



ANNUAL STATEMENT

For the Year Ended December 31, 2020
of the Condition and Affairs of the
VERTI INSURANCE COMPANY

NAIC Group Code.....	0411, 0411 (Current Period) (Prior Period)	NAIC Company Code.....	15736	Employer's ID Number.....	47-2744441
Organized under the Laws of OH		State of Domicile or Port of Entry	OH	Country of Domicile	US
Incorporated/Organized.....	January 8, 2015	Commenced Business.....	January 8, 2015		
Statutory Home Office		211 MAIN STREET .. WEBSTER .. MA .. US .. 01570-0758 (Street and Number) (City or Town, State, Country and Zip Code)			
Main Administrative Office		211 MAIN STREET .. WEBSTER .. MA .. US .. 01570-0758 (Street and Number) (City or Town, State, Country and Zip Code)		844-448-3784 (Area Code) (Telephone Number)	
Mail Address		211 MAIN STREET .. WEBSTER .. MA .. US .. 01570-0758 (Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records		211 MAIN STREET .. WEBSTER .. MA .. US .. 01570-0758 (Street and Number) (City or Town, State, Country and Zip Code)		844-448-3784 (Area Code) (Telephone Number)	
Internet Web Site Address		www.mapfreinsurance.com			
Statutory Statement Contact		CHRISTINE A CONRAD (Name) cconrad@mapfreusa.com (E-Mail Address)		508-943-9000-14376 (Area Code) (Telephone Number) (Extension)	
				508-949-4246 (Fax Number)	

OFFICERS

Name	Title	Name	Title
1. ALFREDO CASTELO	PRESIDENT	2. DANIEL PATRICK OLOHAN	SECRETARY, GENERAL COUNSEL & EVP
3. SHERRI DAWN KRISTAL #	TREASURER & AVP	4. JOSE LUIS BERNAL ZUNIGA	CEO
JESUS AMADORI #	CHIEF FINANCIAL OFFICER & EVP		

OTHER

DIRECTORS OR TRUSTEES		
ALFREDO CASTELO	PATRICK JOSEPH MCDONALD	DANIEL PATRICK OLOHAN
JESUS AMADORI #		JOSE LUIS BERNAL ZUNIGA

State of..... MASSACHUSETTS
County of.... WORCESTER

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) ALFREDO CASTELO 1. (Printed Name) PRESIDENT (Title)	(Signature) DANIEL PATRICK OLOHAN 2. (Printed Name) SECRETARY, GENERAL COUNSEL & EVP (Title)	(Signature) SHERRI DAWN KRISTAL 3. (Printed Name) TREASURER & AVP (Title)
---	--	---

Subscribed and sworn to before me This <u>22nd</u> day of <u>February</u> <u>2021</u>	a. Is this an original filing? b. If no 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes [X] No []
--	---	----------------



YARISSA GOMEZ

Notary Public

Commonwealth of Massachusetts
My Commission Expires

9-6-2024

VERTI INSURANCE COMPANY
ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	..67,923,300		..67,923,300	..9,987,256
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 (\$....1,007,471, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	1,007,471		1,007,471	..17,398,776
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).....	68,930,771	0	68,930,771	..27,386,032
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	363,009		363,009	..49,481
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	2,436,619		2,436,619	..876,565
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	493,117		493,117	
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	..4,270,572
18.2 Net deferred tax asset.....			0	
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).....	..36,657	..36,657	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 (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other-than-invested assets.....	429,254	417,359	11,895	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	72,689,426	454,015	72,235,411	..32,582,650
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTAL (Lines 26 and 27).....	72,689,426	454,015	72,235,411	..32,582,650

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. PREPAID EXPENSES.....	417,359	417,359	0	
2502. PREMIUM TAX RECOVERABLE.....	11,895		11,895	
2503.....			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	429,254	417,359	11,895	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	21,267,925	1,677,127
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	2,561,402	.....
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	3,002,819	272,029
4. Commissions payable, contingent commissions and other similar charges.....	.....	.....
5. Other expenses (excluding taxes, licenses and fees).....	251,283	1,031,641
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	9,804	48,728
7.1 Current federal and foreign income taxes (including \$...268,323 on realized capital gains (losses)).....	178,800	.....
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 \$....878,615 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).....	22,689,646	1,211,079
10. Advance premium.....	600	1,790
11. Dividends declared and unpaid:		
11.1 Stockholders.....	.....	.....
11.2 Policyholders.....	.....	.....
12. Ceded reinsurance premiums payable (net of ceding commissions).....	.....	(982,132)
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20).....	.....	.....
14. Amounts withheld or retained by company for account of others.....	.....	.....
15. Remittances and items not allocated.....	.....	.....
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 3, Column 78).....	.....	.....
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	.....	.....
18. Drafts outstanding.....	.....	.....
19. Payable to parent, subsidiaries and affiliates.....	1,684,668	1,998,395
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	37,000
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	50,664,815	6,277,789
27. Protected cell liabilities.....	.....	.....
28. Total liabilities (Lines 26 and 27).....	50,664,815	6,277,789
29. Aggregate write-ins for special surplus funds.....	.0	.0
30. Common capital stock.....	3,600,000	3,600,000
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.....	55,400,000	55,400,000
35. Unassigned funds (surplus).....	(37,429,404)	(32,695,139)
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).....	21,570,596	26,304,861
38. TOTAL (Page 2, Line 28, Col. 3).....	72,235,411	32,582,650

DETAILS OF WRITE-INS

2501. PREMIUM DEFICIENCY RESERVE.....	.....	37,000
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	37,000
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

VERTI INSURANCE COMPANY
STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	45,021,106	3,246,881
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7).....	23,981,193	3,216,656
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	5,322,393	2,399,876
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	14,519,892	18,351,114
5. Aggregate write-ins for underwriting deductions.....	(37,000)	(80,000)
6. Total underwriting deductions (Lines 2 through 5).....	43,786,478	23,887,646
7. Net income of protected cells.....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	1,234,628	(20,640,765)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	798,494	459,772
10. Net realized capital gains (losses) less capital gains tax of \$.....(268,323) (Exhibit of Capital Gains (Losses)).....	270,400	.....
11. Net investment gain (loss) (Lines 9 + 10).....	1,068,894	459,772
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.....	166,174	148,553
14. Aggregate write-ins for miscellaneous income.....	(1,245,574)	0
15. Total other income (Lines 12 through 14).....	(1,079,400)	148,553
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	1,224,122	(20,032,440)
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).....	1,224,122	(20,032,440)
19. Federal and foreign income taxes incurred.....	1,653,132	(4,270,572)
20. Net income (Line 18 minus Line 19) (to Line 22).....	(429,010)	(15,761,868)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	26,304,861	24,598,164
22. Net income (from Line 20).....	(429,010)	(15,761,868)
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.....		
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....		(121,891) (31,435)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....		
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.....		17,500,000
33.2 Transferred to capital (Stock Dividend).....		
33.3. Transferred from capital.....		
34. Net remittances from or (to) Home Office.....		
35. Dividends to stockholders.....		
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....		
37. Aggregate write-ins for gains and losses in surplus.....	(4,183,364)	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	(4,734,265)	1,706,697
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	21,570,596	26,304,861
DETAILS OF WRITE-INS		
0501. PREMIUM DEFICIENCY RESERVE.....	(37,000)	(80,000)
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).....	(37,000)	(80,000)
1401. LOSS ON SALE OF ASSETS.....	(1,245,574)	
1402.....		
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).....	(1,245,574)	0
3701. STATUTORY ADJUSTMENT INTERCO EXPENSE POOLING.....	.353,529	
3702. DAC CHANGE IN POOLING - CASH SETTLEMENT.....	(4,536,893)	
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).....	(4,183,364)	0

VERTI INSURANCE COMPANY

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	63,956,297	3,408,176
2. Net investment income.....	861,884	475,501
3. Miscellaneous income.....	(1,079,400)	148,553
4. Total (Lines 1 through 3).....	63,738,781	4,032,230
5. Benefit and loss related payments.....	2,322,110	2,116,709
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	22,077,141	20,444,001
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	(4,270,572)	(3,936,370)
10. Total (Lines 5 through 9).....	20,128,679	18,624,340
11. Net cash from operations (Line 4 minus Line 10).....	43,610,102	(14,592,110)
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	2,892,634	1,000,000
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 investments.....		
12.7 Miscellaneous proceeds.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	2,892,634	1,000,000
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	61,203,519	
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).....	61,203,519	0
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).....	(58,310,885)	1,000,000
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.....		17,500,000
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	(1,690,522)	164,379
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(1,690,522)	17,664,379
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).....	(16,391,305)	4,072,269
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	17,398,776	13,326,507
19.2 End of year (Line 18 plus Line 19.1).....	1,007,471	17,398,776

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

20.0001
---------------	-------	-------

VERTI INSURANCE 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.....	363,542		(177,756)	541,298
2. Allied lines.....	30,474		23,953	6,521
3. Farmowners multiple peril.....	0		0	0
4. Homeowners multiple peril.....	4,792,051		2,510,283	2,281,768
5. Commercial multiple peril.....	285,923		(134,026)	419,949
6. Mortgage guaranty.....	0		0	0
8. Ocean marine.....	43,289		14,300	28,989
9. Inland marine.....	108,707		(59,246)	167,953
10. Financial guaranty.....	0		0	0
11.1 Medical professional liability - occurrence.....	0		0	0
11.2 Medical professional liability - claims-made.....	0		0	0
12. Earthquake.....	0		0	0
13. Group accident and health.....	0		0	0
14. Credit accident and health (group and individual).....	0		0	0
15. Other accident and health.....	0		0	0
16. Workers' compensation.....	0		0	0
17.1 Other liability - occurrence.....	1,041,770		875,585	166,185
17.2 Other liability - claims-made.....	0		0	0
17.3 Excess workers' compensation.....	0		0	0
18.1 Products liability - occurrence.....	17,954		16,244	1,710
18.2 Products liability - claims-made.....	0		0	0
19.1, 19.2 Private passenger auto liability.....	30,578,363	771,918	9,977,182	21,373,099
19.3, 19.4 Commercial auto liability.....	3,386,866		1,110,779	2,276,087
21. Auto physical damage.....	25,850,734	439,161	8,532,348	17,757,547
22. Aircraft (all perils).....	0		0	0
23. Fidelity.....	0		0	0
24. Surety.....	0		0	0
26. Burglary and theft.....	0		0	0
27. Boiler and machinery.....	0		0	0
28. Credit.....	0		0	0
29. International.....	0		0	0
30. Warranty.....	0		0	0
31. Reinsurance - nonproportional assumed property.....	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.....	66,499,673	1,211,079	22,689,646	45,021,106

