



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2020

OF THE CONDITION AND AFFAIRS OF THE

Branch Insurance Exchange

NAIC Group Code00000000NAIC Company Code16825Employer's ID Number84-4471638

Organized under the Laws ofOhio, State of Domicile or Port of EntryOH  
Country of DomicileUnited States of America

Incorporated/Organized07/23/2020Commenced Business07/23/2020

Statutory Home Office875 N High Street, Suite 300Columbus, OH, US 43215  
(Street and Number)(City or Town, State, Country and Zip Code)

Main Administrative Office875 N High Street, Suite 300  
(Street and Number)  
Columbus, OH, US 43215833-427-2624  
(City or Town, State, Country and Zip Code)(Area Code) (Telephone Number)

Mail Address875 N High Street, Suite 300Columbus, OH, US 43215  
(Street and Number or P.O. Box)(City or Town, State, Country and Zip Code)

Primary Location of Books and Records875 N High Street, Suite 300  
(Street and Number)  
Columbus, OH, US 43215833-427-2624  
(City or Town, State, Country and Zip Code)(Area Code) (Telephone Number)

Internet Website Addresshttps://ourbranch.com

Statutory Statement ContactBrady Ellis883-427-2624  
(Name)(Area Code) (Telephone Number)  
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OFFICERS

PresidentJoseph Emison #TreasurerStephen Lekas #

SecretaryJoseph Emison #

OTHER

DIRECTORS OR TRUSTEES

Ian Singhal #Vikas Singhal #John Peppard #

Joseph Emison #Stephen Lekas #

State ofOhioSS:

County ofFranklin

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.

Joseph EmisonPresidentJoseph EmisonSecretaryStephen LekasTreasurer

Subscribed and sworn to before me thisa. Is this an original filing? .....Yes [ X ] No [ ]  
day ofb. If no,  
1. State the amendment number.....  
2. Date filed .....  
3. Number of pages attached.....

ASSETS

|  | Current Year |                    |                                      | Prior Year             |
|--|--------------|--------------------|--------------------------------------|------------------------|
|  | 1            | 2                  | 3                                    | 4                      |
|  | Assets       | Nonadmitted Assets | Net Admitted Assets<br>(Cols. 1 - 2) | Net Admitted<br>Assets |
| 1. Bonds (Schedule D) .....  | 8,093,844    |                    | 8,093,844                            |                        |
| 2. Stocks (Schedule D):  |              |                    |                                      |                        |
| 2.1 Preferred stocks .....   |              |                    |                                      |                        |
| 2.2 Common stocks .....  |              |                    |                                      |                        |
| 3. Mortgage loans on real estate (Schedule B):                                     |              |                    |                                      |                        |
| 3.1 First liens .....  |              |                    |                                      |                        |
| 3.2 Other than first liens .....   |              |                    |                                      |                        |
| 4. Real estate (Schedule A):   |              |                    |                                      |                        |
| 4.1 Properties occupied by the company (less \$ .....                              |              |                    |                                      |                        |
| encumbrances) .....  |              |                    |                                      |                        |
| 4.2 Properties held for the production of income (less                             |              |                    |                                      |                        |
| \$ .....   |              |                    |                                      |                        |
| encumbrances) .....  |              |                    |                                      |                        |
| 4.3 Properties held for sale (less \$ .....  |              |                    |                                      |                        |
| encumbrances) .....  |              |                    |                                      |                        |
| 5. Cash (\$ .....138,398 , Schedule E - Part 1), cash equivalents                  |              |                    |                                      |                        |
| (\$ .....2,188,090 , Schedule E - Part 2) and short-term                           |              |                    |                                      |                        |
| investments (\$ .....100,525 , Schedule DA) .....                                  | 2,427,013    |                    | 2,427,013                            |                        |
| 6. Contract loans (including \$ .....0 premium notes) .....                        |              |                    |                                      |                        |
| 7. Derivatives (Schedule DB) .....   |              |                    |                                      |                        |
| 8. Other invested assets (Schedule BA) .....                                       |              |                    |                                      |                        |
| 9. Receivable for securities .....   |              |                    |                                      |                        |
| 10. Securities lending reinvested collateral assets (Schedule DL) .....            |              |                    |                                      |                        |
| 11. Aggregate write-ins for invested assets .....                                  |              |                    |                                      |                        |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) .....                      | 10,520,857   |                    | 10,520,857                           |                        |
| 13. Title plants less \$ .....0 charged off (for Title insurers                    |              |                    |                                      |                        |
| only) .....  |              |                    |                                      |                        |
| 14. Investment income due and accrued .....  | 46,523       |                    | 46,523                               |                        |
| 15. Premiums and considerations:   |              |                    |                                      |                        |
| 15.1 Uncollected premiums and agents' balances in the course of collection .....   | 197,652      |                    | 197,652                              |                        |
| 15.2 Deferred premiums and agents' balances and installments booked but            |              |                    |                                      |                        |
| deferred and not yet due (including \$ .....0                                      |              |                    |                                      |                        |
| earned but unbilled premiums) .....  |              |                    |                                      |                        |
| 15.3 Accrued retrospective premiums (\$ .....0 ) and                               |              |                    |                                      |                        |
| contracts subject to redetermination (\$ .....0 ) .....                            |              |                    |                                      |                        |
| 16. Reinsurance:   |              |                    |                                      |                        |
| 16.1 Amounts recoverable from reinsurers .....                                     | 23,763       |                    | 23,763                               |                        |
| 16.2 Funds held by or deposited with reinsured companies .....                     |              |                    |                                      |                        |
| 16.3 Other amounts receivable under reinsurance contracts .....                    |              |                    |                                      |                        |
| 17. Amounts receivable relating to uninsured plans .....                           |              |                    |                                      |                        |
| 18.1 Current federal and foreign income tax recoverable and interest thereon ..... |              |                    |                                      |                        |
| 18.2 Net deferred tax asset .....  |              |                    |                                      |                        |
| 19. Guaranty funds receivable or on deposit .....                                  |              |                    |                                      |                        |
| 20. Electronic data processing equipment and software .....                        |              |                    |                                      |                        |
| 21. Furniture and equipment, including health care delivery assets                 |              |                    |                                      |                        |
| (\$ .....0 ) .....   |              |                    |                                      |                        |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates .....   |              |                    |                                      |                        |
| 23. Receivables from parent, subsidiaries and affiliates .....                     |              |                    |                                      |                        |
| 24. Health care (\$ .....0 ) and other amounts receivable .....                    |              |                    |                                      |                        |
| 25. Aggregate write-ins for other than invested assets .....                       | 100,000      | 100,000            |                                      |                        |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and              |              |                    |                                      |                        |
| Protected Cell Accounts (Lines 12 to 25) .....                                     | 10,888,795   | 100,000            | 10,788,795                           |                        |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell                 |              |                    |                                      |                        |
| Accounts .....   |              |                    |                                      |                        |
| 28. Total (Lines 26 and 27) .....  | 10,888,795   | 100,000            | 10,788,795                           |                        |
| DETAILS OF WRITE-INS   |              |                    |                                      |                        |
| 1101. ....   |              |                    |                                      |                        |
| 1102. ....   |              |                    |                                      |                        |
| 1103. ....   |              |                    |                                      |                        |
| 1198. Summary of remaining write-ins for Line 11 from overflow page .....          |              |                    |                                      |                        |
| 1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)                       |              |                    |                                      |                        |
| 2501. Claims TPA deposit .....   | 100,000      | 100,000            |                                      |                        |
| 2502. ....   |              |                    |                                      |                        |
| 2503. ....   |              |                    |                                      |                        |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....          |              |                    |                                      |                        |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)                       | 100,000      | 100,000            |                                      |                        |

