



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2020

OF THE CONDITION AND AFFAIRS OF THE

Infinity Preferred Insurance Company

NAIC Group Code 0215 0215 NAIC Company Code 10195 Employer's ID Number 34-1785809
(Current) (Prior)

Organized under the Laws of Ohio, State of Domicile or Port of Entry OH

Country of Domicile United States of America

Incorporated/Organized 11/07/1994 Commenced Business 07/01/1995

Statutory Home Office 1400 Provident Tower, One East Fourth Street, Cincinnati, OH, US 45202
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 2201 4th Avenue North
(Street and Number)
Birmingham, AL, US 35203-3863, 205-870-4000
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address Post Office Box 830189, Birmingham, AL, US 35283-0189
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 2201 4th Avenue North
(Street and Number)
Birmingham, AL, US 35203-3863, 205-870-4000
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.infinityauto.com

Statutory Statement Contact Nathan Smith, 312-661-4741
(Name) (Area Code) (Telephone Number)
nasmith@kemper.com, 205-803-8080
(E-mail Address) (FAX Number)

OFFICERS

President Matthew Joseph Varagona Treasurer Philip James Sibley
Secretary James Henry Romaker

OTHER

DIRECTORS OR TRUSTEES

Aditya Mahajan Michael A. Marinaccio James Henry Romaker
Duane Allen Sanders Philip James Sibley Matthew Joseph Varagona

State of Alabama SS:
County of Jefferson

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.

Matthew Joseph Varagona
President

James Henry Romaker
Secretary

Philip James Sibley
Vice President & Treasurer/Controller

Subscribed and sworn to before me this 9th day of November, 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.....

Cathy Varallo
Assistant D., Admin
August 31, 2022

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Infinity Preferred Insurance Company

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	764,267		764,267	2,013,927
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$), cash equivalents (\$ 2,258,924) and short-term investments (\$)	2,258,924		2,258,924	1,145,609
6. Contract loans (including \$ premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	3,023,190		3,023,190	3,159,536
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	4,381		4,381	2,652
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection				
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon	26,884		26,884	31,670
18.2 Net deferred tax asset				
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	154,658		154,658	
24. Health care (\$) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	555		555	
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	3,209,668		3,209,668	3,193,858
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	3,209,668		3,209,668	3,193,858
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)				
2501. Other assets	555		555	
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	555		555	

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Infinity Preferred Insurance Company

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$)		
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses		
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)		623
6. Taxes, licenses and fees (excluding federal and foreign income taxes)		
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		
7.2 Net deferred tax liability	3,489	3,799
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)		
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)		
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others		
15. Remittances and items not allocated	329	
16. Provision for reinsurance (including \$ certified)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		425
20. Derivatives		
21. Payable for securities		
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities		
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	3,818	4,847
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	3,818	4,847
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	1,500,000	1,500,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	1,500,000	1,500,000
35. Unassigned funds (surplus)	205,850	189,011
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		
36.2 shares preferred (value included in Line 31 \$)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	3,205,850	3,189,011
38. Totals (Page 2, Line 28, Col. 3)	3,209,668	3,193,858
DETAILS OF WRITE-INS		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)		
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298)(Line 32 above)		

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$)			
1.2 Assumed (written \$)			
1.3 Ceded (written \$)			
1.4 Net (written \$)			
DEDUCTIONS:			
2. Losses incurred (current accident year \$):			
2.1 Direct	(579)	(679)	(647)
2.2 Assumed			
2.3 Ceded	(579)	(679)	(647)
2.4 Net			
3. Loss adjustment expenses incurred			
4. Other underwriting expenses incurred			
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)			
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)			
INVESTMENT INCOME			
9. Net investment income earned	21,315	60,258	77,317
10. Net realized capital gains (losses) less capital gains tax of \$			31
11. Net investment gain (loss) (Lines 9 + 10)	21,315	60,258	77,348
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)			
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income			
15. Total other income (Lines 12 through 14)			
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	21,315	60,258	77,348
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)	21,315	60,258	77,348
19. Federal and foreign income taxes incurred	4,786	12,934	21,033
20. Net income (Line 18 minus Line 19)(to Line 22)	16,529	47,324	56,315
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	3,189,011	3,314,178	3,314,178
22. Net income (from Line 20)	16,529	47,324	56,315
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains (losses) less capital gains tax of \$	0		
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	310	279	3,518
27. Change in nonadmitted assets			
28. Change in provision for reinsurance			
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			(185,000)
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	16,839	47,603	(125,167)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	3,205,850	3,361,781	3,189,011
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. Totals (Lines 0501 through 0503 plus 0598)(Line 5 above)			
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)			
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. Totals (Lines 3701 through 3703 plus 3798)(Line 37 above)			

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Infinity Preferred Insurance Company

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance			
2. Net investment income	18,623	63,320	87,500
3. Miscellaneous income			
4. Total (Lines 1 to 3)	18,623	63,320	87,500
5. Benefit and loss related payments			
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions			
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)			
10. Total (Lines 5 through 9)			
11. Net cash from operations (Line 4 minus Line 10)	18,623	63,320	87,500
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	1,250,000	2,480,000	2,480,000
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 investments40
12.7 Miscellaneous proceeds			
12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,250,000	2,480,000	2,480,040
13. Cost of investments acquired (long-term only):			
13.1 Bonds			
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)			
14. Net increase (or decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	1,250,000	2,480,000	2,480,040
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			185,000
16.5 Dividends to stockholders			
16.6 Other cash provided (applied)	(155,308)	559	(1,445,566)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(155,308)	559	(1,630,566)
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)	1,113,315	2,543,879	936,974
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	1,145,609	208,635	208,635
19.2 End of period (Line 18 plus Line 19.1)	2,258,924	2,752,514	1,145,609

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

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NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The financial statements of Infinity Preferred Insurance Company ("the Company") are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance.