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

VERTI INSURANCE COMPANY
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire.....	(177,756)				(177,756)
2. Allied lines.....	23,953				23,953
3. Farmowners multiple peril.....	-				0
4. Homeowners multiple peril.....	2,510,283				2,510,283
5. Commercial multiple peril.....	(134,026)				(134,026)
6. Mortgage guaranty.....					0
8. Ocean marine.....	14,300				14,300
9. Inland marine.....	(59,246)				(59,246)
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.....					0
14. Credit accident and health (group and individual).....					0
15. Other accident and health.....					0
16. Workers' compensation.....					0
17.1 Other liability - occurrence.....	875,585				875,585
17.2 Other liability - claims-made.....					0
17.3 Excess workers' compensation.....					0
18.1 Products liability - occurrence.....	16,244				16,244
18.2 Products liability - claims-made.....					0
19.1, 19.2 Private passenger auto liability.....	9,977,182				9,977,182
19.3, 19.4 Commercial auto liability.....	1,110,779				1,110,779
21. Auto physical damage.....	8,532,348				8,532,348
22. Aircraft (all perils).....					0
23. Fidelity.....					0
24. Surety.....					0
26. Burglary and theft.....					0
27. Boiler and machinery.....					0
28. Credit.....					0
29. International.....					0
30. Warranty.....					0
31. Reinsurance - nonproportional assumed property.....					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.....	22,689,646	0	0	0	22,689,646
36. Accrued retrospective premiums based on experience.....					
37. Earned but unbilled premiums.....					0
38. Balance (sum of Lines 35 through 37).....					22,689,646

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

VERTI INSURANCE COMPANY
UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....		363,542				363,542
2. Allied lines.....		30,474				30,474
3. Farmowners multiple peril.....						0
4. Homeowners multiple peril.....		4,792,051				4,792,051
5. Commercial multiple peril.....		285,923				285,923
6. Mortgage guaranty.....						0
8. Ocean marine.....		43,289				43,289
9. Inland marine.....		108,707				108,707
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.....						0
14. Credit accident and health (group and individual).....						0
15. Other accident and health.....						0
16. Workers' compensation.....						0
17.1 Other liability - occurrence.....		1,041,770				1,041,770
17.2 Other liability - claims-made.....						0
17.3 Excess workers' compensation.....						0
18.1 Products liability - occurrence.....		17,954				17,954
18.2 Products liability - claims-made.....						0
19.1, 19.2 Private passenger auto liability.....	2,495,724	31,350,281		3,267,642		30,578,363
19.3, 19.4 Commercial auto liability.....		3,386,866				3,386,866
21. Auto physical damage.....	1,386,157	26,289,895		1,825,318		25,850,734
22. Aircraft (all perils).....						0
23. Fidelity.....						0
24. Surety.....						0
26. Burglary and theft.....						0
27. Boiler and machinery.....						0
28. Credit.....						0
29. International.....						0
30. Warranty.....						0
31. Reinsurance - nonproportional assumed property.....	XXX					0
32. Reinsurance - nonproportional assumed liability.....	XXX					0
33. Reinsurance - nonproportional assumed financial lines.....	XXX					0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
35. TOTALS.....	3,881,881	67,710,752	0	5,092,960	0	66,499,673

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	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0

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

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

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire.....		(167,138)		(167,138)	178,393			11,255
2. Allied lines.....		907		907	.577			1,484
3. Farmowners multiple peril.....				0	0			0
4. Homeowners multiple peril.....		1,469,338		1,469,338	78,530			1,547,868
5. Commercial multiple peril.....		(157,713)		(157,713)	.257,063			99,350
6. Mortgage guaranty.....				0	0			0
8. Ocean marine.....		(4,307)		(4,307)	25,770			21,463
9. Inland marine.....		(158,286)		(158,286)	.168,568			10,282
10. Financial guaranty.....				0	0			0
11.1 Medical professional liability - occurrence.....				0	0			0
11.2 Medical professional liability - claims-made.....				0	0			0
12. Earthquake.....				0	0			0
13. Group accident and health.....		(20,734)		(20,734)	20,746			.12
14. Credit accident and health (group and individual).....				0	0			0
15. Other accident and health.....				0	0			0
16. Workers' compensation.....		(579)		(579)	.614			.35
17.1 Other liability - occurrence.....		(117,662)		(117,662)	.199,311			81,649
17.2 Other liability - claims-made.....				0	0			0
17.3 Excess workers' compensation.....				0	0			0
18.1 Products liability - occurrence.....		(29,333)		(29,333)	.29,038			(295)
18.2 Products liability - claims-made.....				0	0			0
19.1, 19.2 Private passenger auto liability.....	1,553,418	(4,525,697)	(25,196)	(2,947,083)	16,841,232	1,578,614	12,315,535	.57.6
19.3, 19.4 Commercial auto liability.....		(1,781,191)		(1,781,191)	3,601,302		1,820,111	.80.0
21. Auto physical damage.....	2,203,473	8,218,218	2,104,960	.8,316,731	(145,738)	98,513	8,072,480	.45.5
22. Aircraft (all perils).....				0	0			0
23. Fidelity.....		(11,311)		(11,311)		0		0
24. Surety.....				0		11,311	0	0.0
26. Burglary and theft.....				0	0	0		0.0
27. Boiler and machinery.....				0	0			0.0
28. Credit.....				0	0			0.0
29. International.....				0	0			0.0
30. Warranty.....				0	0			0.0
31. Reinsurance - nonproportional assumed property.....	XXX.	(1,244)		(1,244)		1,244	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	(36)	0	(36)	0.0
35. TOTALS.....	3,756,891	2,713,268	2,079,764	4,390,395	21,267,925	1,677,127	23,981,193	.53.3

DETAILS OF WRITE-INS

3401. TRAVEL.....				0	(36)		(36)	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	(36)	0	(36)	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8	9	
	1	2	3	4	5	6	7			
	Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses	
1. Fire.....			(884)	(884)		179,277		178,393	26,439	
2. Allied lines.....			347	347		230		577	148	
3. Farmowners multiple peril.....				0				0		
4. Homeowners multiple peril.....			678,913	678,913		(600,383)		78,530	409,050	
5. Commercial multiple peril.....			159,349	159,349		97,714		257,063	146,400	
6. Mortgage guaranty.....				0				0		
8. Ocean marine.....			18,488	18,488		7,282		25,770	1,792	
9. Inland marine.....			594	594		167,974		168,568	2,635	
10. Financial guaranty.....				0				0		
11.1 Medical professional liability - occurrence.....				0				0		
11.2 Medical professional liability - claims-made.....				0				0		
12. Earthquake.....				0				0		
13. Group accident and health.....			20,746	20,746				(a). 20,746		
14. Credit accident and health (group and individual).....				0				0		
15. Other accident and health.....				0				(a). 0		
16. Workers' compensation.....			234	234		380		614		
17.1 Other liability - occurrence.....			191,481	191,481		7,830		199,311	20,446	
17.2 Other liability - claims-made.....				0				0		
17.3 Excess workers' compensation.....				0				0		
18.1 Products liability - occurrence.....			29,038	29,038				29,038		
18.2 Products liability - claims-made.....				0				0		
19.1, 19.2 Private passenger auto liability.....		1,377,485	14,406,704	1,377,485	14,406,704	1,376,900	2,434,528	1,376,900	16,841,232	1,694,865
19.3, 19.4 Commercial auto liability.....			2,855,738	2,855,738			745,564		3,601,302	369,093
21. Auto physical damage.....		(107,016)	(1,422,180)	(107,016)	(1,422,180)	(377,926)	1,276,442	(377,926)	(145,738)	331,951
22. Aircraft (all perils).....									0	
23. Fidelity.....									0	
24. Surety.....			11,311	11,311					11,311	
26. Burglary and theft.....									0	
27. Boiler and machinery.....									0	
28. Credit.....									0	
29. International.....									0	
30. Warranty.....									0	
31. Reinsurance - nonproportional assumed property.....		XXX	1,244	1,244	XXX				1,244	
32. Reinsurance - nonproportional assumed liability.....		XXX		0	XXX				0	
33. Reinsurance - nonproportional assumed financial lines.....		XXX		0	XXX				0	
34. Aggregate write-ins for other lines of business.....		0	(36)	0	(36)	0	0	0	(36)	0
35. TOTALS.....		1,270,469	16,951,087	1,270,469	16,951,087	998,974	4,316,838	998,974	21,267,925	3,002,819

DETAILS OF WRITE-INS

3401. TRAVEL.....			(36)		(36)				(36)
3402.					0				0
3403.					0				0
3498. Summary of remaining write-ins for Line 34 from overflow page.....		0	0	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....		0	(36)	0	(36)	0	0	0	(36)

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

VERTI INSURANCE COMPANY
UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct.....	433,376			433,376
1.2 Reinsurance assumed.....	275,553			275,553
1.3 Reinsurance ceded.....	433,376			433,376
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	275,553	0	0	275,553
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....				0
2.2 Reinsurance assumed, excluding contingent.....		4,764,456		4,764,456
2.3 Reinsurance ceded, excluding contingent.....				0
2.4 Contingent - direct.....				0
2.5 Contingent - reinsurance assumed.....		1,746,335		1,746,335
2.6 Contingent - reinsurance ceded.....				0
2.7 Policy and membership fees.....				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	6,510,791	0	6,510,791
3. Allowances to manager and agents.....				0
4. Advertising.....	844	227,295		228,139
5. Boards, bureaus and associations.....	25,809	174,233		200,042
6. Surveys and underwriting reports.....	19,081	166,354		185,435
7. Audit of assureds' records.....				0
8. Salary and related items:				
8.1 Salaries.....	2,783,013	2,567,396		5,350,409
8.2 Payroll taxes.....	200,034	187,750		387,784
9. Employee relations and welfare.....	532,339	455,844		988,183
10. Insurance.....	26,712	22,648		49,360
11. Directors' fees.....	1,996	1,663		3,659
12. Travel and travel items.....	35,477	25,898		61,375
13. Rent and rent items.....	146,423	202,480		348,903
14. Equipment.....	41,229	80,763		121,992
15. Cost or depreciation of EDP equipment and software.....	461,697	777,156		1,238,853
16. Printing and stationery.....	23,776	26,065		49,841
17. Postage, telephone and telegraph, exchange and express.....	123,238	169,790		293,028
18. Legal and auditing.....	33,094	40,954		74,048
19. Totals (Lines 3 to 18).....	4,454,762	5,126,289	0	9,581,051
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....		1,219,150	(23,768)	1,195,382
20.2 Insurance department licenses and fees.....	5,492	216,737		222,229
20.3 Gross guaranty association assessments.....	8	991		999
20.4 All other (excluding federal and foreign income and real estate).....	7,857	7,653		15,510
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	13,357	1,444,531	(23,768)	1,434,120
21. Real estate expenses.....				0
22. Real estate taxes.....				0
23. Reimbursements by uninsured plans.....				0
24. Aggregate write-ins for miscellaneous expenses.....	578,720	1,438,279	8,294	2,025,293
25. Total expenses incurred.....	5,322,392	14,519,890	(15,474)	(a) 19,826,808
26. Less unpaid expenses - current year.....	3,002,819	261,087		3,263,906
27. Add unpaid expenses - prior year.....	272,029	1,080,369		1,352,398
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).....	2,591,602	15,339,172	(15,474)	17,915,300

DETAILS OF WRITE-INS

2401. COMPUTER SERVICES.....	413,068	1,020,845		1,433,913
2402. OTHER LICENSES AND FEES.....	165,652	380,434	8,294	554,380
2403. PREMIUM DEFICIENCY RESERVE.....		37,000		37,000
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).....	578,720	1,438,279	8,294	2,025,293

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

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds.....	(a).....198,753	.....204,977
1.1 Bonds exempt from U.S. tax.....	(a).....22,059	.....51,684
1.2 Other bonds (unaffiliated).....	(a).....174,098	.....451,777
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).....74,582	.....74,582
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....0	.....0
10. Total gross investment income.....	.....469,492	.....783,020
11. Investment expenses.....	.....	(g).....8,294
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....(23,768)
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).....	.....	.....(15,474)
17. Net investment income (Line 10 minus Line 16).....	.....	.....798,494

DETAILS OF WRITE-INS

0901.....	.....	.....
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).....	.....0	.....0
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 \$....18,044 accrual of discount less \$....394,962 amortization of premium and less \$....265,592 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).....	.....2,077	.....	.....2,077	.....	.....
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).....	.....2,077	.....0	.....2,077	.....0	.....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):			0
2.1 Preferred stocks.....			0
2.2 Common stocks.....			0
3. Mortgage loans on real estate (Schedule B):			0
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			0
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:			0
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.....			0
15.3 Accrued retrospective premiums and contracts subject to redetermination.....			0
16. Reinsurance:			0
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.....			0
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.....	36,657	48,251	11,594
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.....	417,359	283,873	(133,486)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	454,015	332,124	(121,891)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	454,015	332,124	(121,891)

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. PREPAID EXPENSES.....	417,359	283,873	(133,486)
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).....	417,359	283,873	(133,486)

NOTES TO FINANCIAL STATEMENTS**Note 1 – Summary of Significant Accounting Policies and Going Concern****A. Accounting Practices**

The accompanying financial statements of VERTI Insurance Company (the Company) (formerly Cube Insurance Company) have been prepared in conformity with the accounting practices prescribed or permitted by the National Association of Insurance Commissioners (NAIC) and the State of Ohio. The NAIC Accounting Practices and Procedures manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Ohio.