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

LIABILITIES, SURPLUS AND OTHER FUNDS

|  | 1<br>Current Year | 2<br>Prior Year |
|--|-------------------|-----------------|
| 1. Losses (Part 2A, Line 35, Column 8) .....   | 7,223             |                 |
| 2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) .....  |                   |                 |
| 3. Loss adjustment expenses (Part 2A, Line 35, Column 9) .....   | 1,395             |                 |
| 4. Commissions payable, contingent commissions and other similar charges .....   |                   |                 |
| 5. Other expenses (excluding taxes, licenses and fees) .....   |                   |                 |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....   |                   |                 |
| 7.1 Current federal and foreign income taxes (including \$ .....0 on realized capital gains (losses)) .....  |                   |                 |
| 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 \$ .....258,573 and including warranty reserves of \$ .....0 and accrued accident and health experience rating refunds including \$ ..... for medical loss ratio rebate per the Public Health Service Act) ..... | 64,643            |                 |
| 10. Advance premium .....  |                   |                 |
| 11. Dividends declared and unpaid:   |                   |                 |
| 11.1 Stockholders .....  |                   |                 |
| 11.2 Policyholders .....   |                   |                 |
| 12. Ceded reinsurance premiums payable (net of ceding commissions) .....   | 263,767           |                 |
| 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 \$ ..... 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 .....   | 602,237           |                 |
| 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 .....  |                   |                 |
| 26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....  | 939,265           |                 |
| 27. Protected cell liabilities .....   |                   |                 |
| 28. Total liabilities (Lines 26 and 27) .....  | 939,265           |                 |
| 29. Aggregate write-ins for special surplus funds .....  |                   |                 |
| 30. Common capital stock .....   |                   |                 |
| 31. Preferred capital stock .....  |                   |                 |
| 32. Aggregate write-ins for other than special surplus funds .....   |                   |                 |
| 33. Surplus notes .....  | 11,000,000        |                 |
| 34. Gross paid in and contributed surplus .....  | 8,677             |                 |
| 35. Unassigned funds (surplus) .....   | (1,159,147)       |                 |
| 36. Less treasury stock, at cost:  |                   |                 |
| 36.1 .....0 shares common (value included in Line 30 \$ .....0 ) .....   |                   |                 |
| 36.2 .....0 shares preferred (value included in Line 31 \$ .....0 ) .....  |                   |                 |
| 37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39) .....   | 9,849,530         |                 |
| 38. TOTALS (Page 2, Line 28, Col. 3) .....   | 10,788,795        |                 |
| DETAILS OF WRITE-INS   |                   |                 |
| 2501. ....   |                   |                 |
| 2502. ....   |                   |                 |
| 2503. ....   |                   |                 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....  |                   |                 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)   |                   |                 |
| 2901. ....   |                   |                 |
| 2902. ....   |                   |                 |
| 2903. ....   |                   |                 |
| 2998. Summary of remaining write-ins for Line 29 from overflow page .....  |                   |                 |
| 2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)   |                   |                 |
| 3201. ....   |                   |                 |
| 3202. ....   |                   |                 |
| 3203. ....   |                   |                 |
| 3298. Summary of remaining write-ins for Line 32 from overflow page .....  |                   |                 |
| 3299. Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above)   |                   |                 |

STATEMENT OF INCOME

|   | 1<br>Current Year | 2<br>Prior Year |
|---|-------------------|-----------------|
| UNDERWRITING INCOME   |                   |                 |
| 1. Premiums earned (Part 1, Line 35, Column 4)  | 22,122            |                 |
| DEDUCTIONS:   |                   |                 |
| 2. Losses incurred (Part 2, Line 35, Column 7)  | 11,648            |                 |
| 3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)  | 39,276            |                 |
| 4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)   | 1,046,978         |                 |
| 5. Aggregate write-ins for underwriting deductions  |                   |                 |
| 6. Total underwriting deductions (Lines 2 through 5)  | 1,097,902         |                 |
| 7. Net income of protected cells  |                   |                 |
| 8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)  | (1,075,779)       |                 |
| INVESTMENT INCOME   |                   |                 |
| 9. Net investment income earned (Exhibit of Net Investment Income, Line 17)   | 12,636            |                 |
| 10. Net realized capital gains or (losses) less capital gains tax of \$ 40 (Exhibit of Capital Gains (Losses) )   | (2,314)           |                 |
| 11. Net investment gain (loss) (Lines 9 + 10)   | 10,322            |                 |
| OTHER INCOME  |                   |                 |
| 12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ )   |                   |                 |
| 13. Finance and service charges not included in premiums  |                   |                 |
| 14. Aggregate write-ins for miscellaneous income  | 6,270             |                 |
| 15. Total other income (Lines 12 through 14)  | 6,270             |                 |
| 16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)     | (1,059,187)       |                 |
| 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) | (1,059,187)       |                 |
| 19. Federal and foreign income taxes incurred   | (40)              |                 |
| 20. Net income (Line 18 minus Line 19)(to Line 22)  | (1,059,147)       |                 |
| CAPITAL AND SURPLUS ACCOUNT   |                   |                 |
| 21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)  |                   |                 |
| 22. Net income (from Line 20)   | (1,059,147)       |                 |
| 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, Col. 3)   | (100,000)         |                 |
| 28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)  |                   |                 |
| 29. Change in surplus notes   | 11,000,000        |                 |
| 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  | 8,677             |                 |
| 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   |                   |                 |
| 38. Change in surplus as regards policyholders for the year (Lines 22 through 37)   | 9,849,530         |                 |
| 39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)   | 9,849,530         |                 |
| DETAILS OF WRITE-INS  |                   |                 |
| 0501.   |                   |                 |
| 0502.   |                   |                 |
| 0503.   |                   |                 |
| 0598. Summary of remaining write-ins for Line 5 from overflow page  |                   |                 |
| 0599. Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above)   |                   |                 |
| 1401. Fee Revenue   | 6,270             |                 |
| 1402.   |                   |                 |
| 1403.   |                   |                 |
| 1498. Summary of remaining write-ins for Line 14 from overflow page   |                   |                 |
| 1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)  | 6,270             |                 |
| 3701.   |                   |                 |
| 3702.   |                   |                 |
| 3703.   |                   |                 |
| 3798. Summary of remaining write-ins for Line 37 from overflow page   |                   |                 |
| 3799. Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above)  |                   |                 |