The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for purposes of determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners ("NAIC") Accounting Practices and Procedures Manual has been adopted as a component of prescribed or permitted practices by the state of Ohio.

	SSAP #	F/S Page	F/S Line #	September 30, 2020	December 31, 2019
NET INCOME					
(1) The Company state basis (Page 4, Line 20, Columns 1 & 3)	XXX	XXX	XXX	\$ 16,529	\$ 56,315
(2) State Prescribed Practice that are an increase/(decrease) from NAIC SAP				\$ 0	\$ 0
(3) State Permitted Practice that are an increase/(decrease) from NAIC SAP				\$ 0	\$ 0
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 16,529	\$ 56,315
SURPLUS					
(5) The Company state basis (Page 3, line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 3,205,850	\$ 3,189,011
(6) State Prescribed Practice that are an increase/(decrease) from NAIC SAP				\$ 0	\$ 0
(7) State Permitted Practice that are an increase/(decrease) from NAIC SAP				\$ 0	\$ 0
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 3,205,850	\$ 3,189,011

C. Accounting Policy

(2) Basis for Bonds, Mandatory Convertible Securities, SVO-Identified Investments and Amortization Method

Bonds rated 1 and 2 are stated at amortized cost using the interest method; all others are stated at the lower of amortized cost or market. The retrospective adjustment method is used to value all securities.

(6) Basis for Loan-Backed Securities and Adjustment Methodology

The Company does not invest in loan-backed securities.

D. Going Concern

Not applicable.

Note 2 – Accounting Changes and Corrections of Errors

No significant change.

Note 3 – Business Combinations and Goodwill

No significant change.

Note 4 – Discontinued Operations

No significant change.

Note 5 – Investments

D. Loan-Backed Securities

The Company does not invest in loan-backed securities.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

The Company does not participate in repurchase agreements or securities lending transactions.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not applicable.

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing Repurchase Transactions – Cash Provider – Overview of Secured Borrowing Transactions

Not applicable.

H. Repurchase Agreements Transactions Accounted for as a Sale Repurchase Transaction – Cash Taker – Overview of Sale Transactions

Not applicable.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale Repurchase Transaction – Cash Provider – Overview of Sale Transactions

Not applicable.

L. Investment Restricted asset

Not applicable

M. Working Capital Finance Investments

The Company does not have any working capital finance investments.

N. Offsetting and Netting of Assets and Liabilities

Not applicable.

NOTES TO FINANCIAL STATEMENTS

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 – Investment Income

No significant change.

Note 8 – Derivative Instruments

The Company's investment objectives do not include holding or issuing derivative financial instruments.

Note 9 – Income Taxes

No significant change.

Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**D. Amounts Due to or from Related Parties:**

The Company reported \$ 154,658 Receivable from its parent, Infinity Insurance Company

F. Material Management or Service Contracts and Cost-Sharing Arrangements

Effective January 1, 2019, Infinity Insurance Company and Merastar Insurance Company (service providers) entered into general services agreements with the affiliated companies listed below to provide general corporate services, which include accounting, financial, accounts payable, administrative, cash management, financial planning, human resources, legal, risk management, computer and information technology services. Fees for services shall be fair and reasonable in accordance with Statement of Statutory Accounting Principles (SSAP) No 25. Direct expenses shall be charged on an actual incurred basis and shared or indirect expenses shall be apportioned using generally accepted allocation methods in accordance with SSAP No. 70.