There are no differences between Ohio prescribed practices and NAIC statutory accounting practices (NAIC SAP) as noted below:

	SSAP #	F/S Page	F/S Line #	2020	2019
NET INCOME					
(1) Company state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ (429,010)	\$ (15,761,868)
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
				\$	\$
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
				\$	\$
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ (429,010)	\$ (15,761,868)
SURPLUS					
(5) Company state basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 21,570,596	\$ 26,304,861
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
				\$	\$
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
				\$	\$
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 21,570,596	\$ 26,304,861

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

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

C. Accounting Policy

Premiums are recognized as income ratably over the terms of the related insurance policies. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business.

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

Net investment income earned consists primarily of interest income less investment related expenses. Interest is recognized on an accrual basis. Net realized capital gains (losses) are recognized on a first in first out basis when securities are sold, redeemed or otherwise disposed. Realized capital losses include write downs for impairments considered to be other than temporary.

In addition, the Company adheres to the following accounting policies:

(1) Basis for Short-Term Investments

The Company does not hold Short-Term Investments.

(2) Basis for Bonds and Amortization Schedule

Bonds, excluding Loan-Backed and Structured Securities, are accounted for in accordance with SAAP No. 26R. Amortized cost is calculated using the scientific interest method. Bonds containing call provisions are amortized to either the call or maturity value and date, whichever produces the lowest asset value (yield to worst). Investment grade bonds are stated at amortized cost. Non-investment grade bonds are stated at the lower of amortized cost or fair value. Bonds whose decline has been determined to be other than temporary are written down to a new cost basis and the write-down amount is accounted for as a realized loss.

(3) Basis for Common Stocks

The Company does not hold Common Stocks.

(4) Basis for Preferred Stocks

The Company does not hold Preferred Stocks.

(5) Basis for Mortgage Loans

The Company does not hold Mortgage Loans.

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

Loan-backed and Structured Securities are accounted for in accordance with SSAP No. 43R. Amortized cost is calculated retrospectively using the scientific interest method. U.S. government agency Loan-backed and Structured Securities are valued at amortized value. Other Loan-backed and Structured Securities are valued at either amortized value or fair value, depending on many factors including: the type of underlying collateral, whether modeled by a NAIC vendor, whether rated (by either a NAIC approved rating organization or the NAIC Securities Valuation Office), and the relationship of

NOTES TO FINANCIAL STATEMENTS

amortized value to par value and amortized value to fair value. Bonds whose decline has been determined to be Other-Than-Temporary are written down to a new cost basis and the write-down amount is accounted for as a realized loss.

(7) Accounting Policies for Investments in Subsidiaries, Controlled and Affiliated Entities

The Company does not hold investments in Subsidiaries, Controlled and Affiliated Entities.

(8) Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities

The Company does not hold investments in Joint Ventures, Partnerships or Limited Liability Entities.

(9) Accounting Policies for Derivatives

The Company does not hold Derivatives.

(10) Anticipated Investment Income Used in Premium Deficiency Calculation

The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property-Casualty Contracts - Premiums.

(11) Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses

Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.

(12) Changes in the Capitalization Policy and Predefined Thresholds from Prior Period

The Company has a written capitalization policy for purchases of items such as electronic data processing equipment, software, furniture, vehicles, other equipment and leasehold improvements. The predefined capitalization thresholds under this policy is \$5,000.

(13) Method Used to Estimate Pharmaceutical Rebate Receivables

The company does not have Pharmaceutical Rebate Receivables.

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 Corrections of Errors

Not Applicable

Note 3 – Business Combinations and Goodwill

A. Statutory Purchase Method

None

B. Statutory Merger

None

C. Impairment Loss

None

Note 4 – Discontinued Operations

Not Applicable

Note 5 – Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

None

B. Debt Restructuring

None

C. Reverse Mortgages

None

D. Loan-Backed Securities

(1) Description of Sources Used to Determine Prepayment Assumptions

Prepayment assumptions for Loan-Backed and Structured Securities were obtained from broker dealer survey values, internal estimates, or Bloomberg.

(2) Other-Than-Temporary Impairments

NOTES TO FINANCIAL STATEMENTS

During 2020 the Company did not recognize Other-Than-Temporary Impairments on Load-Backed Securities based on the intent to sell or inability to retain.

(3) Recognized OTTI Securities

During 2020 the Company did not recognize Other-Than-Temporary Impairments on Loan-Backed and Structured Securities.

(4) All impaired securities (fair value is less than cost or amortized cost) for which an Other-Than-Temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized Other-Than-Temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a. The aggregate amount of unrealized losses:	1. Less than 12 Months	\$ 10,446
	2. 12 Months or Longer	\$
b. The aggregate related fair value of securities with unrealized losses:	1. Less than 12 Months	\$ 1,736,723
	2. 12 Months or Longer	\$

(5) Information Investor Considered in Reaching Conclusion that Impairments are Not Other-Than-Temporary

All Loan-Backed and Structured Securities in an unrealized loss position were reviewed to determine whether Other-Than-Temporary Impairments should be recognized. The Company asserts that it has the intent and ability to hold these securities long enough to allow the cost basis of these securities to be recovered. These conclusions are supported by analysis of the underlying credit and cash flows of each security. Unrealized losses are primarily attributable to general changes in interest rates, credit spread widening, and increased liquidity discounts. It is possible that the Company could recognize Other-Than-Temporary Impairments in the future on some of the securities, if future events, information and the passage of time cause it to conclude that declines in the value are Other-Than-Temporary.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

None

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing
Repurchase Transaction – Cash Taker – Overview of Secured Borrowing Transactions

None

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

None

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

None

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

None

J. Real Estate

None

K. Low-Income Housing Tax Credits (LIHTC)

None

L. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted					6	7		
	Current Year								
	1	2	3	4	5				
Restricted Asset Category	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account (S/A) Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)		
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	\$	\$		
Landolt5									
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									

NOTES TO FINANCIAL STATEMENTS

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted						6	7		
	Current Year					Total From Prior Year				
	1 Total General Account (G/A)	2 G/A Supporting Protected Cell Account Activity (a)	3 Total Protected Cell Account (S/A) Restricted Assets	4 Protected Cell Account Assets Supporting G/A Activity (b)	5 Total (1 plus 3)					
i. FHLB capital stock										
j. On deposit with states										
k. On deposit with other regulatory bodies										
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	\$	\$	\$	\$	\$	\$	\$	\$		

Restricted Asset Category	Current Year						8	9	10	11				
	Total Admitted Restricted			Percentage										
	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 arrangements			%	%										
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			%	%										
k. On deposit with other regulatory bodies			%	%										
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	\$	\$	%	%										

(a) Subset of column 1

(b) Subset of column 3

(c) Column 5 divided by Asset Page, Column 1, Line 28

(d) Column 9 divided by Asset Page, Column 3, Line 28

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in the Aggregate)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted						8	Percentage	
	Current Year					6	7	9	10
	1 Total General Account (G/A)	2 G/A Supporting Protected Cell Activity (a)	3 Total Protected Cell Account Restricted Assets	4 Protected Cell Assets Supporting G/A Activity (b)	5 Total (1 plus 3)				
Total (c)	\$	\$	\$	\$	\$	\$	\$	\$	\$

(a) Subset of column 1

(b) Subset of column 3

(c) Total Line for Columns 1 through 7 should equal 5L(1)m Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5L(1)m Columns 9 through 11 respectively.

(3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted						8	Percentage	
	Current Year					6	7	9	10
	1 Total General Account (G/A)	2 G/A Supporting Protected Cell Activity (a)	3 Total Protected Cell Restricted Assets	4 Protected Cell Account Assets Supporting G/A Activity (b)	5 Total (1 plus 3)				
Total (c)	\$	\$	\$	\$	\$	\$	\$	\$	\$

(a) Subset of column 1

NOTES TO FINANCIAL STATEMENTS

(b) Subset of column 3
 (c) Total Line for Columns 1 through 7 should equal 5L(1)n Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5L(1)n Columns 9 through 11 respectively.

(4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

Collateral Assets	1 Book/Adjusted Carrying Value (BACV)	2 Fair Value	3 % of BACV to Total Assets (Admitted and Nonadmitted)*	4 % of BACV to Total Admitted Assets**
General Account:				
a. Cash, Cash Equivalents and Short-Term Investments	\$	\$	%	%
b. Schedule D, Part 1			%	%
c. Schedule D, Part 2, Sec. 1			%	%
d. Schedule D, Part 2, Sec. 2			%	%
e. Schedule B			%	%
f. Schedule A			%	%
g. Schedule BA, Part 1			%	%
h. Schedule DL, Part 1			%	%
i. Other			%	%
j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	\$	\$	%	%
Protected Cell:				
k. Cash, Cash Equivalents and Short-Term Investments	\$	\$	%	%
l. Schedule D, Part 1			%	%
m. Schedule D, Part 2, Sec. 1			%	%
n. Schedule D, Part 2, Sec. 2			%	%
o. Schedule B			%	%
p. Schedule A			%	%
q. Schedule BA, Part 1			%	%
r. Schedule DL, Part 1			%	%
s. Other			%	%
t. Total Collateral Assets (k+l+m+n+o+p+q+r+s)	\$	\$	%	%

*. j = Column 1 divided by Asset Page, Line 26 (Column 1)

t = Column 1 divided by Asset Page, Line 27 (Column 1)

** j = Column 1 divided by Asset Page, Line 26, (Column 3)

t = Column 1 divided by Asset Page, Line 27 (Column 3)

	1 Amount	2 % of Liability to Total Liabilities
u. Recognized Obligation to Return Collateral Asset (General Account)	\$	%
v. Recognized Obligation to Return Collateral Asset (Protected Cell)	\$	%

* u = Column 1 divided by Liability Page, Line 26 (Column 1)

v = Column 1 divided by Liability Page, Line 27 (column 1)

M. Working Capital Finance Investments

None

N. Offsetting and Netting of Assets and Liabilities

None

O. 5GI Securities

None

P. Short Sales

None

Q. Prepayment Penalty and Acceleration Fees

The Company had no bonds called during the year.