CASH FLOW

|   | 1            | 2          |
|---|--------------|------------|
|   | Current Year | Prior Year |
| Cash from Operations  |              |            |
| 1. Premiums collected net of reinsurance .....  | 152,881      |            |
| 2. Net investment income .....  | 8,344        |            |
| 3. Miscellaneous income .....   | 6,270        |            |
| 4. Total (Lines 1 through 3) .....  | 167,494      |            |
| 5. Benefit and loss related payments .....  | 28,188       |            |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....                    |              |            |
| 7. Commissions, expenses paid and aggregate write-ins for deductions .....                                      | 1,184,858    |            |
| 8. Dividends paid to policyholders .....  |              |            |
| 9. Federal and foreign income taxes paid (recovered) net of \$ .....0 tax on capital gains (losses) .....       |              |            |
| 10. Total (Lines 5 through 9) .....   | 1,213,046    |            |
| 11. Net cash from operations (Line 4 minus Line 10) .....   | (1,045,552)  |            |
| Cash from Investments   |              |            |
| 12. Proceeds from investments sold, matured or repaid:  |              |            |
| 12.1 Bonds .....  | 205,103      |            |
| 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) .....   | 205,103      |            |
| 13. Cost of investments acquired (long-term only):  |              |            |
| 13.1 Bonds .....  | 8,343,451    |            |
| 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) .....  | 8,343,452    |            |
| 14. Net increase (decrease) in contract loans and premium notes .....   |              |            |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....                                   | (8,138,348)  |            |
| Cash from Financing and Miscellaneous Sources   |              |            |
| 16. Cash provided (applied):  |              |            |
| 16.1 Surplus notes, capital notes .....   | 11,000,000   |            |
| 16.2 Capital and paid in surplus, less treasury stock .....   | 8,677        |            |
| 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) .....  | 602,237      |            |
| 17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) ..... | 11,610,913   |            |
| 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) .....       | 2,427,013    |            |
| 19. Cash, cash equivalents and short-term investments:  |              |            |
| 19.1 Beginning of year .....  |              |            |
| 19.2 End of period (Line 18 plus Line 19.1) .....   | 2,427,013    |            |

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

|               |  |  |
|---------------|--|--|
| 20.0001. .... |  |  |
|               |  |  |

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 1 - PREMIUMS EARNED

| Line of Business     |   | 1<br>Net Premiums<br>Written per<br>Column 6, Part 1B | 2<br>Unearned Premiums<br>Dec. 31 Prior Year -<br>per Col. 3,<br>Last Year's Part 1 | 3<br>Unearned Premiums<br>Dec. 31 Current<br>Year - per Col. 5<br>Part 1A | 4<br>Premiums Earned<br>During Year<br>(Cols. 1 + 2 - 3) |
|----------------------|---|---|---|---|--|
| 1.                   | Fire .....  |   |   |   |  |
| 2.                   | Allied lines .....  |   |   |   |  |
| 3.                   | Farmowners multiple peril .....                                     |   |   |   |  |
| 4.                   | Homeowners multiple peril .....                                     | 42,379  |   | 34,965  | 7,414  |
| 5.                   | Commercial multiple peril .....                                     |   |   |   |  |
| 6.                   | Mortgage guaranty .....   |   |   |   |  |
| 8.                   | Ocean marine .....  |   |   |   |  |
| 9.                   | Inland marine .....   | 752   |   | 601   | 151  |
| 10.                  | Financial guaranty .....  |   |   |   |  |
| 11.1                 | Medical professional liability - occurrence .....                   |   |   |   |  |
| 11.2                 | Medical professional liability - claims-made .....                  |   |   |   |  |
| 12.                  | Earthquake .....  |   |   |   |  |
| 13.                  | Group accident and health .....                                     |   |   |   |  |
| 14.                  | Credit accident and health (group and individual) .....             |   |   |   |  |
| 15.                  | Other accident and health .....                                     |   |   |   |  |
| 16.                  | Workers' compensation .....   |   |   |   |  |
| 17.1                 | Other liability - occurrence .....                                  | 1,133   |   | 923   | 209  |
| 17.2                 | Other liability - claims-made .....                                 |   |   |   |  |
| 17.3                 | Excess workers' compensation .....                                  |   |   |   |  |
| 18.1                 | Products liability - occurrence .....                               |   |   |   |  |
| 18.2                 | Products liability - claims-made .....                              |   |   |   |  |
| 19.1, 19.2           | Private passenger auto liability .....                              | 23,999  |   | 15,844  | 8,155  |
| 19.3, 19.4           | Commercial auto liability .....                                     |   |   |   |  |
| 21.                  | Auto physical damage .....  | 18,502  |   | 12,309  | 6,193  |
| 22.                  | Aircraft (all perils) .....   |   |   |   |  |
| 23.                  | Fidelity .....  |   |   |   |  |
| 24.                  | Surety .....  |   |   |   |  |
| 26.                  | Burglary and theft .....  |   |   |   |  |
| 27.                  | Boiler and machinery .....  |   |   |   |  |
| 28.                  | Credit .....  |   |   |   |  |
| 29.                  | International .....   |   |   |   |  |
| 30.                  | Warranty .....  |   |   |   |  |
| 31.                  | Reinsurance - nonproportional assumed property .....                |   |   |   |  |
| 32.                  | Reinsurance - nonproportional assumed liability .....               |   |   |   |  |
| 33.                  | Reinsurance - nonproportional assumed financial lines .....         |   |   |   |  |
| 34.                  | Aggregate write-ins for other lines of business .....               |   |   |   |  |
| 35.                  | TOTALS  | 86,766  |   | 64,643  | 22,122   |
| DETAILS OF WRITE-INS |   |   |   |   |  |
| 3401.                | .....   |   |   |   |  |
| 3402.                | .....   |   |   |   |  |
| 3403.                | .....   |   |   |   |  |
| 3498.                | Summary of remaining write-ins for Line 34 from overflow page ..... |   |   |   |  |
| 3499.                | Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)              |   |   |   |  |

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

| Line of Business     |  | 1   | 2   | 3                              | 4  | 5   |
|----------------------|--|---|---|--------------------------------|--|---|
|                      |  | Amount Unearned<br>(Running One Year<br>or Less from Date<br>of Policy) (a) | Amount Unearned<br>(Running More Than<br>One Year from<br>Date of Policy) (a) | Earned But Unbilled<br>Premium | Reserve for Rate<br>Credits and<br>Retrospective<br>Adjustments Based<br>on Experience | Total Reserve for<br>Unearned Premiums<br>Cols. 1 + 2 + 3 + 4 |
| 1.                   | Fire .....   |   |   |                                |  |   |
| 2.                   | Allied lines .....   |   |   |                                |  |   |
| 3.                   | Farmowners multiple peril .....  |   |   |                                |  |   |
| 4.                   | Homeowners multiple peril .....  | 34,965  |   |                                |  | 34,965  |
| 5.                   | Commercial multiple peril .....  |   |   |                                |  |   |
| 6.                   | Mortgage guaranty .....  |   |   |                                |  |   |
| 8.                   | Ocean marine .....   |   |   |                                |  |   |
| 9.                   | Inland marine .....  | 601   |   |                                |  | 601   |
| 10.                  | Financial guaranty .....   |   |   |                                |  |   |
| 11.1                 | Medical professional liability - occurrence .....                      |   |   |                                |  |   |
| 11.2                 | Medical professional liability - claims-made .....                     |   |   |                                |  |   |
| 12.                  | Earthquake .....   |   |   |                                |  |   |
| 13.                  | Group accident and health .....  |   |   |                                |  |   |
| 14.                  | Credit accident and health (group and<br>individual) .....             |   |   |                                |  |   |
| 15.                  | Other accident and health .....  |   |   |                                |  |   |
| 16.                  | Workers' compensation .....  |   |   |                                |  |   |
| 17.1                 | Other liability - occurrence .....                                     | 923   |   |                                |  | 923   |
| 17.2                 | Other liability - claims-made .....                                    |   |   |                                |  |   |
| 17.3                 | Excess workers' compensation .....                                     |   |   |                                |  |   |
| 18.1                 | Products liability - occurrence .....                                  |   |   |                                |  |   |
| 18.2                 | Products liability - claims-made .....                                 |   |   |                                |  |   |
| 19.1, 19.2           | Private passenger auto liability .....                                 | 15,844  |   |                                |  | 15,844  |
| 19.3, 19.4           | Commercial auto liability .....  |   |   |                                |  |   |
| 21.                  | Auto physical damage .....   | 12,309  |   |                                |  | 12,309  |
| 22.                  | Aircraft (all perils) .....  |   |   |                                |  |   |
| 23.                  | Fidelity .....   |   |   |                                |  |   |
| 24.                  | Surety .....   |   |   |                                |  |   |
| 26.                  | Burglary and theft .....   |   |   |                                |  |   |
| 27.                  | Boiler and machinery .....   |   |   |                                |  |   |
| 28.                  | Credit .....   |   |   |                                |  |   |
| 29.                  | International .....  |   |   |                                |  |   |
| 30.                  | Warranty .....   |   |   |                                |  |   |
| 31.                  | Reinsurance - nonproportional assumed<br>property .....                |   |   |                                |  |   |
| 32.                  | Reinsurance - nonproportional assumed<br>liability .....               |   |   |                                |  |   |
| 33.                  | Reinsurance - nonproportional assumed<br>financial lines .....         |   |   |                                |  |   |
| 34.                  | Aggregate write-ins for other lines of business                        |   |   |                                |  |   |
| 35.                  | TOTALS   | 64,643  |   |                                |  | 64,643  |
| 36.                  | Accrued retrospective premiums based on experience .....               |   |   |                                |  |   |
| 37.                  | Earned but unbilled premiums .....                                     |   |   |                                |  |   |
| 38.                  | Balance (Sum of Line 35 through 37)                                    |   |   |                                |  | 64,643  |
| DETAILS OF WRITE-INS |  |   |   |                                |  |   |
| 3401.                | .....  |   |   |                                |  |   |
| 3402.                | .....  |   |   |                                |  |   |
| 3403.                | .....  |   |   |                                |  |   |
| 3498.                | Summary of remaining write-ins for Line 34<br>from overflow page ..... |   |   |                                |  |   |
| 3499.                | Totals (Lines 3401 thru 3403 plus 3498)(Line<br>34 above)              |   |   |                                |  |   |

