedule P-Part 2N-Reinsurance – Nonproportional Assumed Property | 60 |
| Jurat Page | 1 | Schedule P-Part 2O-Reinsurance – Nonproportional Assumed Liability | 60 |
| Liabilities, Surplus and Other Funds | 3 | Schedule P-Part 2P-Reinsurance – Nonproportional Assumed Financial Lines | 60 |
| Notes To Financial Statements | 14 | Schedule P-Part 2R-Section 1-Products Liability-Occurrence | 61 |
| Overflow Page For Write-ins | 100 | Schedule P-Part 2R-Section 2-Products Liability-Claims-Made | 61 |
| Schedule A-Part 1 | E01 | Schedule P-Part 2S-Financial Guaranty/Mortgage Guaranty | 61 |
| Schedule A-Part 2 | E02 | Schedule P-Part 2T-Warranty | 61 |
| Schedule A-Part 3 | E03 | Schedule P-Part 3A-Homeowners/Farmowners | 62 |
| Schedule A-Verification Between Years | SI02 | Schedule P-Part 3B-Private Passenger Auto Liability/Medical | 62 |
| Schedule B-Part 1 | E04 | Schedule P-Part 3C-Commercial Auto/Truck Liability/Medical | 62 |
| Schedule B-Part 2 | E05 | Schedule P-Part 3D-Workers' Compensation (Excluding Excess Workers Compensation) | 62 |
| Schedule B-Part 3 | E06 | Schedule P-Part 3E-Commercial Multiple Peril | 62 |
| Schedule B-Verification Between Years | SI02 | Schedule P-Part 3F-Section 1 –Medical Professional Liability-Occurrence | 63 |
| Schedule BA-Part 1 | E07 | Schedule P-Part 3F-Section 2-Medical Professional Liability-Claims-Made | 63 |
| Schedule BA-Part 2 | E08 | Schedule P-Part 3G-Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery) | 63 |
| Schedule BA-Part 3 | E09 | Schedule P-Part 3H-Section 1-Other Liability-Occurrence | 63 |
| Schedule BA-Verification Between Years | SI03 | Schedule P-Part 3H-Section 2-Other Liability-Claims-Made | 63 |
| Schedule D-Part 1 | E10 | Schedule P-Part 3I-Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, Theft) | 64 |
| Schedule D-Part 1A-Section 1 | SI05 | Schedule P-Part 3J-Auto Physical Damage | 64 |
| Schedule D-Part 1A-Section 2 | SI08 | Schedule P-Part 3K-Fidelity/Surety | 64 |
| Schedule D-Part 2-Section 1 | E11 | Schedule P-Part 3L-Other (Including Credit, Accident and Health) | 64 |
| Schedule D-Part 2-Section 2 | E12 | Schedule P-Part 3M-International | 64 |
| Schedule D-Part 3 | E13 | Schedule P-Part 3N-Reinsurance – Nonproportional Assumed Property | 65 |
| Schedule D-Part 4 | E14 | Schedule P-Part 3O-Reinsurance – Nonproportional Assumed Liability | 65 |
| Schedule D-Part 5 | E15 | Schedule P-Part 3P-Reinsurance – Nonproportional Assumed Financial Lines | 65 |
| Schedule D-Part 6-Section 1 | E16 | Schedule P-Part 3R-Section 1-Products Liability-Occurrence | 66 |
| Schedule D-Part 6-Section 2 | E16 | Schedule P-Part 3R-Section 2-Products Liability-Claims-Made | 66 |
| Schedule D-Summary By Country | SI04 | Schedule P-Part 3S-Financial Guaranty/Mortgage Guaranty | 66 |
| Schedule D-Verification Between Years | SI03 | Schedule P-Part 3T-Warranty | 66 |
| Schedule DA-Part 1 | E17 | Schedule P-Part 4A-Homeowners/Farmowners | 67 |
| Schedule DA-Verification Between Years | SI10 | Schedule P-Part 4B-Private Passenger Auto Liability/Medical | 67 |
| Schedule DB-Part A-Section 1 | E18 | Schedule P-Part 4C-Commercial Auto/Truck Liability/Medical | 67 |
| Schedule DB-Part A-Section 2 | E19 | Schedule P-Part 4D-Workers' Compensation (Excluding Excess Workers Compensation) | 67 |