	General Account	Protected Cell
(1) Number of CUSIPs		
(2) Aggregate Amount of Investment Income	\$	\$

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

None

Note 7 – Investment Income

A. The bases, by category of investment income, for excluding (nonadmitting) any investment income due and accrued:

Investment income due and accrued with amounts over 90 days past due are non-admitted assets and excluded from surplus.

NOTES TO FINANCIAL STATEMENTS

B. The total amount excluded:

None

Note 8 – Derivative Instruments

None

Note 9 – Income Taxes

A. Deferred Tax Assets/(Liabilities)

1. Components of Net Deferred Tax Asset/(Liability)

	2020			2019			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	\$ 1,350,358	\$ 313	\$ 1,350,671	\$ 163,496	\$ 164	\$ 163,660	\$ 1,186,862	\$ 149	\$ 1,187,011
b. Statutory valuation allowance adjustment	1,265,796		1,265,796	116,217		116,217	1,149,579		1,149,579
c. Adjusted gross deferred tax assets (1a-1b)	\$ 84,562	\$ 313	\$ 84,875	\$ 47,279	\$ 164	\$ 47,443	\$ 37,283	\$ 149	\$ 37,432
d. Deferred tax assets nonadmitted									
e. Subtotal net admitted deferred tax asset (1c-1d)	\$ 84,562	\$ 313	\$ 84,875	\$ 47,279	\$ 164	\$ 47,443	\$ 37,283	\$ 149	\$ 37,432
f. Deferred tax liabilities	84,875		84,875	47,398	45	47,443	37,477	(45)	37,432
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	\$ (313)	\$ 313	\$	\$ (119)	\$ 119	\$	\$ (194)	\$ 194	\$

2. Admission Calculation Components SSAP No. 101

	2020			2019			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	\$ 1,661,798	\$	\$ 1,661,798	\$	\$	\$	\$ 1,661,798	\$	\$ 1,661,798
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)									
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date									
2. Adjusted gross deferred tax assets allowed per limitation threshold			3,235,589			3,945,729			(710,140)
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									
d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c))	\$ 1,661,798	\$	\$ 1,661,798	\$	\$	\$	\$ 1,661,798	\$	\$ 1,661,798

NOTES TO FINANCIAL STATEMENTS

3. Other Admissibility Criteria

		2020	2019
a. Ratio percentage used to determine recovery period and threshold limitation amount		316.5%	386.0%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 21,570,596	\$ 26,304,861	

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.

	2020		2019		Change	
	1 Ordinary	2 Capital	3 Ordinary	4 Capital	5 (Col. 1-3) Ordinary	6 (Col. 2-4) Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 84,562	\$ 313	\$ 47,279	\$ 164	\$ 37,283	\$ 149
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	\$ 84,562	\$ 313	\$ 47,279	\$ 164	\$ 37,283	\$ 149
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

(b) Does the company's tax planning strategies include the use of reinsurance? NO

B. Deferred Tax Liabilities Not Recognized

1. The types of temporary differences for which a DTL has not been recognized and the types of events that would cause those temporary differences to become taxable are:

NONE

2. The cumulative amount of each type of temporary difference is:

NONE

3. The amount of the unrecognized DTL for temporary differences related to investments in foreign subsidiaries and foreign corporate joint ventures that are essentially permanent in duration, if determination of that liability is practicable, or a statement that determination is not practicable are:

NONE

4. The amount of the DTL for temporary differences other than those in item (3) above that is not recognized is:

NONE

C. Current and Deferred Income Taxes

1. Current Income Tax

	2020	1	2	3 (Col 1-2) Change
		2020	2019	
a. Federal	\$ 1,653,132	\$ (4,270,572)	\$ 5,923,704	
b. Foreign	\$	\$	\$	
c. Subtotal	\$ 1,653,132	\$ (4,270,572)	\$ 5,923,704	
d. Federal income tax on net capital gains	\$ (268,323)	\$	\$ (268,323)	
e. Utilization of capital loss carry-forwards	\$	\$	\$	
f. Other	\$	\$	\$	
g. Federal and Foreign income taxes incurred	\$ 1,384,809	\$ (4,270,572)	\$ 5,655,381	

2. Deferred Tax Assets

	2020	1	2	3 (Col 1-2) Change
		2020	2019	
a. Ordinary:				
1. Discounting of unpaid losses	\$ 266,564	\$ 19,550	\$ 247,014	
2. Unearned premium reserve	\$ 952,879	\$ 50,865	\$ 902,014	
3. Policyholder reserves				
4. Investments				
5. Deferred acquisition costs				
6. Policyholder dividends accrual				

NOTES TO FINANCIAL STATEMENTS

	1 2020	2 2019	3 (Col 1-2) Change
7. Fixed assets	6,672		6,672
8. Compensation and benefits accrual			
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)	124,243	93,081	31,162
Other (items listed individually >5% of total ordinary tax assets)			
99. Subtotal	\$ 1,350,358	\$ 163,496	\$ 1,186,862
b. Statutory valuation allowance adjustment	1,265,796	116,217	1,149,579
c. Nonadmitted			
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	\$ 84,562	\$ 47,279	\$ 37,283
e. Capital:			
1. Investments	\$ 313	\$ 164	\$ 149
2. Net capital loss carry-forward			
3. Real estate			
4. Other (items <=5% and >5% of total capital tax assets)			
Other (items listed individually >5% of total capital tax assets)			
99. Subtotal	\$ 313	\$ 164	\$ 149
f. Statutory valuation allowance adjustment			
g. Nonadmitted			
h. Admitted capital deferred tax assets (2e99-2f-2g)	313	164	149
i. Admitted deferred tax assets (2d+2h)	\$ 84,875	\$ 47,443	\$ 37,432
3. Deferred Tax Liabilities			
	1 2020	2 2019	3 (Col 1-2) Change
a. Ordinary:			
1. Investments	\$ 13,359	\$ 9,643	\$ 3,716
2. Fixed assets			
3. Deferred and uncollected premium			
4. Policyholder reserves			
5. Other (items <=5% and >5% of total ordinary tax liabilities)	71,516	37,755	33,761
Other (items listed individually >5% of total ordinary tax liabilities)			
99. Subtotal	\$ 84,875	\$ 47,398	\$ 37,477
b. Capital:			
1. Investments	\$	\$ 45	\$ (45)
2. Real estate			
3. Other (items <=5% and >5% of total capital tax liabilities)			
Other (items listed individually >5% of total capital tax liabilities)			
99. Subtotal	\$	\$ 45	\$ (45)
c. Deferred tax liabilities (3a99+3b99)	\$ 84,875	\$ 47,443	\$ 37,432
4. Net Deferred Tax Assets/Liabilities (2i – 3c)	\$	\$	\$

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate Among the more significant book to tax adjustments were the following:

	Amount	Effective Tax Rate (%)
Permanent Differences:		
Provision computed at statutory rate	\$ 200,718	21.0%
Change in nonadmitted assets	(25,597)	(2.7)%
Proration of tax exempt investment income		%
Tax exempt income deduction		%
Dividends received deduction		%
Disallowable travel and entertainment	842	0.1%
Other permanent differences	(8,140)	(0.9)%
Temporary Differences:		
Total ordinary DTAs		%
Total ordinary DTLs	74,241	7.8%
Total capital DTAs		%
Total capital DTLs		%
Other:		
Statutory valuation allowance adjustment	1,149,578	120.3%
Accrual adjustment – prior year	(6,833)	(0.7)%
Other		%
Totals	\$ 1,384,809	144.9%
Federal and foreign income taxes incurred	1,653,132	173.0%

NOTES TO FINANCIAL STATEMENTS

	Amount	Effective Tax Rate (%)
Realized capital gains (losses) tax	(268,323)	(28.1)%
Change in net deferred income taxes		%
Total statutory income taxes	\$ 1,384,809	144.9%

E. Operating Loss Carry Forwards and Income Taxes Available for Recoupment

1. The amounts, origination dates and expiration dates of operating loss and tax credit carry forwards available for tax purposes:

Description (Operating Loss or Tax Credit Carry Forward)	Amounts	Origination Dates	Expiration Dates
NONE	\$		

2. The following is income tax expense for current year and proceeding years that is available for recoupment in the event of future net losses:

Year	Amounts
2020	\$1,661,798

3. The Company's aggregate amount of deposits admitted under Section 6603 of the Internal Revenue Service Code

None

F. Consolidated Federal Income Tax Return

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

For tax year 2020, The Company will file as part of the consolidated federal income tax return with its ultimate U.S. parent, Mapfre USA Corp, and its subsidiaries, The Commerce Insurance Company, Citation Insurance Company, Commerce West Insurance Company, Mapfre Insurance Company, Mapfre Insurance Company of Florida, American Commerce Insurance Company, MAPFRE Tech USA, Inc., ACIC Holding Company, Inc., Bay Finance Holding Company, and Bright Idea Insurance Solutions, Inc. (said parties constituting an "Affiliated Group", as defined in and for the purposes of IRC §1504(a)).

2. The manner in which the Board of Directors sets forth for allocating the consolidated federal income tax:

Each affiliate is jointly and severally liable for federal income taxes of the Affiliated Group, and has entered into a written tax sharing agreement. Under this agreement, allocation is made primarily on a separate return basis, with current payment for losses and other tax items utilized in the consolidated return.

G. Federal or Foreign Federal Income Tax Loss Contingencies:

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

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

None

I. Alternative Minimum Tax Credit

None

Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**A. Nature of the Relationship Involved**

All outstanding shares of the Company are owned by MAPFRE USA Corp.

B. Transactions

None

C. Transactions with Related Parties who are not Reported on Schedule Y

None

D. Amounts Due From or To Related Parties

	2020	2019
	Due (To) From	Due (To) From
MAPFRE USA Corp.	\$ -	\$ (22,562)
The Commerce Insurance Company	(1,373,266)	(1,691,781)
MAPFRE Tech USA, Inc.	(311,402)	(284,052)
	<u>\$ (1,684,668)</u>	<u>\$ (1,998,395)</u>

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

The Company's Management Cost Allocation Agreement provides that the company is charged or reimbursed for services rendered by the Company or its insurance affiliates and entails 1) investment related and 2) non-investment related services. Costs pertaining to investment related services are actual costs borne by the company which, per agreement, were determined to be the total rate of 15 basis points per annum times the investment balance at each regular calendar quarter. The non-investment related charges are costs borne by the Company and or its affiliates for functions supporting the affiliated companies. Loss adjustment expenses will be apportioned through studies in accordance with SSAP No. 70 which such studies shall be conducted no less than annually.

NOTES TO FINANCIAL STATEMENTS

Expenses other than investment related expenses and loss adjustment expenses will be apportioned to each company based on its direct written premium relative to that of the other companies.