(a) State here basis of computation used in each case .....

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

| Line of Business     |   | 1                   | Reinsurance Assumed |   | Reinsurance Ceded |         | 6                                       |
|----------------------|---|---------------------|---------------------|---|-------------------|---------|---|
|                      |   | Direct Business (a) | 2                   | 3 | 4                 | 5       | Net Premiums Written<br>Cols. 1+2+3-4-5 |
| 1.                   | Fire .....  |                     |                     |   |                   |         |   |
| 2.                   | Allied lines .....  |                     |                     |   |                   |         |   |
| 3.                   | Farmowners multiple peril .....                                     |                     |                     |   |                   |         |   |
| 4.                   | Homeowners multiple peril .....                                     | 211,897             |                     |   |                   | 169,517 | 42,379                                  |
| 5.                   | Commercial multiple peril .....                                     |                     |                     |   |                   |         |   |
| 6.                   | Mortgage guaranty .....   |                     |                     |   |                   |         |   |
| 8.                   | Ocean marine .....  |                     |                     |   |                   |         |   |
| 9.                   | Inland marine .....   | 3,760               |                     |   |                   | 3,008   | 752                                     |
| 10.                  | Financial guaranty .....  |                     |                     |   |                   |         |   |
| 11.1                 | Medical professional liability - occurrence .....                   |                     |                     |   |                   |         |   |
| 11.2                 | Medical professional liability - claims-made .....                  |                     |                     |   |                   |         |   |
| 12.                  | Earthquake .....  |                     |                     |   |                   |         |   |
| 13.                  | Group accident and health .....                                     |                     |                     |   |                   |         |   |
| 14.                  | Credit accident and health (group and individual) .....             |                     |                     |   |                   |         |   |
| 15.                  | Other accident and health .....                                     |                     |                     |   |                   |         |   |
| 16.                  | Workers' compensation .....   |                     |                     |   |                   |         |   |
| 17.1                 | Other liability - occurrence .....                                  | 5,664               |                     |   |                   | 4,531   | 1,133                                   |
| 17.2                 | Other liability - claims-made .....                                 |                     |                     |   |                   |         |   |
| 17.3                 | Excess workers' compensation .....                                  |                     |                     |   |                   |         |   |
| 18.1                 | Products liability - occurrence .....                               |                     |                     |   |                   |         |   |
| 18.2                 | Products liability - claims-made .....                              |                     |                     |   |                   |         |   |
| 19.1, 19.2           | Private passenger auto liability .....                              | 119,994             |                     |   |                   | 95,995  | 23,999                                  |
| 19.3, 19.4           | Commercial auto liability .....                                     |                     |                     |   |                   |         |   |
| 21.                  | Auto physical damage .....  | 92,512              |                     |   |                   | 74,010  | 18,502                                  |
| 22.                  | Aircraft (all perils) .....   |                     |                     |   |                   |         |   |
| 23.                  | Fidelity .....  |                     |                     |   |                   |         |   |
| 24.                  | Surety .....  |                     |                     |   |                   |         |   |
| 26.                  | Burglary and theft .....  |                     |                     |   |                   |         |   |
| 27.                  | Boiler and machinery .....  |                     |                     |   |                   |         |   |
| 28.                  | Credit .....  |                     |                     |   |                   |         |   |
| 29.                  | International .....   |                     |                     |   |                   |         |   |
| 30.                  | Warranty .....  |                     |                     |   |                   |         |   |
| 31.                  | Reinsurance - nonproportional assumed property .....                | XXX                 |                     |   |                   |         |   |
| 32.                  | Reinsurance - nonproportional assumed liability .....               | XXX                 |                     |   |                   |         |   |
| 33.                  | Reinsurance - nonproportional assumed financial lines .....         | XXX                 |                     |   |                   |         |   |
| 34.                  | Aggregate write-ins for other lines of business .....               |                     |                     |   |                   |         |   |
| 35.                  | TOTALS  | 433,828             |                     |   |                   | 347,062 | 86,766                                  |
| DETAILS OF WRITE-INS |   |                     |                     |   |                   |         |   |
| 3401.                | .....   |                     |                     |   |                   |         |   |
| 3402.                | .....   |                     |                     |   |                   |         |   |
| 3403.                | .....   |                     |                     |   |                   |         |   |
| 3498.                | Summary of remaining write-ins for Line 34 from overflow page ..... |                     |                     |   |                   |         |   |
| 3499.                | Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)              |                     |                     |   |                   |         |   |

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

If yes:    1. The amount of such installment premiums \$ .....  
              2. Amount at which such installment premiums would have been reported had they been reported on an annualized basis \$ .....



ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 2 - LOSSES PAID AND INCURRED

| Line of Business  | Losses Paid Less Salvage |                     |                       |                                | 5   | 6                            | 7  | 8  |
|---|--------------------------|---------------------|-----------------------|--------------------------------|---|------------------------------|--|--|
|   | 1                        | 2                   | 3                     | 4                              |   |                              |  |  |
|   | Direct Business          | Reinsurance Assumed | Reinsurance Recovered | Net Payments (Cols. 1 + 2 -3 ) | Net Losses Unpaid Current Year (Part 2A , Col. 8) | Net Losses Unpaid Prior Year | Losses Incurred Current Year (Cols. 4 + 5 - 6) | Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1) |
| 1. Fire .....   |                          |                     |                       |                                |   |                              |  |  |
| 2. Allied lines .....   |                          |                     |                       |                                |   |                              |  |  |
| 3. Farmowners multiple peril .....  |                          |                     |                       |                                |   |                              |  |  |
| 4. Homeowners multiple peril .....  |                          |                     |                       |                                | 3,020   |                              | 3,020  | 40.7   |
| 5. Commercial multiple peril .....  |                          |                     |                       |                                |   |                              |  |  |
| 6. Mortgage guaranty .....  |                          |                     |                       |                                |   |                              |  |  |
| 8. Ocean marine .....   |                          |                     |                       |                                |   |                              |  |  |
| 9. Inland marine .....  |                          |                     |                       |                                |   |                              |  |  |
| 10. Financial guaranty .....  |                          |                     |                       |                                |   |                              |  |  |
| 11.1 Medical professional liability - occurrence .....                    |                          |                     |                       |                                |   |                              |  |  |
| 11.2 Medical professional liability - claims-made .....                   |                          |                     |                       |                                |   |                              |  |  |
| 12. Earthquake .....  |                          |                     |                       |                                |   |                              |  |  |
| 13. Group accident and health .....                                       |                          |                     |                       |                                |   |                              |  |  |
| 14. Credit accident and health (group and individual) .....               |                          |                     |                       |                                |   |                              |  |  |
| 15. Other accident and health .....                                       |                          |                     |                       |                                |   |                              |  |  |
| 16. Workers' compensation .....   |                          |                     |                       |                                |   |                              |  |  |
| 17.1 Other liability - occurrence .....                                   |                          |                     |                       |                                | 130   |                              | 130  | 62.1   |
| 17.2 Other liability - claims-made .....                                  |                          |                     |                       |                                |   |                              |  |  |
| 17.3 Excess workers' compensation .....                                   |                          |                     |                       |                                |   |                              |  |  |
| 18.1 Products liability - occurrence .....                                |                          |                     |                       |                                |   |                              |  |  |
| 18.2 Products liability - claims-made .....                               |                          |                     |                       |                                |   |                              |  |  |
| 19.1, 19.2 Private passenger auto liability .....                         |                          |                     |                       |                                | 3,230   |                              | 3,230  | 39.6   |
| 19.3, 19.4 Commercial auto liability .....                                |                          |                     |                       |                                |   |                              |  |  |
| 21. Auto physical damage .....  | 22,125                   |                     | 17,700                | 4,425                          | 843   |                              | 5,268  | 85.1   |
| 22. Aircraft (all perils) .....   |                          |                     |                       |                                |   |                              |  |  |
| 23. Fidelity .....  |                          |                     |                       |                                |   |                              |  |  |
| 24. Surety .....  |                          |                     |                       |                                |   |                              |  |  |
| 26. Burglary and theft .....  |                          |                     |                       |                                |   |                              |  |  |
| 27. Boiler and machinery .....  |                          |                     |                       |                                |   |                              |  |  |
| 28. Credit .....  |                          |                     |                       |                                |   |                              |  |  |
| 29. International .....   |                          |                     |                       |                                |   |                              |  |  |
| 30. Warranty .....  |                          |                     |                       |                                |   |                              |  |  |
| 31. Reinsurance - nonproportional assumed property .....                  | XXX                      |                     |                       |                                |   |                              |  |  |
| 32. Reinsurance - nonproportional assumed liability .....                 | XXX                      |                     |                       |                                |   |                              |  |  |
| 33. Reinsurance - nonproportional assumed financial lines .....           | XXX                      |                     |                       |                                |   |                              |  |  |
| 34. Aggregate write-ins for other lines of business .....                 |                          |                     |                       |                                |   |                              |  |  |
| 35. TOTALS  | 22,125                   |                     | 17,700                | 4,425                          | 7,223   |                              | 11,648   | 52.7   |
| DETAILS OF WRITE-INS  |                          |                     |                       |                                |   |                              |  |  |
| 3401. ....  |                          |                     |                       |                                |   |                              |  |  |
| 3402. ....  |                          |                     |                       |                                |   |                              |  |  |
| 3403. ....  |                          |                     |                       |                                |   |                              |  |  |
| 3498. Summary of remaining write-ins for Line 34 from overflow page ..... |                          |                     |                       |                                |   |                              |  |  |
| 3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)              |                          |                     |                       |                                |   |                              |  |  |

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

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 Excl. 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 .....   |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 2. Allied lines .....   |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 3. Farmowners multiple peril .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 4. Homeowners multiple peril .....  |                 |                     |                                |  | 15,100                    |                     | 12,080            | 3,020                                   | 542                                 |
| 5. Commercial multiple peril .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 6. Mortgage guaranty .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 8. Ocean marine .....   |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 9. Inland marine .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 10. Financial guaranty .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 11.1 Medical professional liability - occurrence .....                    |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 11.2 Medical professional liability - claims-made .....                   |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 12. Earthquake .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 13. Group accident and health .....                                       |                 |                     |                                |  |                           |                     |                   | (a)                                     |                                     |
| 14. Credit accident and health (group and individual) .....               |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 15. Other accident and health .....                                       |                 |                     |                                |  |                           |                     |                   | (a)                                     |                                     |
| 16. Workers' compensation .....   |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 17.1 Other liability - occurrence .....                                   |                 |                     |                                |  | 650                       |                     | 520               | 130                                     | 21                                  |
| 17.2 Other liability - claims-made .....                                  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 17.3 Excess workers' compensation .....                                   |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 18.1 Products liability - occurrence .....                                |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 18.2 Products liability - claims-made .....                               |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 19.1, 19.2 Private passenger auto liability .....                         | 2,500           |                     | 2,000                          | 500  | 13,650                    |                     | 10,920            | 3,230                                   | 681                                 |
| 19.3, 19.4 Commercial auto liability .....                                |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 21. Auto physical damage .....  | 3,066           |                     | 2,453                          | 613  | 1,150                     |                     | 920               | 843                                     | 150                                 |
| 22. Aircraft (all perils) .....   |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 23. Fidelity .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 24. Surety .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 26. Burglary and theft .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 27. Boiler and machinery .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 28. Credit .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 29. International .....   |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 30. Warranty .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 31. Reinsurance - nonproportional assumed property .....                  | XXX             |                     |                                |  | XXX                       |                     |                   |   |                                     |
| 32. Reinsurance - nonproportional assumed liability .....                 | XXX             |                     |                                |  | XXX                       |                     |                   |   |                                     |
| 33. Reinsurance - nonproportional assumed financial lines .....           | XXX             |                     |                                |  | XXX                       |                     |                   |   |                                     |
| 34. Aggregate write-ins for other lines of business .....                 |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 35. TOTALS .....  | 5,566           |                     | 4,453                          | 1,113  | 30,550                    |                     | 24,440            | 7,223                                   | 1,395                               |
| DETAILS OF WRITE-INS .....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 3401. ....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 3402. ....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 3403. ....  |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 3498. Summary of remaining write-ins for Line 34 from overflow page ..... |                 |                     |                                |  |                           |                     |                   |   |                                     |
| 3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) .....        |                 |                     |                                |  |                           |                     |                   |   |                                     |