| Schedule DB-Part A-Verification Between Years | SI11 | Schedule P-Part 4E-Commercial Multiple Peril | 67 |
| Schedule DB-Part B-Section 1 | E20 | Schedule P-Part 4F-Section 1-Medical Professional Liability-Occurrence | 68 |
| Schedule DB-Part B-Section 2 | E21 | Schedule P-Part 4F-Section 2-Medical Professional Liability-Claims-Made | 68 |
| Schedule DB-Part B-Verification Between Years | SI11 | Schedule P-Part 4G-Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery) | 68 |
| Schedule DB-Part C-Section 1 | SI12 | Schedule P-Part 4H-Section 1-Other Liability-Occurrence | 68 |
| Schedule DB-Part C-Section 2 | SI13 | Schedule P-Part 4H-Section 2-Other Liability-Claims-Made | 68 |
| Schedule DB-Part D-Section 1 | E22 | Schedule P-Part 4I-Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft) | 69 |
| Schedule DB-Part D-Section 2 | E23 | Schedule P-Part 4J-Auto Physical Damage | 69 |
| Schedule DB-Part E | E24 | Schedule P-Part 4K-Fidelity/Surety | 69 |
| Schedule DB-Verification | SI14 | Schedule P-Part 4L-Other (Including Credit, Accident and Health) | 69 |
| Schedule DL-Part 1 | E25 | Schedule P-Part 4M-International | 69 |
| Schedule DL-Part 2 | E26 | Schedule P-Part 4N-Reinsurance – Nonproportional Assumed Property | 70 |
| Schedule E-Part 1-Cash | E27 | Schedule P-Part 4O-Reinsurance – Nonproportional Assumed Liability | 70 |
| Schedule E-Part 2-Cash Equivalents | E28 | Schedule P-Part 4P-Reinsurance – Nonproportional Assumed Financial Lines | 70 |
| Schedule E-Verification Between Years | SI15 | Schedule P-Part 4R-Section 1-Products Liability-Occurrence | 71 |
| Schedule E-Part 3-Special Deposits | E29 | Schedule P-Part 4R-Section 2-Products Liability-Claims-Made | 71 |
| Schedule F-Part 1 | 20 | Schedule P-Part 4S-Financial Guaranty/Mortgage Guaranty | 71 |
| Schedule F-Part 2 | 21 | Schedule P-Part 4T-Warranty | 71 |
| Schedule F-Part 3 | 22 | Schedule P-Part 5A-Homeowners/Farmowners | 72 |
| Schedule F-Part 4 | 27 | Schedule P-Part 5B-Private Passenger Auto Liability/Medical | 73 |
| Schedule F-Part 5 | 28 | Schedule P-Part 5C-Commercial Auto/Truck Liability/Medical | 74 |
| Schedule F-Part 6 | 29 | Schedule P-Part 5D-Workers' Compensation (Excluding Excess Workers Compensation) | 75 |
| Schedule H-Accident and Health Exhibit-Part 1 | 30 | Schedule P-Part 5E-Commercial Multiple Peril | 76 |
| Schedule H-Part 2, Part 3 and Part 4 | 31 | Schedule P-Part 5F-Medical Professional Liability-Claims-Made | 78 |
| Schedule H-Part 5-Health Claims | 32 | Schedule P-Part 5F-Medical Professional Liability-Occurrence | 77 |
| Schedule P-Part 1-Summary | 33 | Schedule P-Part 5H-Other Liability-Claims-Made | 80 |
| Schedule P-Part 1A-Homeowners/Farmowners | 35 | Schedule P-Part 5H-Other Liability-Occurrence | 79 |
| Schedule P-Part 1B-Private Passenger Auto Liability/Medical | 36 | Schedule P-Part 5R-Products Liability-Claims-Made | 82 |
| Schedule P-Part 1C-Commercial Auto/Truck Liability/Medical | 37 | Schedule P-Part 5R-Products Liability-Occurrence | 81 |
| Schedule P-Part 1D-Workers' Compensation (Excluding Excess Workers Compensation) | 38 | Schedule P-Part 5T-Warranty | 83 |
| Schedule P-Part 1E-Commercial Multiple Peril | 39 | Schedule P-Part 6C-Commercial Auto/Truck Liability/Medical | 84 |