Property and Casualty Insurance Affiliates	
Alliance United Insurance Company	Kemper Independence Insurance Company
Alpha Property & Casualty Insurance Company	Merastar Insurance Company
Charter Indemnity Company	Response Insurance Company
Financial Indemnity Company	Response Worldwide Direct Auto Insurance Co
Infinity Assurance Insurance Company	Response Worldwide Insurance Company
Infinity Auto Insurance Company	Trinity Universal Insurance Company
Infinity Casualty Insurance Company	Unitrin Advantage Insurance Company
Infinity County Mutual Insurance Company	Unitrin Auto and Home Insurance Company
Infinity Indemnity Insurance Company	Unitrin County Mutual Insurance Company
Infinity Insurance Company	Unitrin Direct Insurance Company
Infinity Preferred Insurance Company	Unitrin Direct Property & Casualty Company
Infinity Safeguard Insurance Company	Unitrin Preferred Insurance Company
Infinity Security Insurance Company	Unitrin Safeguard Insurance Company
Infinity Select Insurance Company	Valley Property & Casualty Insurance Company
Infinity Standard Insurance Company	Warner Insurance Company
Kemper Financial Indemnity Company	
Life and Fire Insurance Affiliates	
Commonwealth Mutual Fire Insurance Company	The Reliable Life Insurance Company
Mutual Savings Fire Insurance Company	Union National Fire Insurance Company
Mutual Savings Life Insurance Company	Union National Life Insurance Company
Old Reliable Casualty Company	United Casualty Insurance Company of America
Reserve National Insurance Company	
Non-Insurance Affiliates	
Alliance United Insurance Services LLC	Kemper Personal Insurance General Agency, Inc.
Casualty Underwriters, Inc.	Leader Group, Inc.
Direct Response Corporation	Leader Managing General Agency, Inc.
Family Security Funerals Company	Merastar Industries LLC
Infinity Agency of Texas, Inc.	National Association of Self-Employed Business Owners
Infinity Insurance Agency, Inc.	NCM Management Corporation
Infinity Property and Casualty Corporation	Rural American Consumers A National Association
KAHG LLC	Security One Agency LLC
Kemper Corporate Services, Inc.	Summerset Marketing Company
Kemper Corporation	The Infinity Group, Inc.
Kemper General Agency, Inc.	

Note 11 – Debt**B. FHLB (Federal Home Loan Bank) Agreements**

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

NOTES TO FINANCIAL STATEMENTS

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

- A. Defined Benefit Plan
No Change

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

No significant change.

Note 14 – Liabilities, Contingencies and Assessments

- G. All Other Contingencies
None.

Note 15 – Leases

No significant change.

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

No significant change.

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

- B. Transfer and Servicing of Financial Assets
Not applicable.

- C. Wash Sales

The Company was not involved in any wash sale transactions during the quarter ended September 30, 2020.

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

No significant change.

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

No significant change.

Note 20 – Fair Value Measurements

- A. Fair Value Measurements

- (1) Fair Value Measurements at Reporting Date

The Company values all assets and liabilities at amortized cost.

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

Not applicable.

- (3) Policies when Transfers Between Levels are Recognized

Not applicable.

- (4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement

Fair values are based on prices quoted in the most active market for each security. If quoted prices are not available, fair values are estimated based on the fair value of comparable securities, discounted cash flow models or similar methods.

- (5) Fair Value Disclosures

Not applicable.

- B. Fair Value Reporting under SSAP 100 and Other Accounting Pronouncements

Not applicable.

NOTES TO FINANCIAL STATEMENTS

C. Fair Value Level

The Company has categorized its assets and liabilities into the three-level fair value hierarchy as reflected in the table below. The three-level fair value hierarchy is based on the degree of subjectivity in the valuation method by which fair value was determined. The three levels are defined as follows:

Level 1 - Fair value measurements are based on quoted prices in active markets for identical assets. This category includes U.S. Treasury securities.

Level 2 - Fair value measurements are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations in which all significant techniques are observable in active markets. This category includes municipal bonds.

Level 3 - Fair value measurements are based on valuations derived from valuation techniques in which one or more significant inputs are unobservable in the marketplace. This category includes bonds for which there is no active or inactive market for similar instruments, bonds whose fair value is determined based on unobservable inputs and bonds, other than those backed by the U.S. Government, that are not rated by a nationally recognized statistical rating organization.

Aggregate fair value measurements for all financial instruments at September 30, 2020, are as follows:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Assets							
Bonds	\$ 776,029	\$ 764,267	\$ 776,029	\$ 0	\$ 0	\$ 0	\$ 0
Cash Equivalents	\$ 2,258,924	\$ 2,258,924	\$ 1,958,929	\$ 299,995	\$ 0	\$ 0	\$ 0

D. Not Practicable to Estimate Fair Value

Not applicable.

Note 21 – Other Items

No significant change.

Note 22 – Events Subsequent

None.

Note 23 – Reinsurance

No significant change.

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination**F. Risk Sharing Provisions of the Affordable Care Act**

Not applicable.

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

The following table provides an analysis of the change in loss and LAE reserves net of reinsurance recoverable (in thousands):

Reserves as of December 31, 2019 were \$0. As of September 30, 2020, \$0 has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$0 as a result of a 100% quota share agreement between the Company's parent, Infinity Insurance Company, and Trinity Universal Insurance Company that was effective December 1, 2018.

Note 26 – Intercompany Pooling Arrangements

No significant change.

Note 27 – Structured Settlements

No significant change.

Note 28 – Health Care Receivables

No significant change.

Note 29 – Participating Policies

No significant change.

Note 30 – Premium Deficiency Reserves

No significant change.

NOTES TO FINANCIAL STATEMENTS

Note 31 – High Deductibles

No significant change.

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

No significant change.

Note 33 – Asbestos/Environmental Reserves

No significant change.

Note 34 – Subscriber Savings Accounts

No significant change.

Note 35 – Multiple Peril Crop Insurance

No significant change.