In 2018, MAPFRE USA created a wholly owned subsidiary, MAPFRE Tech USA, Inc., a Delaware corporation ("MAPFRE Tech"), to provide technology development and support services. The purpose of MAPFRE Tech is to acquire and to develop technology to support the MUSA Insurance Subsidiaries. The Commerce Insurance Company (Commerce) will assign or sell, on fair and reasonable terms, to MAPFRE Tech the IT assets Commerce has purchased or developed for the MUSA Insurance Subsidiaries. Such IT assets will be conveyed pursuant to an Assignment and Assumption Agreement and an Asset Purchase Agreement between Commerce and MAPFRE Tech. An Inter-Company Technology Development, Operations and Support Agreement (the "IT Agreement"), which will, among other things, (i) permits MAPFRE Tech to provide technology services to the MUSA Insurance Subsidiaries, and (ii) allow Commerce, which employs all employees within the MAPFRE USA group of companies, to provide personnel and corporate services to MAPFRE Tech.

In 2019, the Company amended its agreement "Seventh Amended and Restated Management Cost Allocation Agreement" to remove MAPFRE Insurance Company of New York as a party.

- F. Guarantees or Undertakings
 - None
- G. Nature of the Control Relationship
 - None
- H. Amount Deducted from the Value of Upstream Intermediate Entity or Ultimate Parent Owned
 - None
- I. Investments in SCA that Exceed 10% of Admitted Assets
 - None
- J. Investments in Impaired SCAs
 - None
- K. Investment in Foreign Insurance Subsidiary
 - None
- L. Investment in Downstream Noninsurance Holding Company
 - None
- M. All SCA Investments
 - None
- N. Investment in Insurance SCAs
 - (1) Accounting Practice that Differs from NAIC Statutory Accounting Practices and Procedures
 - None
 - (2) Monetary Effect on Net Income and Surplus
 - None
 - (3) RBC Regulatory Event Because of Prescribed or Permitted Practice
 - None
- O. SCA or SSAP 48 Entity Loss Tracking
 - None

Note 11 – Debt

Not Applicable

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

- A. Defined Benefit Plan
 - None
- B. Investment Policies and Strategies
 - None
- C. Fair Value of Plan Assets
 - None
- D. Basis Used to Determine Expected Long-Term Rate-of-Return
 - None

NOTES TO FINANCIAL STATEMENTS

E. Defined Contribution Plans

The Company's ultimate parent company, MUSA, sponsors a 401(k) retirement plan feature for which substantially all employees are eligible. See Note 12G.

F. Multiemployer Plans

None

G. Consolidated/Holding Company Plans

MUSA has an Incentive Compensation Plan (the Plan) which provides for awards, at the discretion of MUSA's Board of Directors, to all officers and other management employees, including those of MUSA's subsidiaries. These awards entitle recipients to cash payments at a specified settlement date, subject to certain specified conditions. The cash payments are based primarily upon reported net earnings of MUSA and Mapfre SA over the one year period of the grant. In 2017, the Plan was amended to include the meeting of individual departmental goals as another factor in determining the cash payment. For executive officers, the plan pays out over a four-year period. All other officers and management personnel are paid in one payment. The payment is determined as a percentage of a target percentage of annual salary. In addition, certain business development personnel receive annual bonus payments based upon premiums written and other factors. A small number of officers have alternative plans based upon individual agreements. The total expense for these programs was \$15,038,000 and \$19,254,000 in 2020 and 2019, respectively. Expense is allocated to individual insurance companies based upon our Intercompany Pooling Arrangement. See Note 26 for details.

Incentive awards and other bonus awards granted to officers and other management personnel of MUSA and subsidiaries and outstanding at December 31, 2020 and 2019 were \$13,917,000 and \$15,746,000 respectively.

Eligible employees of the Company may participate in a Company-sponsored 401 (k) retirement plan. This 401(k) plan includes a matching contribution from the Company of 50% of the first 6% of eligible compensation contributed by the participant to the plan. In addition to the matching contribution, profit sharing contributions may be made by the Company with respect to each plan year in an amount equal to 3% of each eligible participant's covered compensation (or in such different amount as may be determined by the Company).

H. Postemployment Benefits and Compensated Absences

None

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

None

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

A. Number of Share and Par or State Value of Each Class

The Company has 100,000 shares of common stock with a par value of \$36 per share. MAPFRE U.S.A Corp. owns 100% of the Company.

B. Dividend Rate, Liquidation Value and Redemption Schedule of Preferred Stock Issues

The Company has no preferred stock outstanding.

C. Dividend Restrictions

Every domestic insurance company seeking to make any dividend or other distributions to its shareholders must file a report with the Insurance Commissioner. An extraordinary dividend is any dividend or other property, whose fair market value together with other dividends or distributions made within the preceding twelve months, exceeds the greatest of ten percent of the insurers' surplus as regards policyholders as of the end of the preceding year, or the net income of a non-life insurance company for the preceding year. No pro-rata distribution of any class of the insurer's own securities is to be included. No domestic insurance company shall pay any extraordinary dividend or other extraordinary distribution until thirty days after the commissioner has received notice of the intended distribution and has not objected. Dividends are paid as determined by the Board of Directors.

D. Dates and Amounts of Dividends Paid

None

E. Profits that may be Paid as Ordinary Dividends to Stockholders

This Company is unable to make a dividend payment due to a deficit in unassigned funds.

F. Restrictions Placed on Unassigned Funds (Surplus)

None

G. Amount of Advances to Surplus not Repaid

None

H. Amount of Stock Held for Special Purposes

The Company did not hold any stock for special purposes.

I. Reasons for Changes in Balance of Special Surplus Funds from Prior Period

None

J. The Portion of Unassigned Funds (Surplus) Represented or Reduced by Unrealized Gains and Losses is: \$0.

K. The Reporting Entity Issued the Following Surplus Debentures or Similar Obligations

NOTES TO FINANCIAL STATEMENTS

None

L. The impact of any restatement due to prior quasi-reorganizations is as follows

None

M. Effective Date of Quasi-Reorganization for a Period of Ten Years Following Reorganization

None

Note 14 – Liabilities, Contingencies and Assessments

A. (1) Contingent Commitments

None

(2) Detail of other contingent commitments

None

(3) Guarantee Obligations

None

B. Assessments

(1) Nature of Any Assets That Could Have a Material Financial Effect

The Company is subject to assessments by the states in which it writes business. These amounts are expensed when received. The Company anticipates that there will be additional assessments from time to time relating to various insolvencies.

C. Gain Contingencies

None

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits

None

E. Product Warranties

None

F. Joint and Several Liabilities

None

G. All Other Contingencies

None

Note 15 – Leases

A. Lessee Operating Lease

(1) Lessee's Leasing Arrangements

a. Rental Expense

Rent expense for 2020 and 2019 was \$156,000 and \$124,000, respectively. During 2018, the Company began sharing in the costs of facilities leased by The Commerce Insurance Company (CIC). These leases are in the name of CIC.

b. Basis on Which Contingent Rental Payments are Determined

None

c. Existence and Terms of Renewal or Purchase Options and Escalation Clauses

None

d. Restrictions Imposed by Lease Agreements

None

e. Identification of Lease Agreements that have been Terminated Early

None

(2) Leases with Initial or Remaining Noncancelable Lease Terms in Excess of One Year

None

(3) For Sale-Leaseback Transactions

NOTES TO FINANCIAL STATEMENTS

None

B. Lessor Leases

None

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

Not Applicable

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

A. Transfers of Receivables Reported as Sales

(1) Proceeds to the Transferor

None

(2) Gain or Loss Record on Sale

None

B. Transfer and Servicing of Financial Assets

(1) Description of any Loaned Securities

None

(2) Servicing Assets and Servicing Liabilities

None

(3) When Servicing Assets and Liabilities are Measured at Fair Value

None

(4) Securizations, Asset-Based Financing Arrangements and Similar Transfers Accounted for as Sales

None

(5) Disclosure Requirements for Transfers of Assets Accounted for as Secured Borrowing

None

(6) Transfer of Receivables with Recourse

None

(7) Securities Underlying Repurchase and Reverse Repurchase Agreements, Dollar Repurchase and Dollar Reverse Repurchase Agreements

None

C. Wash Sales

(1) Description of the Objectives Regarding These Transactions

None

(2) The details by NAIC designation 3 or below, or unrated of securities sold during the year ended December 31, 2020 and reacquired within 30 days of the sale date are:

None

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

A. ASO Plans

None

B. ASC Plans

None

C. Medicare or Similarly Structured Cost Based Reimbursement Contract

(1) Major Components of Revenue by Payor

None

(2) Receivables from Payors with Account Balances the Greater of 10% of Amounts Receivable Relating to Uninsured Accident and Health Plans or \$10,000

None

(3) Recorded Allowances and Reserves for Adjustment of Recorded Revenues

NOTES TO FINANCIAL STATEMENTS

None

(4) Adjustments to Revenue Resulting from Audit of Receivables Related to Revenues Recorded in the Prior Period

None

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

Not Applicable

Note 20 – Fair Value Measurements

A. Fair Value Measurements

(1) Summary of Financial Assets Measured and Reported at Fair Value at 12/31/20

The Company has no assets or liabilities measured and reported at fair value.

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

Not applicable

(3) Policies when Transfers Between Levels are Recognized

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 into or out of a level.

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

Financial Assets included in Level 1 of the Fair Value Hierarchy include US Treasury securities and exchange traded common stock where prices are obtained directly from active markets.

Financial Assets included in Level 2 of the Fair Value Hierarchy are securities priced by the company's custodial bank and based on observable market data.

Financial Assets included in Level 3 of the Fair Value Hierarchy are securities priced utilizing broker quotes or internal pricing determined by insurer.

(5) Derivative Fair Value

The Company does not hold derivative assets or liabilities.

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

Not applicable

C. Fair Value for all Financial Instruments by Levels 1, 2, and 3

The table below reflects the fair values and admitted values of all admitted assets and liabilities that are financial instruments excluding those accounted for under the equity method (subsidiaries, joint ventures, partnerships, and limited liability corporations). The fair values are also categorized into the three-level fair value hierarchy as described above in Note 20A(4).

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$ 69,551,544	\$ 67,923,300	\$ 10,238,152	\$ 59,313,392	\$	\$	\$

D. Not Practicable to Estimate Fair Value

None

E. NAV Practical Expedient Investments

None

Note 21 – Other Items

A. Unusual or Infrequent Items

MAPFRE Insurance Company of Florida for sale.

When MAPFRE USA finalized its long term strategy in December of 2019 for the years 2020-2022 the decision was made to focus efforts and resources in selected states. At that time it was decided that business in the state of Florida would not be part of the strategy for the company. In March of 2020 a working group was formed and a broker was contracted to work towards the plan to sell MAPFRE Insurance Company of Florida. At the current time there are no binding offers.

Covid 19

As a result of the COVID-19 pandemic, economic uncertainties have arisen which are likely to impact the Company's net income and surplus. The extent to which the COVID-19 pandemic impacts our business, net income, and surplus, as well as our capital and liquidity position, will depend on future developments, which are highly uncertain and cannot be estimated, including the scope and duration of the pandemic and actions taken by governmental authorities and other third parties in response to the pandemic.

NOTES TO FINANCIAL STATEMENTS

- B. Troubled Debt Restructuring Debtors
 - None
- C. Other Disclosures
 - None
- D. Business Interruption Insurance Recoveries
 - None
- E. State Transferable and Non-Transferable Tax Credits
 - None
- F. Subprime Mortgage-Related Risk Exposure
 - None
- G. Insurance-Linked Securities (ILS) Contracts
 - None
- H. The Amount that Could be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or has Otherwise Obtained Rights to Control the Policy
 - None

Note 22 – Events Subsequent

Subsequent events have been considered through February 22, 2021 for these statutory financial statements which are to be issued on March 1, 2021.