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

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 3 - EXPENSES

|   | 1                           | 2                              | 3                      | 4             |
|---|-----------------------------|--------------------------------|------------------------|---------------|
|   | Loss Adjustment<br>Expenses | Other Underwriting<br>Expenses | Investment<br>Expenses | Total         |
| 1. Claim adjustment services:   |                             |                                |                        |               |
| 1.1 Direct .....  | 1,223                       |                                |                        | 1,223         |
| 1.2 Reinsurance assumed .....   |                             |                                |                        |               |
| 1.3 Reinsurance ceded .....   | 979                         |                                |                        | 979           |
| 1.4 Net claim adjustment service (1.1 + 1.2 - 1.3) .....  | 244                         |                                |                        | 244           |
| 2. Commission and brokerage:  |                             |                                |                        |               |
| 2.1 Direct excluding contingent .....   |                             | 21,691                         |                        | 21,691        |
| 2.2 Reinsurance assumed, excluding contingent .....   |                             |                                |                        |               |
| 2.3 Reinsurance ceded, excluding contingent .....   |                             | 83,295                         |                        | 83,295        |
| 2.4 Contingent - direct .....   |                             |                                |                        |               |
| 2.5 Contingent - reinsurance assumed .....  |                             |                                |                        |               |
| 2.6 Contingent - reinsurance ceded .....  |                             |                                |                        |               |
| 2.7 Policy and membership fees .....  |                             |                                |                        |               |
| 2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) .....                  |                             | (61,604)                       |                        | (61,604)      |
| 3. Allowances to managers and agents .....  |                             | 5,522                          |                        | 5,522         |
| 4. Advertising .....  |                             | 297,993                        |                        | 297,993       |
| 5. Boards, bureaus and associations .....   |                             |                                |                        |               |
| 6. Surveys and underwriting reports .....   |                             |                                |                        |               |
| 7. Audit of assureds' records .....   |                             | 58,001                         |                        | 58,001        |
| 8. Salary and related items:  |                             |                                |                        |               |
| 8.1 Salaries .....  | 25,423                      | 382,730                        | 7,345                  | 415,498       |
| 8.2 Payroll taxes .....   | 3,442                       | 13,241                         | 1,462                  | 18,145        |
| 9. Employee relations and welfare .....   |                             |                                |                        |               |
| 10. Insurance .....   |                             | 2,728                          |                        | 2,728         |
| 11. Directors' fees .....   |                             |                                |                        |               |
| 12. Travel and travel items .....   |                             | 1,581                          |                        | 1,581         |
| 13. Rent and rent items .....   |                             | 6,122                          |                        | 6,122         |
| 14. Equipment .....   |                             |                                |                        |               |
| 15. Cost or depreciation of EDP equipment and software .....                                      |                             | 27,488                         |                        | 27,488        |
| 16. Printing and stationery .....   |                             | 33                             |                        | 33            |
| 17. Postage, telephone and telegraph, exchange and express .....                                  |                             | 1,383                          |                        | 1,383         |
| 18. Legal and auditing .....  |                             | 44,850                         |                        | 44,850        |
| 19. Totals (Lines 3 to 18) .....  | 28,865                      | 841,672                        | 8,807                  | 879,344       |
| 20. Taxes, licenses and fees:   |                             |                                |                        |               |
| 20.1 State and local insurance taxes deducting guaranty association<br>credits of \$ .....0 ..... |                             |                                |                        |               |
| 20.2 Insurance department licenses and fees .....   |                             | 3,165                          |                        | 3,165         |
| 20.3 Gross guaranty association assessments .....   |                             |                                |                        |               |
| 20.4 All other (excluding federal and foreign income and real estate) .....                       |                             | 5,582                          |                        | 5,582         |
| 20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....                             |                             | 8,748                          |                        | 8,748         |
| 21. Real estate expenses .....  |                             |                                |                        |               |
| 22. Real estate taxes .....   |                             |                                |                        |               |
| 23. Reimbursements by uninsured plans .....   |                             |                                |                        |               |
| 24. Aggregate write-ins for miscellaneous expenses .....  | 10,167                      | 258,162                        | 3,125                  | 271,453       |
| 25. Total expenses incurred .....   | 39,276                      | 1,046,978                      | 11,932                 | (a) 1,098,185 |
| 26. Less unpaid expenses - current year .....   | 1,395                       | 602,237                        |                        | 603,631       |
| 27. Add unpaid expenses - prior year .....  |                             |                                |                        |               |
| 28. Amounts receivable relating to uninsured plans, prior year .....                              |                             |                                |                        |               |
| 29. Amounts receivable relating to uninsured plans, current year .....                            |                             |                                |                        |               |
| 30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)  | 37,881                      | 444,741                        | 11,932                 | 494,554       |
| <b>DETAILS OF WRITE-INS</b>   |                             |                                |                        |               |
| 2401. Other external contractors .....  | 10,167                      | 258,162                        |                        | 268,328       |
| 2402. Investment expense .....  |                             |                                | 3,125                  | 3,125         |
| 2403. ....  |                             |                                |                        |               |
| 2498. Summary of remaining write-ins for Line 24 from overflow page .....                         |                             |                                |                        |               |
| 2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)                                      | 10,167                      | 258,162                        | 3,125                  | 271,453       |

(a) Includes management fees of \$ .....1,161,172 to affiliates and \$ ..... to non-affiliates.

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

EXHIBIT OF NET INVESTMENT INCOME

|                      |   | 1                     | 2                  |
|----------------------|---|-----------------------|--------------------|
|                      |   | Collected During Year | Earned During Year |
| 1.                   | U.S. Government bonds .....   | (a) .....(6,290)      | .....990           |
| 1.1                  | Bonds exempt from U.S. tax .....  | (a) .....             |                    |
| 1.2                  | Other bonds (unaffiliated) .....  | (a) .....(16,565)     | .....22,554        |
| 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) .....900          | .....1,024         |
| 7                    | Derivative instruments .....  | (f) .....             |                    |
| 8.                   | Other invested assets .....   |                       |                    |
| 9.                   | Aggregate write-ins for investment income .....                           |                       |                    |
| 10.                  | Total gross investment income .....                                       | (21,954)              | 24,568             |
| 11.                  | Investment expenses .....   |                       | (g) .....11,932    |
| 12.                  | Investment taxes, licenses and fees, excluding federal income taxes ..... |                       | (g) .....          |
| 13.                  | Interest expense .....  |                       | (h) .....          |
| 14.                  | Depreciation on real estate and other invested assets .....               |                       | (i) .....          |
| 15.                  | Aggregate write-ins for deductions from investment income .....           |                       |                    |
| 16.                  | Total deductions (Lines 11 through 15) .....                              |                       | .....11,932        |
| 17.                  | Net investment income (Line 10 minus Line 16) .....                       |                       | 12,636             |
| DETAILS OF WRITE-INS |   |                       |                    |
| 0901.                | .....   |                       |                    |
| 0902.                | .....   |                       |                    |
| 0903.                | .....   |                       |                    |
| 0998.                | Summary of remaining write-ins for Line 9 from overflow page .....        |                       |                    |
| 0999.                | Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above) .....             |                       |                    |
| 1501.                | .....   |                       |                    |
| 1502.                | .....   |                       |                    |
| 1503.                | .....   |                       |                    |
| 1598.                | Summary of remaining write-ins for Line 15 from overflow page .....       |                       |                    |
| 1599.                | Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above) .....            |                       |                    |