Note 36 – Financial Guaranty Insurance

The Company does not write financial guaranty insurance.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 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 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [X] No []
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. 0000860748
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
If yes, complete and file the merger history data file with the NAIC.
- 4.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] N/A []
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2016
- 6.2 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
- 6.3 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). 02/13/2018
- 6.4 By what department or departments?
Ohio Department of Insurance
- 6.5 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]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []
- 7.1 Has this 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]
- 7.2 If yes, give full information:
Not Applicable
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
Not Applicable
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
Not Applicable					

GENERAL INTERROGATORIES

- 9.1 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.
- 9.11 If the response to 9.1 is No, please explain:
Not Applicable
- 9.2 Has the code of ethics for senior managers been amended? Yes No
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
Not Applicable
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes No
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).
Not Applicable

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 154,658

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes No
- 11.2 If yes, give full and complete information relating thereto:
Not Applicable
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$
13. Amount of real estate and mortgages held in short-term investments: \$
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No
- 14.2 If yes, please complete the following:
- | | 1
Prior Year-End
Book/Adjusted
Carrying Value | 2
Current Quarter
Book/Adjusted
Carrying Value |
|---|--|---|
| 14.21 Bonds | \$ | \$ |
| 14.22 Preferred Stock | \$ | \$ |
| 14.23 Common Stock | \$ | \$ |
| 14.24 Short-Term Investments | \$ | \$ |
| 14.25 Mortgage Loans on Real Estate | \$ | \$ |
| 14.26 All Other | \$ | \$ |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$ | \$ |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$ | \$ |
- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes No
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No N/A
If no, attach a description with this statement.
16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$
- 16.3 Total payable for securities lending reported on the liability page. \$

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Infinity Preferred Insurance Company
GENERAL INTERROGATORIES

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

1 Name of Custodian(s)	2 Custodian Address
The Northern Trust Company	333 S. Wabash Avenue, Chicago, Illinois 60604

- 17.2 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)

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [X] No []

- 17.4 If yes, give full information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
Bank of New York Mellon	The Northern Trust Company	07/01/2020	Institution with better capabilities and ability to scale

- 17.5 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
Merastar Insurance Company	A.....

- 17.5097 For those firms/individuals listed in the table for Question 17.5, 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]

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?..... Yes [] No [X]

- 17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
N/A	Merastar Insurance Company	N/A	N/A	NO.....

- 18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes [X] No []

- 18.2 If no, list exceptions:
Not Applicable

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:
a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
b. Issuer or obligor is current on all contracted interest and principal payments.
c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
Has the reporting entity self-designated 5GI securities? Yes [] No [X]

20. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:
a. The security was purchased prior to January 1, 2018.
b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
Has the reporting entity self-designated PLGI securities? Yes [] No [X]

21. 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 []

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [] No [X] N/A []
If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [] No [X]
If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [] No [X]

3.2 If yes, give full and complete information thereto.
Not Applicable

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see Annual Statement Instructions pertaining to disclosure of discounting for definition of "tabular reserves") discounted at a rate of interest greater than zero? Yes [] No [X]

4.2 If yes, complete the following schedule:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
TOTAL										

5. Operating Percentages:

5.1 A&H loss percent %

5.2 A&H cost containment percent %

5.3 A&H expense percent excluding cost containment expenses %

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

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

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

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

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

7.1 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 []

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating
NONE						

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Infinity Preferred Insurance Company

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, etc.	1 Active Status (a)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL	N					
2. Alaska	AK	N					
3. Arizona	AZ	N					
4. Arkansas	AR	N					
5. California	CA	N					
6. Colorado	CO	N					
7. Connecticut	CT	N					
8. Delaware	DE	N					
9. District of Columbia	DC	N					
10. Florida	FL	N					
11. Georgia	GA	N					
12. Hawaii	HI	N					
13. Idaho	ID	N					
14. Illinois	IL	N					
15. Indiana	IN	N					
16. Iowa	IA	N					
17. Kansas	KS	N					
18. Kentucky	KY	N					
19. Louisiana	LA	N					
20. Maine	ME	N					
21. Maryland	MD	N					
22. Massachusetts	MA	N					
23. Michigan	MI	N					
24. Minnesota	MN	N					
25. Mississippi	MS	N					
26. Missouri	MO	N					
27. Montana	MT	N					
28. Nebraska	NE	N					
29. Nevada	NV	N					
30. New Hampshire	NH	N					
31. New Jersey	NJ	N					
32. New Mexico	NM	N					
33. New York	NY	N					
34. North Carolina	NC	N					
35. North Dakota	ND	N					
36. Ohio	OH	L		(300)	(167)	0	.41
37. Oklahoma	OK	N					
38. Oregon	OR	N					
39. Pennsylvania	PA	L			308	(5)	.68
40. Rhode Island	RI	N					
41. South Carolina	SC	N					
42. South Dakota	SD	N					
43. Tennessee	TN	N					
44. Texas	TX	N					
45. Utah	UT	N					
46. Vermont	VT	N					
47. Virginia	VA	N					
48. Washington	WA	N					
49. West Virginia	WV	N					
50. Wisconsin	WI	N					
51. Wyoming	WY	N					
52. American Samoa	AS	N					
53. Guam	GU	N					
54. Puerto Rico	PR	N					
55. U.S. Virgin Islands	VI	N					
56. Northern Mariana Islands	MP	N					
57. Canada	CAN	N					
58. Aggregate Other Alien	OT	XXX		(300)	141	(5)	109
59. Totals	XXX			(300)	141	(5)	109
DETAILS OF WRITE-INS							
58001.	XXX						
58002.	XXX						
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX						
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX						