| Schedule P-Part 1F-Section 1-Medical Professional Liability-Occurrence | 40 | Schedule P-Part 6D-Workers' Compensation (Excluding Excess Workers Compensation) | 84 |
| Schedule P-Part 1F-Section 2-Medical Professional Liability-Claims-Made | 41 | Schedule P-Part 6E-Commercial Multiple Peril | 85 |
| Schedule P-Part 1G-Special Liability (Ocean, Marine, Aircraft (All Perils), Boiler & Machinery) | 42 | Schedule P-Part 6H-Other Liability-Claims-Made | 86 |
| Schedule P-Part 1H-Section 1-Other Liability-Occurrence | 43 | Schedule P-Part 6H-Other Liability-Occurrence | 85 |
| Schedule P-Part 1H-Section 2-Other Liability-Claims-Made | 44 | Schedule P-Part 6M-International | 86 |
| Schedule P-Part 1I-Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft) | 45 | Schedule P-Part 6N-Reinsurance – Nonproportional Assumed Property | 87 |
| Schedule P-Part 1J-Auto Physical Damage | 46 | Schedule P-Part 6O-Reinsurance – Nonproportional Assumed Liability | 87 |
| Schedule P-Part 1K-Fidelity/Surety | 47 | Schedule P-Part 6R-Products Liability-Claims-Made | 88 |
| Schedule P-Part 1L-Other (Including Credit, Accident and Health) | 48 | Schedule P-Part 6R-Products Liability-Occurrence | 88 |
| Schedule P-Part 1M-International | 49 | Schedule P-Part 7A-Primary Loss Sensitive Contracts | 89 |
| Schedule P-Part 1N-Reinsurance – Nonproportional Assumed Property | 50 | Schedule P-Part 7B-Reinsurance Loss Sensitive Contracts | 91 |
| Schedule P-Part 1O-Reinsurance – Nonproportional Assumed Liability | 51 | Schedule P Interrogatories | 93 |
| Schedule P-Part 1P-Reinsurance – Nonproportional Assumed Financial Lines | 52 | Schedule T-Exhibit of Premiums Written | 94 |
| Schedule P-Part 1R-Section 1-Products Liability-Occurrence | 53 | Schedule T-Part 2-Interstate Compact | 95 |
| Schedule P-Part 1R-Section 2-Products Liability-Claims-Made | 54 | Schedule Y-Information Concerning Activities of Insurer Members of a Holding Company Group | 96 |
| Schedule P-Part 1S-Financial Guaranty/Mortgage Guaranty | 55 | Schedule Y-Detail of Insurance Holding Company System | 97 |
| Schedule P-Part 1T-Warranty | 56 | Schedule Y-Part 2-Summary of Insurer's Transactions With Any Affiliates | 98 |
| Schedule P-Part 2, Part 3 and Part 4 - Summary | 34 | Statement of Income | 4 |
| Schedule P-Part 2A-Homeowners/Farmowners | 57 | Summary Investment Schedule | SI01 |
| Schedule P-Part 2B-Private Passenger Auto Liability/Medical | 57 | Supplemental Exhibits and Schedules Interrogatories | 99 |
| Schedule P-Part 2C-Commercial Auto/Truck Liability/Medical | 57 | Underwriting and Investment Exhibit Part 1 | 6 |
| Schedule P-Part 2D-Workers' Compensation (Excluding Excess Workers Compensation) | 57 | Underwriting and Investment Exhibit Part 1A | 7 |
| Schedule P-Part 2E-Commercial Multiple Peril | 57 | Underwriting and Investment Exhibit Part 1B | 8 |
| Schedule P-Part 2F-Section 1-Medical Professional Liability-Occurrence | 58 | Underwriting and Investment Exhibit Part 2 | 9 |
| Schedule P-Part 2F-Section 2-Medical Professional Liability-Claims-Made | 58 | Underwriting and Investment Exhibit Part 2A | 10 |
| Schedule P-Part 2G-Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery) | 58 | Underwriting and Investment Exhibit Part 3 | 11 |