- (a) Includes \$ .....42 accrual of discount less \$ .....42,272 amortization of premium and less \$ .....34,679 paid for accrued interest on purchases.
- (b) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued dividends on purchases.
- (c) Includes \$ ..... accrual of discount less \$ ..... amortization of premium and less \$ ..... paid for accrued interest on purchases.
- (d) Includes \$ ..... for company's occupancy of its own buildings; and excludes \$ ..... interest on encumbrances.
- (e) Includes \$ ..... accrual of discount less \$ .....538 amortization of premium and less \$ .....166 paid for accrued interest on purchases.
- (f) Includes \$ ..... accrual of discount less \$ ..... amortization of premium.
- (g) Includes \$ ..... investment expenses and \$ ..... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ ..... interest on surplus notes and \$ ..... interest on capital notes.
- (i) Includes \$ ..... depreciation on real estate and \$ ..... depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

|                      |   | 1  | 2                             | 3  | 4  | 5   |
|----------------------|---|--|-------------------------------|--|--|---|
|                      |   | Realized Gain (Loss)<br>On Sales or Maturity | Other Realized<br>Adjustments | Total Realized Capital<br>Gain (Loss)<br>(Columns 1 + 2) | Change in<br>Unrealized Capital<br>Gain (Loss) | Change in Unrealized<br>Foreign Exchange<br>Capital Gain (Loss) |
| 1.                   | U.S. Government bonds .....   |  |                               |  |  |   |
| 1.1                  | Bonds exempt from U.S. tax .....                                      |  |                               |  |  |   |
| 1.2                  | Other bonds (unaffiliated) .....                                      | .....(2,274)                                 |                               | .....(2,274)   |  |   |
| 1.3                  | Bonds of affiliates .....   |  |                               |  |  |   |
| 2.1                  | Preferred stocks (unaffiliated) .....                                 |  |                               |  |  |   |
| 2.11                 | Preferred stocks of affiliates .....                                  |  |                               |  |  |   |
| 2.2                  | Common stocks (unaffiliated) .....                                    |  |                               |  |  |   |
| 2.21                 | Common stocks of affiliates .....                                     |  |                               |  |  |   |
| 3.                   | Mortgage loans .....  |  |                               |  |  |   |
| 4.                   | Real estate .....   |  |                               |  |  |   |
| 5.                   | Contract loans .....  |  |                               |  |  |   |
| 6.                   | Cash, cash equivalents and short-term investments .....               |  |                               |  |  |   |
| 7.                   | Derivative instruments .....  |  |                               |  |  |   |
| 8.                   | Other invested assets .....   |  |                               |  |  |   |
| 9.                   | Aggregate write-ins for capital gains (losses) .....                  |  |                               |  |  |   |
| 10.                  | Total capital gains (losses) .....                                    | .....(2,274)                                 |                               | .....(2,274)   |  |   |
| DETAILS OF WRITE-INS |   |  |                               |  |  |   |
| 0901.                | .....   |  |                               |  |  |   |
| 0902.                | .....   |  |                               |  |  |   |
| 0903.                | .....   |  |                               |  |  |   |
| 0998.                | Summary of remaining write-ins for Line 9 from<br>overflow page ..... |  |                               |  |  |   |
| 0999.                | Totals (Lines 0901 thru 0903 plus 0998) (Line 9,<br>above) .....      |  |                               |  |  |   |

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

EXHIBIT OF NON-ADMITTED ASSETS

|   | 1  | 2                                      | 3  |
|---|--|--|--|
|   | Current Year Total<br>Nonadmitted Assets | Prior Year Total<br>Nonadmitted Assets | Change in Total<br>Nonadmitted Assets<br>(Col. 2 - Col. 1) |
| 1. Bonds (Schedule D) .....   |  |  |  |
| 2. Stocks (Schedule D):   |  |  |  |
| 2.1 Preferred stocks .....  |  |  |  |
| 2.2 Common stocks .....   |  |  |  |
| 3. Mortgage loans on real estate (Schedule B):  |  |  |  |
| 3.1 First liens .....   |  |  |  |
| 3.2 Other than first liens .....  |  |  |  |
| 4. Real estate (Schedule A):  |  |  |  |
| 4.1 Properties occupied by the company .....  |  |  |  |
| 4.2 Properties held for the production of income .....  |  |  |  |
| 4.3 Properties held for sale .....  |  |  |  |
| 5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments<br>(Schedule DA) ..... |  |  |  |
| 6. Contract loans .....   |  |  |  |
| 7. Derivatives (Schedule DB) .....  |  |  |  |
| 8. Other invested assets (Schedule BA) .....  |  |  |  |
| 9. Receivables for securities .....   |  |  |  |
| 10. Securities lending reinvested collateral assets (Schedule DL) .....   |  |  |  |
| 11. Aggregate write-ins for invested assets .....   |  |  |  |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) .....   |  |  |  |
| 13. Title plants (for Title insurers only) .....  |  |  |  |
| 14. Investment income due and accrued .....   |  |  |  |
| 15. Premiums and considerations:  |  |  |  |
| 15.1 Uncollected premiums and agents' balances in the course of collection .....  |  |  |  |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due .....                     |  |  |  |
| 15.3 Accrued retrospective premiums and contracts subject to redetermination .....                                      |  |  |  |
| 16. Reinsurance:  |  |  |  |
| 16.1 Amounts recoverable from reinsurers .....  |  |  |  |
| 16.2 Funds held by or deposited with reinsured companies .....  |  |  |  |
| 16.3 Other amounts receivable under reinsurance contracts .....   |  |  |  |
| 17. Amounts receivable relating to uninsured plans .....  |  |  |  |
| 18.1 Current federal and foreign income tax recoverable and interest thereon .....                                      |  |  |  |
| 18.2 Net deferred tax asset .....   |  |  |  |
| 19. Guaranty funds receivable or on deposit .....   |  |  |  |
| 20. Electronic data processing equipment and software .....   |  |  |  |
| 21. Furniture and equipment, including health care delivery assets .....  |  |  |  |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates .....  |  |  |  |
| 23. Receivables from parent, subsidiaries and affiliates .....  |  |  |  |
| 24. Health care and other amounts receivable .....  |  |  |  |
| 25. Aggregate write-ins for other than invested assets .....  | 100,000                                  |  | (100,000)  |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts<br>(Lines 12 to 25) ..... | 100,000                                  |  | (100,000)  |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....                                       |  |  |  |
| 28. Total (Lines 26 and 27) .....   | 100,000                                  |  | (100,000)  |
| DETAILS OF WRITE-INS  |  |  |  |
| 1101. ....  |  |  |  |
| 1102. ....  |  |  |  |
| 1103. ....  |  |  |  |
| 1198. Summary of remaining write-ins for Line 11 from overflow page .....   |  |  |  |
| 1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)  |  |  |  |
| 2501. Claims TPA deposit .....  | 100,000                                  |  | (100,000)  |
| 2502. ....  |  |  |  |
| 2503. ....  |  |  |  |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....   |  |  |  |
| 2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)  | 100,000                                  |  | (100,000)  |

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

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

The state of Ohio requires insurance companies domiciled in the state of Ohio to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP) subject to any deviations prescribed or permitted by the Ohio Insurance Department.