Note 23 – Reinsurance

- A. Unsecured Reinsurance Recoverables
 - None
- B. Reinsurance Recoverable in Dispute
 - None
- C. Reinsurance Assumed and Ceded
 - (1) Maximum Amount of Return Commission

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 Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve
a. Affiliates	\$ 22,689,646	\$	\$ 878,615	\$	\$ 21,811,031
b. All Other					
c. Total	\$ 22,689,646	\$	\$ 878,615	\$	\$ 21,811,031
d. Direct Unearned Premium Reserves					\$ 878,615

- (2) Additional or Return Commission

The Company had no additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements. No accruals were necessary.

	Direct	Assumed	Ceded	Net
a. Contingent commission	\$	\$	\$	\$
b. Sliding scale adjustments				
c. Other profit commission arrangements				
d. Total	\$	\$	\$	\$

- (3) Types of Risks Attributed to Protected Cell

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

- D. Uncollectible Reinsurance
 - None
- E. Commutation of Ceded Reinsurance
 - None
- F. Retroactive Reinsurance

NOTES TO FINANCIAL STATEMENTS

None

G. Reinsurance Accounted for as a Deposit

None

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

None

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

None

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

None

K. Reinsurance Credits

None

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

A. Method Used by Reporting Entity to Estimate Accrued Retrospective Premium Adjustments

None

B. Accrued Retrospective Premiums Recorded Through Written Premium or an Adjustment to Earned Premium

None

C. Amount of Net Premiums Written Subject to Retrospective Rating Features and Percentage to Total Net Premiums Written

None

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act.

None

E. Nonadmitted Retrospective Premium

None

F. Risk-Sharing Provisions of the Affordable Care Act

None

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

A. Change in Incurred Losses and Loss Adjustment Expenses

Current year losses and LAE reflected on the Statement of Income of \$29,303,586 were higher by \$1,417,586 due to unfavorable development of prior year estimates. This deficiency was 5.38% of the unpaid losses and LAE of \$26,343,542 as of prior year-end.

Effective January 1, 2020, the pooling agreement was amended to include affiliate company Verti Insurance Company. The prior year end balance utilized in this computation for unpaid loss and LAE reserves has been adjusted to the new pooling percentage for comparative purposes.

B. Information about Significant Changes in Methodologies and Assumptions

None

Note 26 – Intercompany Pooling Arrangements

Companies, Percentages, Lines of Business, Non-Affiliated Reinsurance, Right of Direct Recovery and Sharing of Schedule F Penalty and Write-offs and Amounts Due to/from Lead Entity Participants.

The Company and its insurance affiliates have an inter-company reinsurance pooling agreement in which the companies share underwriting profit and losses in proportion to the pool participation percentages. The pooling agreement permits all companies to rely on the capacity of the entire pool rather than on their own capital and surplus.

The Commerce Insurance Company (CIC), as the lead company, assumes the direct and third party assumed business of its affiliates. All external reinsurance, in the form of catastrophe, quota share, facultative and excess of loss contracts, is ceded to the external reinsurers by CIC under the terms of the reinsurance contracts. CIC then cedes the net business after external reinsurance back to its affiliates at the stated pooled participation percentages.

Effective January 1, 2020, the pooling agreement was expanded to include the Company. The pooling percentages were revised to reflect the ratio of each subsidiaries policyholders' surplus to the aggregate policyholders' surplus at June 30, 2019. The resulting revised percentages are as follows:

NOTES TO FINANCIAL STATEMENTS

Company	NAIC Code	Pooling Percentage
The lead company The Commerce Insurance Company	34754	66.2%
Affiliate company Citation Insurance Company	40274	7.0%
Affiliate company American Commerce Insurance Company	19941	12.0%
Affiliate company Commerce West Insurance Company	13161	6.2%
Affiliate company MAPFRE Insurance Company of Florida	34932	3.4%
Affiliate company MAPFRE Insurance Company	23876	2.4%
Affiliate company Verti Insurance Company	15736	2.8%
		100.0%

Note 27 – Structured Settlements

A. Reserves No Longer Carried

None

B. Annuities Which Equal or Exceed 1% of Policyholders' Surplus

None

Note 28 – Health Care Receivables

Not Applicable

Note 29 – Participating Policies

Not Applicable

Note 30 – Premium Deficiency Reserves

The Company evaluated the need to record a premium deficiency reserve as of the end of the current year. This evaluation was completed on February 22, 2021 and it was determined that the Company did not have a premium deficiency reserve. The Company anticipates investment income as a factor in the premium deficiency calculation.

Note 31 – High Deductibles

Not Applicable

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

Not Applicable

Note 33 – Asbestos/Environmental Reserves

A. Does the company have on the books, or has it ever written an insured for which you have identified a potential for the existence of a liability due to asbestos losses?

None

B. State the amount of the ending reserves for Bulk + IBNR included in A (Loss and LAE)

None

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

None

D. Does the company have on the books, or has it ever written an insured for which you have identified a potential for the existence of a liability due to environmental losses?

(1) Direct

	2016	2017	2018	2019	2020
a. Beginning reserves	\$	\$	\$	\$	\$
b. Incurred losses and loss adjustment expense					
c. Calendar year payments for losses and loss adjustment expenses					
d. Ending reserves	\$	\$	\$	\$	\$

(2) Assumed Reinsurance

	2016	2017	2018	2019	2020
a. Beginning reserves	\$ 18,907	\$ 18,202	\$ 21,404	\$	\$
b. Incurred losses and loss adjustment expense	961	4,593	(21,404)		108,374
c. Calendar year payments for losses and loss adjustment expenses	1,666	1,391			6,235
d. Ending reserves	\$ 18,202	\$ 21,404	\$	\$	\$ 102,139

NOTES TO FINANCIAL STATEMENTS

(3) Net of Ceded Reinsurance

	2016	2017	2018	2019	2020
a. Beginning reserves	\$ 18,907	\$ 18,202	\$ 21,404	\$	\$
b. Incurred losses and loss adjustment expense	961	4,593	(21,404)		108,374
d. Calendar year payments for losses and loss adjustment expenses	1,666	1,391			6,235
d. Ending reserves	\$ 18,202	\$ 21,404	\$	\$	\$ 102,139

E. State the amount of the ending reserves for Bulk + IBNR included in D (Loss and LAE)

None

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

None

Note 34 – Subscriber Savings Accounts

Not Applicable

Note 35 – Multiple Peril Crop Insurance

Not Applicable

Note 36 – Financial Guaranty Insurance

Not Applicable

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES****GENERAL**

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

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

1.3 State regulating? Ohio Yes [] No [X]

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

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

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

2.2 If yes, date of change: 12/31/2018

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2018

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. 12/31/2018

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/30/2020

3.4 By what department or departments? State of Ohio Department of Insurance Yes [] No [] N/A [X]

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: Yes [] No [X]

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

4.12 renewals? Yes [] No [X]

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

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

4.22 renewals? Yes [] No [X]

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

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 NAIC Company Code	3 State of Domicile
Name of Entity		

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 [X] No []

7.2 If yes, 100.0%
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 Nationality	2 Type of Entity
Spain	Corporation

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 [] No [X]

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 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit? KPMG, One Financial Plaza, Ste 2300, Providence, RI 02903

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 [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]	N/A [<input type="checkbox"/>]							
10.6	If the response to 10.5 is no or n/a, please explain:										
11.	What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification? <u>Christopher J Morkunas, FCAS, Assistant Vice President Actuarial Reserving, MAPFRE U.S.A. Corporation, 211 Main Street, Webster, MA 01570</u>										
12.1	Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?	Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]								
	12.11 Name of real estate holding company										
	12.12 Number of parcels involved	<hr/> 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 [<input type="checkbox"/>]	No [<input type="checkbox"/>]								
13.3	Have there been any changes made to any of the trust indentures during the year?	Yes [<input type="checkbox"/>]	No [<input type="checkbox"/>]								
13.4	If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?	Yes [<input type="checkbox"/>]	No [<input type="checkbox"/>]	N/A [<input type="checkbox"/>]							
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 [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]								
	(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 [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]								
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 [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]								
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 [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]								
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.										
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center; width: 25%;">1 American Bankers Association (ABA) Routing Number</th> <th style="text-align: center; width: 25%;">2 Issuing or Confirming Bank Name</th> <th style="text-align: center; width: 25%;">3 Circumstances That Can Trigger the Letter of Credit</th> <th style="text-align: center; width: 25%;">4 Amount</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td>\$ 0</td> </tr> </tbody> </table>	1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount				\$ 0		
1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount								
			\$ 0								

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 [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]
17.	Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof?	Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]
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 [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]

FINANCIAL

19.	Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?	Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]
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 reported in the statement?	Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]
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 <i>Annual Statement Instructions</i> other than guaranty fund or guaranty association assessments?	Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]
22.2	If answer is yes:		
	22.21 Amount paid as losses or risk adjustment	\$ 0	
	22.22 Amount paid as expenses	\$ 0	
	22.23 Other amounts paid	\$ 0	
23.1	Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?	Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

23.2	If yes, indicate any amounts receivable from parent included in the Page 2 amount:	\$ _____ 0	
INVESTMENT			
24.01	Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)?	Yes [X] No []	
24.02	If no, give full and complete information, relating thereto:		
24.03	For securities 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	For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions.	\$ _____ 0	
24.05	For the reporting entity's securities lending program, report amount of collateral for other programs.	\$ _____ 0	
24.06	Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?	Yes [] No [] N/A [X]	
24.07	Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?	Yes [] No [] N/A [X]	
24.08	Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?	Yes [] No [] N/A [X]	
24.09	For the reporting entity's securities lending program, state the amount of the following as of December 31 of the current year:		
24.091	Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	\$ _____ 0	
24.092	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	\$ _____ 0	
24.093	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 [] No [X]	
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	\$ _____ 0	
25.29	On deposit with other regulatory bodies	\$ _____ 0	
25.30	Pledged as collateral – excluding collateral pledged to an FHLB	\$ _____ 0	
25.31	Pledged as collateral to FHLB – including assets backing funding agreements	\$ _____ 0	
25.32	Other	\$ _____ 0	
25.3	For category (25.26) provide the following:		
	1 Nature of Restriction	2 Description	3 Amount
			\$ _____
26.1	Does the reporting entity have any hedging transactions reported on Schedule DB?	Yes [] No [X]	
26.2	If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? 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:		
	1 Name of Custodian(s)	2 Custodian's Address	
	Bank of New York Mellon	One Wall Street, New York, NY	
28.02	For all agreements that do not comply with the requirements of the NAIC <i>Financial Condition Examiners Handbook</i> , provide the name, location and a complete explanation		
	1	2	3

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

Name(s)	Location(s)	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
Eric Trigilio	I

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

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

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

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

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

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

		1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	\$ 67,923,300	\$ 69,551,544	\$ 1,628,244
30.2	Preferred Stocks	\$ 0	\$ 0	\$ 0
30.3	Totals	\$ 67,923,300	\$ 69,551,544	\$ 1,628,244

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

Custodial Bank

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No []

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [X] No []

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

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

32.2 If no, list exceptions:

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.