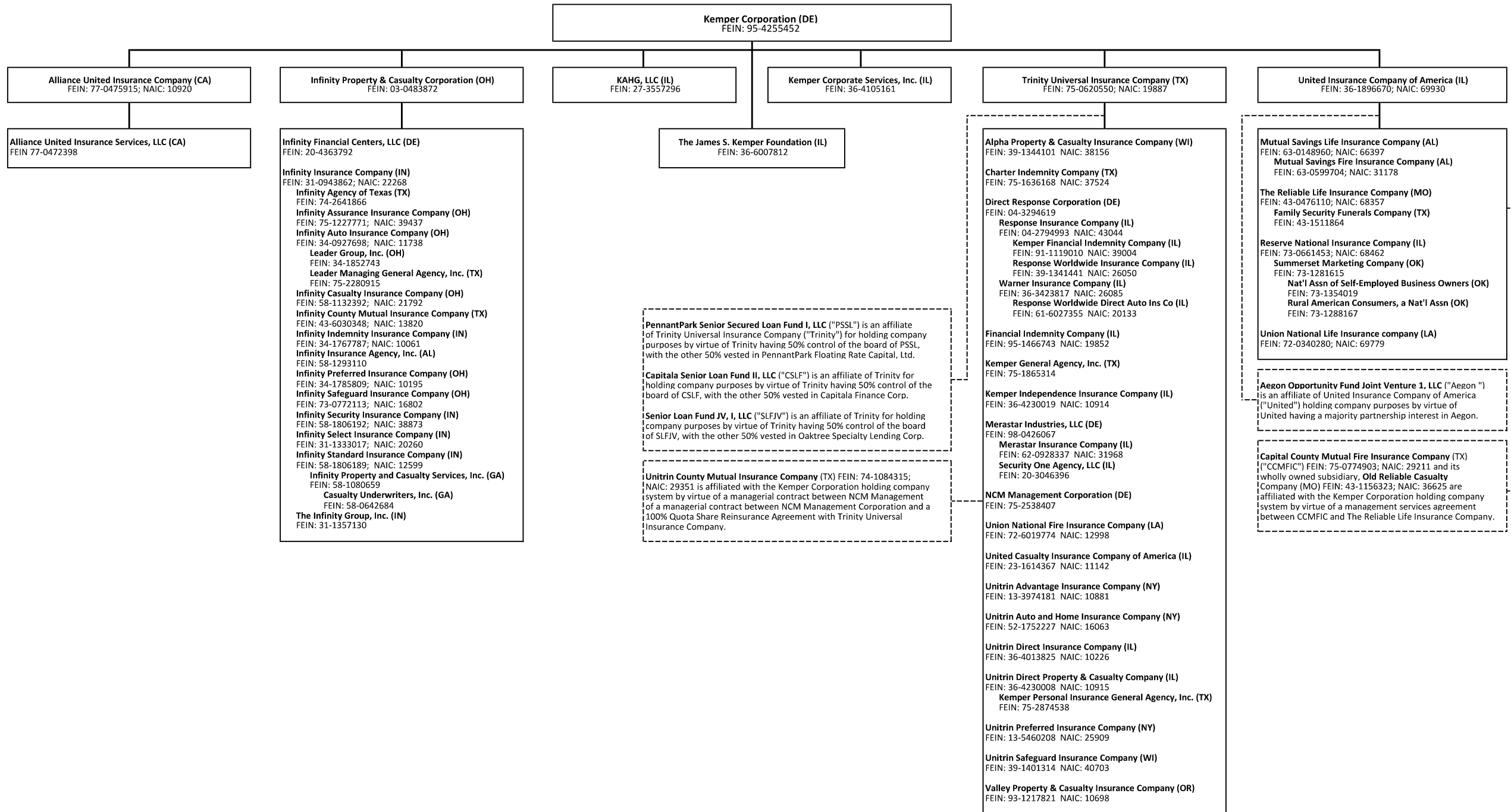
(a) Active Status Counts:

L - Licensed or Chartered - Licensed Insurance carrier or domiciled RRG 2
 E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - see DSLI)
 D - Domestic Surplus Lines Insurer (DSLII) - Reporting entities authorized to write surplus lines in the state of domicile.....

R - Registered - Non-domiciled RRGs
 Q - Qualified - Qualified or accredited reinsurer
 N - None of the above - Not allowed to write business in the state 55

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Infinity Preferred Insurance Company

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Infinity Preferred Insurance Company