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.

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

- 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]

36. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E, Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:

- a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
- b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
- c. If the investment is with a related party or affiliate then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
- d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 36.a-36.c are reported as long-term investments.

Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria?

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

OTHER

37.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 42,440

37.2 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
ISO Services, Inc.	\$ 15,277

38.1 Amount of payments for legal expenses, if any? \$ 25,334

38.2 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
	\$

39.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 1,679

39.2 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
American Property Casualty	\$ 1,381

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

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?	Yes []	No [X]
1.2	If yes, indicate premium earned on U.S. business only.	\$	0
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$	0
1.31	Reason for excluding:		
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$	0
1.5	Indicate total incurred claims on all Medicare Supplement insurance.	\$	0
1.6	Individual policies:		
	Most current three years:		
1.61	Total premium earned	\$	0
1.62	Total incurred claims	\$	0
1.63	Number of covered lives		0
	All years prior to most current three years:		
1.64	Total premium earned	\$	0
1.65	Total incurred claims	\$	0
1.66	Number of covered lives		0
1.7	Group policies:		
	Most current three years:		
1.71	Total premium earned	\$	0
1.72	Total incurred claims	\$	0
1.73	Number of covered lives		0
	All years prior to most current three years:		
1.74	Total premium earned	\$	0
1.75	Total incurred claims	\$	0
1.76	Number of covered lives		0
2.	Health Test:		
		1 Current Year	2 Prior Year
2.1	Premium Numerator	\$	0
2.2	Premium Denominator	\$	3,246,881
2.3	Premium Ratio (2.1/2.2)		0.0%
2.4	Reserve Numerator	\$	0
2.5	Reserve Denominator	\$	3,160,235
2.6	Reserve Ratio (2.4/2.5)		0.0%
3.1	Did the reporting entity issue participating policies during the calendar year?		Yes [] No [X]
3.2	If yes, provide the amount of premium written for participating and/or non-participating policies during the calendar year:		
3.21	Participating policies	\$	0
3.22	Non-participating policies	\$	0
4.	FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:		
4.1	Does the reporting entity issue assessable policies?	Yes []	No []
4.2	Does the reporting entity issue non-assessable policies?	Yes []	No []
4.3	If assessable policies are issued, what is the extent of the contingent liability of the policyholders?		%
4.4	Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.	\$	0
5.	FOR RECIPROCAL EXCHANGES ONLY:		
5.1	Does the exchange appoint local agents?	Yes []	No []
5.2	If yes, is the commission paid:		
5.21	Out of Attorney's-in-fact compensation	Yes []	No []
5.22	As a direct expense of the exchange	Yes []	N/A []
5.3	What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?	Yes []	No []
5.4	Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?	Yes []	No []
5.5	If yes, give full information:		
6.1	What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?		
6.2	Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process: The Probable Maximum Loss (PML) for The Commerce Insurance Company, Citation Insurance Company, American Commerce Insurance Company, MAPFRE Insurance Company, Commerce West Insurance Company and Verti Insurance Company, on other than automobile business, was calculated using Applied Insurance Research Touchstone v.8.0 (AIR) in order to determine our 100 and 250 year PMLs, as this is the standard model used in the Northeast and most Northeast-centric companies already use 100% AIR numbers. The estimated loss amounts is \$807.1 million for a "100 year loss event" and \$1.75 billion for a 250 year loss event. The figures do not include 10% LAE and MPIUA. It is only the modeling from our portfolio MAPFRE Florida Insurance Company's estimated loss was also calculated using AIR's results using fourth quarter 2020 data. The amount of loss is \$7.1 million for a "100 year loss event" and \$12.4 million for a "250 year loss event".		
6.3	What provision has this reporting entity made (such as catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss? MAPFRE USA (Effective July 1, 2020) - Excludes Florida Quota Share (not applicable to Verti) and CAT Share Placed 70% CAT XOL \$460m xs \$50 Maximum Net Retention Maximum Net Recovery Loss \$1,700,000,000 Limit of Loss Covered Quota \$510,000,000 \$50,000,000 \$50,000,000 Covered \$1,190,000,000 \$460,000,000 \$1,650,000,000 Total \$1,700,000,000 \$1,700,000,000 \$510,000,000 \$50,000,000 \$1,650,000,000 For 2020 the current MAPFRE USA Program utilizes a combination of a		

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

Quota Share Treaty, an Aggregate Winter Cover and CAT reinsurance. The QS Treaty provides first dollar coverage for all layers including the first \$50 million of an event for non-automobile property and casualty business. It also covers all FAIR Plan-type participation in excess of reinsurance purchased by any of the Plans. The CAT and Winter Cover programs had previously been expanded to cover comprehensive automobile. MAPFRE Florida does not participate in the Quota Share nor the Aggregate Winter Cover and has a stand-alone CAT program as depicted below:
MAPFRE Florida Protection (not applicable to Verti) Layer Placed % Limit Net Retention Maximum
Net Recovery Initial Retention \$5,000,000 \$5,000,000 \$ 0 \$12 million x \$5 million
100.0% \$12,000,000 \$ 0 \$12,000,000 Total \$12,000,000
\$5,000,000 \$12,000,000 MAPFRE Florida's Reinsurance purchase was decreased from the past year. MAPFRE Florida will have no additional reinsurance recoveries for a single event catastrophe in excess of a total loss of \$12 million.

6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [X] No []

6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss: Yes [] No [X]

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. 3

7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [] No [X]

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

8.2 If yes, give full information

9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:

- (a) A contract term longer than two years and the contract is noncancelable by the reporting entity during the contract term;
- (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
- (c) Aggregate stop loss reinsurance coverage;
- (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
- (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
- (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity?

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

- (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
- (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.

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

- (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
- (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
- (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4 Except for transactions meeting the requirements of paragraph 36 of SSAP No. 62R, *Property and Casualty Reinsurance*, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:

- (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
- (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

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

9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:

- (a) The entity does not utilize reinsurance; or
- (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or
- (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [] 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	\$ _____ 0
12.12 Unpaid underwriting expenses (including loss adjustment expenses)	\$ _____ 0

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

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?

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

12.4	If yes, provide the range of interest rates charged under such notes during the period covered by this statement:				
12.41	From	%			
12.42	To	%			
12.5	Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?	Yes [] No [X]			
12.6	If yes, state the amount thereof at December 31 of current year:				
12.61	Letters of Credit	\$ 0			
12.62	Collateral and other funds	\$ 0			
13.1	Largest net aggregate amount insured in any one risk (excluding workers' compensation):	\$ 2,000,000			
13.2	Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?	Yes [X] No []			
13.3	State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.	1			
14.1	Is the reporting entity a cedant in a multiple cedant reinsurance contract?	Yes [] No [X]			
14.2	If yes, please describe the method of allocating and recording reinsurance among the cedants:				
14.3	If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?	Yes [] No []			
14.4	If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?	Yes [] No []			
14.5	If the answer to 14.4 is no, please explain:				
15.1	Has the reporting entity guaranteed any financed premium accounts?	Yes [] No [X]			
15.2	If yes, give full information				
16.1	Does the reporting entity write any warranty business?	Yes [] No [X]			
If yes, disclose the following information for each of the following types of warranty coverage:					
	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11	Home	\$ 0	\$ 0	\$ 0	\$ 0
16.12	Products	\$ 0	\$ 0	\$ 0	\$ 0
16.13	Automobile	\$ 0	\$ 0	\$ 0	\$ 0
16.14	Other*	\$ 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 charted, 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 2020	2 2019	3 2018	4 2017	5 2016
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).....	38,292,595	2,470,984	(3,222,358)	8,545,147	8,524,177
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	28,178,775	1,356,603	(2,428,682)	6,168,702	6,066,609
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	5,121,263		(715,723)	1,152,908	1,199,794
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....			3	41	1,135
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
6. Total (Line 35).....	71,592,633	3,827,587	(6,366,760)	15,866,798	15,791,715
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).....	35,024,953	2,470,984	(3,219,968)	8,542,158	8,524,177
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	26,353,457	1,356,603	(2,427,245)	6,166,926	6,066,609
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	5,121,263		(715,723)	1,152,908	1,199,794
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....			3	41	1,135
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
12. Total (Line 35).....	66,499,673	3,827,587	(6,362,933)	15,862,033	15,791,715
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	1,234,628	(20,640,765)	(19,342,788)	(863,156)	(616,240)
14. Net investment gain (loss) (Line 11).....	1,068,894	459,772	204,028	238,456	286,383
15. Total other income (Line 15).....	(1,079,400)	148,553	43,331	32	
16. Dividends to policyholders (Line 17).....					
17. Federal and foreign income taxes incurred (Line 19).....	1,653,132	(4,270,572)	(4,220,488)	(248,778)	3,561
18. Net income (Line 20).....	(429,010)	(15,761,868)	(14,874,941)	(375,890)	(333,418)
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	72,235,411	32,582,650	28,784,905	39,505,411	21,389,603
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	2,436,619	876,565	457,896	863,566	895,545
20.2 Deferred and not yet due (Line 15.2).....					
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	50,664,815	6,277,789	4,186,742	17,369,607	16,041,835
22. Losses (Page 3, Line 1).....	21,267,925	1,677,127	577,180	6,801,639	6,227,225
23. Loss adjustment expenses (Page 3, Line 3).....	3,002,819	272,029	83,500	1,306,293	1,249,336
24. Unearned premiums (Page 3, Line 9).....	22,689,646	1,211,079	630,373	7,878,056	7,831,660
25. Capital paid up (Page 3, Lines 30 & 31).....	3,600,000	3,600,000	3,600,000	3,600,000	3,600,000
26. Surplus as regards policyholders (Page 3, Line 37).....	21,570,596	26,304,861	24,598,164	22,135,804	5,347,768
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	43,610,102	(14,592,110)	(30,722,394)	86,046	4,096,063
Risk-Based Capital Analysis					
28. Total adjusted capital.....	21,570,596	26,304,861	24,598,164	22,135,804	5,347,768
29. Authorized control level risk-based capital.....	2,672,267	6,815,381	55,831	1,101,963	1,228,548
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).....	98.5	36.5	45.2	49.7	94.2
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).....	1.5	63.5	.54.8	50.3	5.8
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				

VERTI INSURANCE COMPANY
FIVE-YEAR HISTORICAL DATA
(Continued)

	1 2020	2 2019	3 2018	4 2017	5 2016
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24).....					
52. Dividends to stockholders (Line 35).....					
53. Change in surplus as regards policyholders for the year (Line 38).....	(4,734,265)	1,706,697	2,462,360	16,788,036	(724,001)
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).....	(4,901,044)	827,805	6,848,818	5,919,762	5,654,277
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	10,097,174	1,288,904	266,125	3,635,439	3,621,653
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	1,307,318		53,820	554,187	550,654
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	(32,045)		11,739	280	2,119
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	(1,244)		433	66	274
59. Total (Line 35).....	6,470,159	2,116,709	7,180,935	10,109,734	9,828,977
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).....	(4,875,848)	827,805	6,848,818	5,919,762	5,654,277
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	7,992,214	1,288,904	266,125	3,635,439	3,621,653
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	1,307,318		53,820	554,187	550,654
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	(32,045)		11,739	280	2,119
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	(1,244)		433	66	274
65. Total (Line 35).....	4,390,395	2,116,709	7,180,935	10,109,734	9,828,977
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).....	53.3	99.1	108.1	67.6	66.0
68. Loss expenses incurred (Line 3).....	11.8	73.9	148.0	12.3	12.1
69. Other underwriting expenses incurred (Line 4).....	32.3	565.2	2,016.9	25.6	25.9
70. Net underwriting gain (loss) (Line 8).....	2.7	(635.7)	(2,186.2)	(5.5)	(4.0)
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).....	23.4	473.5	(281.6)	25.5	25.2
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	65.1	173.0	256.1	79.9	78.1
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35, divided by Page 3, Line 37, Col. 1 x 100.0).....	308.3	14.6	(25.9)	71.7	295.3
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).....	1,097	(27)	(7,523)	519	277
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).....	4.2	(0.1)	(34.0)	9.7	4.6
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).....	544		(3,059)	461	390
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).....		2.2		(57.2)	7.6