SCHEDULE Y
PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domi-ciliary Location	Relation-ship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Re-quired? (Y/N)	*
	Kemper Corporation	.0000	95-4255452		0000860748	New York Stock Exchange	Kemper Corporation	DE	UIP					N	
.0215	Kemper Corporation	.10920	77-0475915				Alliance United Insurance Company	CA	IA	Kemper Corporation	Ownership	100.000	Kemper Corporation	Y	
	Kemper Corporation	.00000	77-0472398				Alliance United Insurance Services, LLC	CA	NIA	Alliance United Insurance Company	Ownership	100.000	Kemper Corporation	N	1
	Kemper Corporation	.00000	03-0483872				Infinity Property and Casualty Corporation	OH	NIA	Kemper Corporation	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	.00000	20-4363792				Infinity Financial Centers, LLC	DE	NIA	Infinity Property and Casualty Corporation	Ownership	100.000	Kemper Corporation	N	1
.0215	Kemper Corporation	.22268	31-0943862				Infinity Insurance Company	IN	IA	Infinity Property and Casualty Corporation	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	.00000	74-2641866				Infinity Agency of Texas	TX	NIA	Infinity Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	.39497	75-1227771				Infinity Assurance Insurance Company	OH	IA	Infinity Insurance Company	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	.11738	34-0927698				Infinity Auto Insurance Company	OH	IA	Infinity Insurance Company	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	.00000	75-2280915				Leader Managing General Agency, Inc.	TX	NIA	Infinity Auto Insurance Company	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	.00000	34-1852743				Leader Group, Inc.	OH	NIA	Infinity Auto Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	.21792	58-1132392				Infinity Casualty Insurance Company	OH	IA	Infinity Insurance Company	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	.00000	58-1293110				Infinity Insurance Agency, Inc.	AL	NIA	Infinity Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	.10061	34-1767787				Infinity Indemnity Insurance Company	IN	IA	Infinity Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	.10195	34-1785809				Infinity Preferred Insurance Company	OH	RE	Infinity Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	.16802	73-0772113				Infinity Safeguard Insurance Company	OH	IA	Infinity Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	.38873	58-1806192				Infinity Security Insurance Company	IN	IA	Infinity Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	.20260	31-1333017				Infinity Select Insurance Company	IN	IA	Infinity Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	.12599	58-1806189				Infinity Standard Insurance Company	IN	IA	Infinity Insurance Company	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	.00000	58-1080659				Infinity Property and Casualty Services, Inc.	GA	NIA	Infinity Standard Insurance Company	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	.00000	58-0642684				Casualty Underwriters, Inc.	GA	NIA	Infinity Property and Casualty Services, Inc.	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	.13820	43-6030348				Infinity County Mutual Insurance Company	TX	IA	Infinity Insurance Company	Management		Kemper Corporation	N	9
	Kemper Corporation	.00000	31-1357130				The Infinity Group, Inc.	IN	NIA	Infinity Insurance Company	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	.00000	27-3557296				KAHG LLC	IL	NIA	Kemper Corporation	Ownership	100.000	Kemper Corporation	N	1
	Kemper Corporation	.00000	36-6007812				The James S. Kemper Foundation	IL	NIA	Kemper Corporation	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	.00000	36-4105161				Kemper Corporate Services, Inc.	IL	NIA	Kemper Corporation	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	.19887	75-0620550				Trinity Universal Insurance Company	TX	LDP	Kemper Corporation	Ownership	100.000	Kemper Corporation	Y	
	Kemper Corporation	.38156	39-1344101				Alpha Property & Casualty Insurance Company	WI	IA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	.00000					PennantPark Senior Secured Loan Fund I, LLC	IL	NIA	Trinity Universal Insurance Company	Ownership	50.000	Kemper Corporation	N	8
	Kemper Corporation	.00000					Capitala Senior Liquid Loan Fund II, LLC		NIA	Trinity Universal Insurance Company	Ownership	50.000	Kemper Corporation	N	6
.0215	Kemper Corporation	.37524	75-1636168				Charter Indemnity Company	TX	IA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	.00000	04-3294619				Direct Response Corporation	DE	NIA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	.43044	04-2794993				Response Insurance Company	IL	IA	Direct Response Corporation	Ownership	100.000	Kemper Corporation	Y	
.0215	Kemper Corporation	.39004	91-1119010				Kemper Financial Indemnity Company	IL	IA	Response Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	.26050	39-1341441				Response Worldwide Insurance Company	IL	IA	Response Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	.26085	36-3423817				Warner Insurance Company	IL	IA	Direct Response Corporation	Ownership	100.000	Kemper Corporation	Y	
	Kemper Corporation	.20133	61-6027355				Response Worldwide Direct Auto Insurance Company	IL	IA	Warner Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	.19852	95-1466743				Financial Indemnity Company	IL	IA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	.00000	75-1865314				Kemper General Agency, Inc.	TX	NIA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	.10914	36-4230019				Kemper Independence Insurance Company	IL	IA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	.00000	98-0426067				Merastar Industries LLC	DE	NIA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	1
.0215	Kemper Corporation	.31968	62-0928337				Merastar Insurance Company	IL	IA	Merastar Industries LLC	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	.00000	20-3046396				Security One Agency LLC	IL	NIA	Merastar Industries LLC	Ownership	100.000	Kemper Corporation	N	1
	Kemper Corporation	.00000	75-2538407				NCM Management Corporation	DE	NIA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	.29351	74-1084315				Unitrin County Mutual Insurance Company	TX	IA	NCM Management Corporation	Management		Kemper Corporation	N	4
	Kemper Corporation	.00000					Senior Loan Fund JV, I LLC		NIA	Trinity Universal Insurance Company	Ownership	50.000	Kemper Corporation	N	5
.0215	Kemper Corporation	.12998	72-6019774				Union National Fire Insurance Company	LA	IA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Infinity Preferred Insurance Company

SCHEDULE Y
PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
.0215	Kemper Corporation	11142	23-1614367				United Casualty Insurance Company of America	IL	IA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	10881	13-3974181				Unitrin Advantage Insurance Company	NY	IA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	16063	52-1752227				Unitrin Auto and Home Insurance Company	NY	IA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	10226	36-4013825				Unitrin Direct Insurance Company	IL	IA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	10915	36-4230008				Unitrin Direct Property & Casualty Company	IL	IA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	00000	75-2874538				Kemper Personal Insurance General Agency, Inc.	TX	NIA	Unitrin Direct Property & Casualty Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	25909	13-5460208				Unitrin Preferred Insurance Company	NY	IA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	40703	39-1401314				Unitrin Safeguard Insurance Company	WI	IA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	
							Valley Property & Casualty Insurance Company								
.0215	Kemper Corporation	10698	93-1217821				United Insurance Company of America	OR	IA	Trinity Universal Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	69930	36-1896670				United Insurance Company of America	IL	IA	Kemper Corporation	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	66397	63-0148960				Mutual Savings Life Insurance Company	AL	IA	United Insurance Company of America	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	31178	63-0593704				Mutual Savings Fire Insurance Company	AL	IA	Mutual Savings Life Insurance Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	68462	73-0661453				Reserve National Insurance Company	IL	IA	United Insurance Company of America	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	00000	73-1281615				Summerset Marketing Company	OK	NIA	Reserve National Insurance Company	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	00000	73-1354019				National Association of Self-Employed Business Owners	OK	NIA	Summerset Marketing Company	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	00000	73-1288167				Rural American Consumers a National Association	OK	NIA	Summerset Marketing Company	Ownership	100.000	Kemper Corporation	N	
.0215	Kemper Corporation	68357	43-0476110				The Reliable Life Insurance Company	MO	IA	United Insurance Company of America	Ownership	100.000	Kemper Corporation	N	
	Kemper Corporation	00000	43-1511864				Family Security Funerals Company	TX	NIA	The Reliable Life Insurance Company	Ownership	100.000	Kemper Corporation	N	
							Capitol County Mutual Fire Insurance Company								
.0215	Kemper Corporation	29211	75-0774903				Capitol County Mutual Fire Insurance Company	TX	IA	The Reliable Life Insurance Company	Management		Kemper Corporation	N	2
	Kemper Corporation	00000					Aegon Opportunity Fund Joint Venture 1, LLC		NIA	The Reliable Life Insurance Company	Ownership	100.000	Kemper Corporation	N	7
							Capitol County Mutual Fire Insurance Company								
.0215	Kemper Corporation	36625	43-1156323				Old Reliable Casualty Company	MO	IA	Company	Ownership	100.000	Kemper Corporation	N	3
.0215	Kemper Corporation	69779	72-0340280				Union National Life Insurance Company	LA	IA	United Insurance Company of America	Ownership	100.000	Kemper Corporation	N	

Asterisk	Explanation
1	These entities (the LLCs) are limited liability companies. Percentages relate to stock ownership except for the LLCs, in which case the percentage relates to the owner's membership interest in the LLC.
2	Capitol County Mutual Fire Insurance Company (NAIC# 29211, domiciled in the state of Texas) is affiliated with The Reliable Life Insurance Company by virtue of a management agreement.
3	Old Reliable Casualty Company (NAIC# 36625, domiciled in the state of Missouri) is affiliated with Trinity Universal Insurance Company by virtue of its affiliation with Capitol County Mutual Fire Insurance Company.
4	Unitrin County Mutual Insurance Company (NAIC# 29351, domiciled in the state of Texas) is affiliated with NCM Management Corp. by virtue of a management agreement.
5	Senior Loan Fund JV, 1 LLC (SLFJV) is an affiliate of Trinity by virtue of Trinity having 50% control of the board of SLFJV, with the other 50% vested in Oaktree Specialty Lending Corp.
6	Capitala Senior Liquid Loan Fund I, LLC (CSLF) is an affiliate of Trinity by virtue of Trinity having 50% control of the board of CSLF, with the other 50% vested in Capitala Finance Corp.
7	Aegon Opportunity Fund Joint Venture 1, LLC, (Aegon) is an affiliate of United for holding company purposes by virtue of United having a majority partnership interest in Aegon.
8	PennantPark Senior Secured Loan Fund I, LLC (PSSL), is an affiliate of Trinity for holding company purposes, by virtue of Trinity having 50% control of the board of PSSL, with the other 50% vested in PennantPark Floating Rate Capital, Ltd.
9	Infinity County Mutual Insurance Company (NAIC# 13820, domiciled in the state of Texas) is affiliated with Infinity Insurance Company by virtue of a management agreement.