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.....	.....16	.....(7)	.....4	.....(7)	.....3	.....	.....1	.....38	....XXX.....
2. 2011.....	....53,824	.....2,701	....51,122	....37,494	.....517	....1,149	.....45	....5,034	.....59	....7,289	....43,056	....XXX.....
3. 2012.....	....54,393	.....4,102	....50,291	....31,778	.....1,282	....923	.....98	....4,809	.....67	....6,956	....36,062	....XXX.....
4. 2013.....	....55,796	.....5,217	....50,579	....31,355	.....1,693	....867	.....116	....4,688	.....77	....7,005	....35,024	....XXX.....
5. 2014.....	....58,338	.....5,520	....52,818	....33,951	.....2,029	....942	.....133	....5,131	.....98	....7,260	....37,763	....XXX.....
6. 2015.....	....61,980	.....8,884	....53,096	....44,212	.....7,754	....981	.....414	....6,119	.....108	....7,590	....43,036	....XXX.....
7. 2016.....	....67,648	.....13,777	....53,871	....39,557	.....5,182	....951	.....366	....5,622	.....112	....7,718	....40,471	....XXX.....
8. 2017.....	....69,646	.....14,291	....55,355	....39,323	.....5,770	....793	.....428	....5,984	.....124	....7,888	....39,778	....XXX.....
9. 2018.....	....68,849	.....12,257	....56,591	....37,655	.....5,996	....475	.....418	....5,898	.....93	....7,620	....37,521	....XXX.....
10. 2019.....	....63,298	.....13,022	....50,276	....29,705	.....4,259	....220	.....228	....4,729	.....	....6,738	....30,166	....XXX.....
11. 2020.....	....58,320	.....13,298	....45,022	....16,601	.....2,864	....70	.....116	....4,140	.....	....2,718	....17,831	....XXX.....
12. Totals.....	....XXX.....	....XXX.....	....XXX.....	....341,646	....37,340	....7,375	....2,354	....52,157	....738	....68,783	....360,747	....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.....	....92	.....8	.....0	.....	.....2	.....2	.....0	.....(0)	.....10	.....	.....	.....95	....XXX.....
2. 2011.....	....18	.....0	.....(1)	.....(0)	.....1	.....1	.....0	.....0	.....10	.....	.....	....28	....XXX.....
3. 2012.....	....20	.....1	.....(5)	.....(3)	.....2	.....0	.....0	.....0	.....4	.....	.....	....0	....23
4. 2013.....	....70	.....8	.....(12)	.....(3)	.....4	.....0	.....0	.....	.....6	.....	.....	....0	....63
5. 2014.....	....202	.....34	.....(83)	.....(18)	.....12	.....0	.....2	.....0	.....9	.....	.....	....2	....125
6. 2015.....	....517	.....56	.....(128)	.....(17)	.....34	.....1	.....6	.....0	.....27	.....	.....	....9	....416
7. 2016.....	....1,365	.....397	.....(244)	.....(83)	.....93	.....7	.....16	.....2	.....48	.....	.....	....33	....955
8. 2017.....	....2,890	.....591	.....(310)	.....(14)	....231	.....12	.....51	.....5	....105	.....	.....	....81	....2,374
9. 2018.....	....4,173	.....658	.....(53)	.....12	....380	.....30	.....93	.....9	....157	.....	.....	....268	....4,042
10. 2019.....	....5,924	.....974	.....721	.....300	....425	.....32	.....111	.....14	....234	.....	.....	....656	....6,096
11. 2020.....	....5,833	.....1,426	....5,502	.....900	....449	.....26	....133	.....10	....501	.....	.....	....2,402	....10,055
12. Totals.....	....21,103	....4,152	....5,390	....1,073	....1,631	....111	....414	....41	....1,110	....0	....3,450	....24,271	....XXX.....

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	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		35 Losses Unpaid	36 Loss Expenses Unpaid
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. Prior.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	.....	.....	....XXX.....	.....84	.....10
2. 2011.....	....43,706	.....623	....43,084	....81.2	....23.0	....84.3	.....	.....	....2.80	.....17	.....10
3. 2012.....	....37,531	.....1,446	....36,085	....69.0	....35.2	....71.8	.....	.....	....2.80	.....17	.....6
4. 2013.....	....36,978	.....1,890	....35,088	....66.3	....36.2	....69.4	.....	.....	....2.80	.....53	.....10
5. 2014.....	....40,165	.....2,277	....37,888	....68.8	....41.2	....71.7	.....	.....	....2.80	....103	....22
6. 2015.....	....51,768	.....8,316	....43,452	....83.5	....93.6	....81.8	.....	.....	....2.80	....350	....66
7. 2016.....	....47,408	.....5,982	....41,426	....70.1	....43.4	....76.9	.....	.....	....2.80	....807	....148
8. 2017.....	....49,067	.....6,915	....42,152	....70.5	....48.4	....76.1	.....	.....	....2.80	....2,004	....370
9. 2018.....	....48,778	.....7,215	....41,563	....70.8	....58.9	....73.4	.....	.....	....2.80	....3,450	....591
10. 2019.....	....42,069	.....5,807	....36,262	....66.5	....44.6	....72.1	.....	.....	....2.80	....5,372	....724
11. 2020.....	....33,229	.....5,342	....27,886	....57.0	....40.2	....61.9	.....	.....	....2.80	....9,009	....1,046
12. Totals.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....0	....0	....XXX.....	....21,268	....3,003

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 2011	2 2012	3 2013	4 2014	5 2015	6 2016	7 2017	8 2018	9 2019	10 2020	11 One Year	12 Two Year	
1. Prior....	8,096	8,958	9,917	10,477	10,521	10,517	10,522	10,491	10,121	10,157	36	(334)	
2. 2011....	36,374	35,952	37,362	37,967	38,067	38,073	38,100	38,090	38,085	38,098	13	8	
3. 2012....	XXX....	31,446	30,672	31,277	31,293	31,316	31,319	31,333	31,313	31,339	26	7	
4. 2013....	XXX....	XXX....	29,893	30,161	30,227	30,358	30,461	30,566	30,476	30,470	(6)	(96)	
5. 2014....	XXX....	XXX....	XXX....	32,077	32,607	32,641	32,750	32,793	32,809	32,846	37	52	
6. 2015....	XXX....	XXX....	XXX....	XXX....	36,363	37,015	37,139	37,368	37,197	37,414	218	47	
7. 2016....	XXX....	XXX....	XXX....	XXX....	XXX....	34,152	35,262	35,834	35,767	35,868	101	33	
8. 2017....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	35,487	35,658	35,690	36,187	498	529	
9. 2018....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	35,304	35,190	35,601	412	297	
10. 2019....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	31,537	31,299	(238)	XXX....	
11. 2020....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	23,246	XXX....	XXX....	
											12. Totals....	1,097	544

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 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1 2011	2 2012	3 2013	4 2014	5 2015	6 2016	7 2017	8 2018	9 2019	10 2020		
1. Prior....	000....	4,975	7,790	9,176	9,836	10,064	10,220	10,319	10,038	10,072	XXX....	XXX....
2. 2011....	25,472	32,403	34,913	36,583	37,368	37,823	37,954	38,020	38,066	38,081	XXX....	XXX....
3. 2012....	XXX....	20,083	26,595	28,695	30,147	30,764	31,078	31,212	31,278	31,321	XXX....	XXX....
4. 2013....	XXX....	XXX....	19,061	25,252	27,718	29,019	29,754	30,201	30,387	30,413	XXX....	XXX....
5. 2014....	XXX....	XXX....	XXX....	20,707	27,191	29,658	31,204	32,100	32,559	32,730	XXX....	XXX....
6. 2015....	XXX....	XXX....	XXX....	XXX....	24,178	31,250	33,980	35,743	36,661	37,025	XXX....	XXX....
7. 2016....	XXX....	XXX....	XXX....	XXX....	XXX....	21,638	28,926	32,073	33,986	34,960	XXX....	XXX....
8. 2017....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	21,956	29,091	32,016	33,918	XXX....	XXX....
9. 2018....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	21,713	28,994	31,716	XXX....	XXX....
10. 2019....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	19,469	25,437	XXX....	XXX....
11. 2020....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	13,691	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 2011	2 2012	3 2013	4 2014	5 2015	6 2016	7 2017	8 2018	9 2019	10 2020
1. Prior....	(1,307)	(1,679)	(1,381)	(422)	(127)	(92)	(30)	2	(11)	1
2. 2011....	3,120	(1,052)	(1,272)	(552)	(309)	(104)	(39)	(14)	(22)	(0)
3. 2012....	XXX....	4,127	(904)	(416)	(414)	(229)	(68)	(19)	(13)	(2)
4. 2013....	XXX....	XXX....	2,190	(153)	(494)	(436)	(308)	(104)	(31)	(8)
5. 2014....	XXX....	XXX....	XXX....	2,724	62	(320)	(341)	(231)	(87)	(64)
6. 2015....	XXX....	XXX....	XXX....	XXX....	3,163	(17)	(397)	(393)	(325)	(105)
7. 2016....	XXX....	XXX....	XXX....	XXX....	XXX....	3,056	499	(76)	(1)	(147)
8. 2017....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	5,072	542	(171)	(249)
9. 2018....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	6,216	1,431	20
10. 2019....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	4,552	519
11. 2020....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	XXX....	4,725

VERTI INSURANCE COMPANY
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status (a)	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....	AL	N.							
2. Alaska.....	AK	N.							
3. Arizona.....	AZ	N.							
4. Arkansas.....	AR	N.							
5. California.....	CA	N.							
6. Colorado.....	CO	N.							
7. Connecticut.....	CT	N.							
8. Delaware.....	DE	N.							
9. District of Columbia.....	DC	N.							
10. Florida.....	FL	N.							
11. Georgia.....	GA	N.							
12. Hawaii.....	HI	N.							
13. Idaho.....	ID	N.							
14. Illinois.....	IL	N.							
15. Indiana.....	IN	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.							
37. Oklahoma.....	OK	N.							
38. Oregon.....	OR	N.							
39. Pennsylvania.....	PA	L.	3,881,881	4,214,345		3,756,890	4,349,206	2,269,442	166,174
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. 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
59. Totals.....		XXX	3,881,881	4,214,345	0	3,756,890	4,349,206	2,269,442	166,174

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..... 2

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

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

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..... 55

Premiums are allocated to those states where the insured risks are located: principle garage for automobile, physical address for homeowners, commercial multiple peril and other liability.

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