PART 1 - LOSS EXPERIENCE

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire				
2. Allied Lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty				
11.1 Medical professional liability - occurrence				
11.2 Medical professional liability - claims-made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability - occurrence				
17.2 Other liability - claims-made				
17.3 Excess workers' compensation				
18.1 Products liability - occurrence				
18.2 Products liability - claims-made				
19.1,19.2 Private passenger auto liability		(290)		
19.3,19.4 Commercial auto liability				
21. Auto physical damage		(289)		
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Warranty				
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business				
35. Totals		(579)		
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)				

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire			
2. Allied Lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine			
10. Financial guaranty			
11.1 Medical professional liability - occurrence			
11.2 Medical professional liability - claims-made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability - occurrence			
17.2 Other liability - claims-made			
17.3 Excess workers' compensation			
18.1 Products liability - occurrence			
18.2 Products liability - claims-made			
19.1,19.2 Private passenger auto liability			
19.3,19.4 Commercial auto liability			
21. Auto physical damage			
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Warranty			
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business			
35. Totals			
DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Summary of remaining write-ins for Line 34 from overflow page			
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)			

NONE

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Infinity Preferred Insurance Company

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13	
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1+2)	2020 Loss and LAE Payments on Claims Reported as of Prior Year-End	2020 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2020 Loss and LAE Payments (Cols. 4+5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7+8+9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols.4+7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5+8+9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11+12)	
1. 2017 + Prior														
2. 2018														
3. Subtotals 2018 + Prior														
4. 2019														
5. Subtotals 2019 + Prior														
6. 2020	XXX	XXX	XXX	XXX			XXX				XXX	XXX	XXX	
7. Totals														
8. Prior Year-End Surplus As Regards Policyholders	3,189											Col. 11, Line 7 As % of Col. 1 Line 7	Col. 12, Line 7 As % of Col. 2 Line 7	Col. 13, Line 7 As % of Col. 3 Line 7
												1.	2.	3.
												Col. 13, Line 7 As a % of Col. 1 Line 8		
												4.		

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

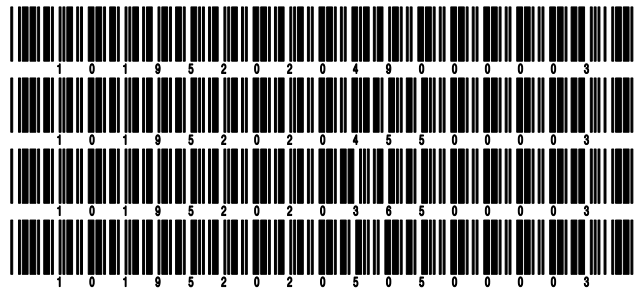
	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
4. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO

Explanations:

- 1.
- 2.
- 3.
- 4.

Bar Codes:

1. Trusteed Surplus Statement [Document Identifier 490]
2. Supplement A to Schedule T [Document Identifier 455]
3. Medicare Part D Coverage Supplement [Document Identifier 365]
4. Director and Officer Supplement [Document Identifier 505]



OVERFLOW PAGE FOR WRITE-INS

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Infinity Preferred Insurance Company

SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest paid and commitment fees		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

NONE

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	2,013,928	4,492,699
2. Cost of bonds and stocks acquired		
3. Accrual of discount	429	1,410
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration for bonds and stocks disposed of	1,250,000	2,480,000
7. Deduct amortization of premium	89	181
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10)	764,268	2,013,928
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	764,268	2,013,928

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Infinity Preferred Insurance Company

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	1,064,162	899,941	900,000	158	2,014,054	1,064,162	1,064,261	3,013,196
2. NAIC 2 (a)								
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	1,064,162	899,941	900,000	158	2,014,054	1,064,162	1,064,261	3,013,196
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds and Preferred Stock	1,064,162	899,941	900,000	158	2,014,054	1,064,162	1,064,261	3,013,196

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:

NAIC 1 \$ 299,995 ; NAIC 2 \$; NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

S102

Schedule DA - Part 1 - Short-Term Investments

N O N E

Schedule DA - Verification - Short-Term Investments

N O N E

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

N O N E

Schedule DB - Part B - Verification - Futures Contracts

N O N E

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

N O N E

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

N O N E

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of
Derivatives

N O N E

SCHEDULE E - PART 2 - VERIFICATION

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	1,145,611	208,635
2. Cost of cash equivalents acquired	14,962,344	29,330,101
3. Accrual of discount	3,040	25,695
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		41
6. Deduct consideration received on disposals	13,852,071	28,418,861
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	2,258,924	1,145,611
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	2,258,924	1,145,611

Schedule A - Part 2 - Real Estate Acquired and Additions Made

N O N E

Schedule A - Part 3 - Real Estate Disposed

N O N E

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made

N O N E

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

N O N E

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired and Additions Made

N O N E

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid

N O N E

Schedule D - Part 3 - Long-Term Bonds and Stocks Acquired

N O N E

Schedule D - Part 4 - Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed Of

N O N E

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open

N O N E

Schedule DB - Part B - Section 1 - Futures Contracts Open

N O N E

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made

N O N E

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open

N O N E

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By

N O N E

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To

N O N E

Schedule DB - Part E - Derivatives Hedging Variable Annuity Guarantees

N O N E

Schedule DL - Part 1 - Reinvested Collateral Assets Owned

N O N E

Schedule DL - Part 2 - Reinvested Collateral Assets Owned

N O N E

Schedule E - Part 1 - Month End Depository Balances

N O N E