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

|  | SSAP # | F/S<br>Page | F/S<br>Line # | 2020                         | 2019               |
|--|--------|-------------|---------------|------------------------------|--------------------|
| NET INCOME   |        |             |               |                              |                    |
| (1) State basis (Page 4, Line 20, Columns 1 & 2)                             | XXX    | XXX         | XXX           |                              | \$ -               |
| (2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP |        |             |               | (1,059,147)                  | \$ -               |
| (3) State Permitted Practices that are an increase/(decrease) from NAIC SAP  |        |             |               | -                            | \$ -               |
| (4) NAIC SAP (1-2-3=4)   | XXX    | XXX         | XXX           | <u><u>\$ (1,059,147)</u></u> | <u><u>\$ -</u></u> |
| SURPLUS  |        |             |               |                              |                    |
| (5) State basis (Page 3, Line 37, Columns 1 & 2)                             | XXX    | XXX         | XXX           | \$ 9,849,530                 | \$ -               |
| (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           | <u><u>\$ 9,849,530</u></u>   | <u><u>\$ -</u></u> |

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

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

C. Accounting Policy

Direct and ceded premiums are earned over the terms of the related policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods.

Commissions and other expenses incurred in connection with acquiring new insurance business are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

Net investment income earned consists of interest less investment related expenses. Interest is recognized on an accrual basis. Net realized capital gains (losses) are recognized on a specific identification 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 uses the following accounting policies:

- Short-term Investments are stated at amortized cost.
- Investment grade bonds not backed by other loans are stated at amortized cost using the interest method. Non-investment grade bonds with NAIC designations of 3 through 6 would be stated at the lower of amortized cost or fair value. The Company does not currently have any of these non-investment grade bonds. The Company's bond portfolio is reviewed quarterly and as a result the carrying value of a bond may be reduced to reflect changes in valuation resulting from asset impairment. The Company does not hold any mandatory convertible securities or SVO-identified investments identified in SSAP No. 26R.
- Common stocks – Not Applicable
- Preferred Stocks – Not Applicable
- Mortgage Loans – Not Applicable
- Investment grade loan-backed securities are stated at amortized cost. The retrospective adjustment method is used to determine amortized value for all loan-backed securities. Non-investment grade loan-backed securities with NAIC designations of 3 through 6 would be stated at the lower of amortized cost or fair value. The Company does not currently have any non-investment grade loan-backed securities.  
  
The carrying value and final NAIC designation for non-agency residential mortgage backed securities are determined using a special two-step NAIC process. Those assigned a NAIC designation in the first step of 1 or 2 are stated at amortized cost and those assigned a 3 through 6 designation are stated at the lower of amortized cost or fair value. The NAIC designation assigned under the second step of the process is reported for these securities in Schedule D and is used in the risk-based capital calculation. The Company does not currently have any non-agency residential mortgage backed securities.
- Subsidiaries, Controlled and Affiliated Entities – Not Applicable
- Joint Ventures, Partnerships and Limited Liability Companies – Not Applicable
- Derivatives – Not Applicable

NOTES TO FINANCIAL STATEMENTS

- 10. Anticipated Investment Income – Not Applicable
- 11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
- 12. Capitalization Policy Change – Not Applicable
- 13. Pharmaceutical Rebate Receivables – Not Applicable

D. Going Concern – Not Applicable

2. Accounting Changes and Corrections of Errors

A. Not Applicable

3. Business Combinations and Goodwill

- A. Statutory Purchase Method – Not Applicable
- B. Statutory Merger – Not Applicable
- C. Impairment Loss – Not Applicable

4. Discontinued Operations

Not Applicable

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

Not Applicable

B. Debt Restructuring

Not Applicable

C. Reverse Mortgages

Not Applicable

D. Loan-Backed Securities

- 1. Prepayment assumptions for mortgage-backed/loan-backed and structured securities were obtained from external estimates provided by the investment manager.
- 2. – 3. Securities with recognized other-than-temporary impairment - Not Applicable
- 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 | \$ 3,063   |
|   | 2. 12 Months or Longer | \$ -       |
| b. The aggregate related fair value of securities with unrealized losses: | 1. Less than 12 Months | \$ 635,895 |
|   | 2. 12 Months or Longer | \$ -       |

- 5. The Company determines a decline to be other than temporary by reviewing and evaluating relevant objective and subjective factors for each security, including the extent of the depressed value, the length of time the value has been depressed, the Company's intent and ability to hold the security, a security's current performance, the financial condition of the issuer, the industry in which the issuer operates, and the status of the market as a whole. Assessments include judgments about an obligor's or guarantor's current and projected financial position, projected ability to service and repay its debt obligations, the existence of, and realizable value for, any collateral backing the obligations, and the macro-economic and micro-economic outlooks for specific industries and issuers. Estimating the future cash flows of loan-backed securities also involves assumptions regarding the underlying collateral such as prepayment rates, default and recovery rates, existence of subordinated classes capable of absorbing losses, and third-party servicing abilities. There have been no security declines determined to be other than temporary in the current or prior year.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

Not Applicable

NOTES TO FINANCIAL STATEMENTS

- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing  
None
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing  
None
- H. Repurchase Agreements Transactions Accounted for as a Sale  
None
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale  
None
- J. Real Estate  
Not Applicable
- K. Low-Income Housing Tax Credits (LIHTC)  
Not Applicable
- L. Restricted Assets

1. Restricted Assets (Including Pledged)

| Restricted Asset Category  | Gross (Admitted & Nonadmitted) Restricted |  |  |   |                  |                       |                                  | Current Year |              |            |         |
|--|---|--|--|---|------------------|-----------------------|----------------------------------|--------------|--------------|------------|---------|
|  | Current Year                              |  |  |   |                  | 6                     | 7                                | Current Year |              |            |         |
|  | 1   | 2  | 3  | 4   | 5                |                       |                                  | 8            | 9            | Percentage |         |
|  | Total General Account (G/A)               | G/A Supporting Protected Cell Account Activity (a) | Total Protected Cell Account Restricted Assets | Protected Cell Account Assets Supporting G/A Activity (b) | Total (1 plus 3) | Total From Prior Year | Increase/ (Decrease) (5 minus 6) |              |              | 10         | 11      |
| a. Subject to contractual obligation for which liability is not shown              |   |  |  |   |                  |                       |                                  |              |              |            |         |
| b. Collateral held under security lending agreements                               |   |  |  |   |                  |                       |                                  |              |              |            |         |
| c. Subject to repurchase agreements  |   |  |  |   |                  |                       |                                  |              |              |            |         |
| d. Subject to reverse repurchase agreements  |   |  |  |   |                  |                       |                                  |              |              |            |         |
| e. Subject to dollar repurchase agreements   |   |  |  |   |                  |                       |                                  |              |              |            |         |
| f. Subject to dollar reverse repurchase  |   |  |  |   |                  |                       |                                  |              |              |            |         |
| 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  | \$ 1,631,225                              | \$ -   | \$ -   | \$ -  | \$ 1,631,225     | \$ -                  | \$ 1,631,225                     | \$ -         | \$ 1,631,225 | 14.981%    | 15.120% |
| k. On deposit with other regulatory bodies   |   |  |  |   |                  |                       |                                  |              |              |            |         |
| l. Pledged collateral to FHLB (including assets backing funding agreements)        |   |  |  |   |                  |                       |                                  |              |              |            |         |
| m. Pledged as collateral not captured in other categories                          |   |  |  |   |                  |                       |                                  |              |              |            |         |
| n. Other restricted assets   |   |  |  |   |                  |                       |                                  |              |              |            |         |
| o. Total Restricted Assets   | \$ 1,631,225                              | \$ -   | \$ -   | \$ -  | \$ 1,631,225     | \$ -                  | \$ 1,631,225                     | \$ -         | \$ 1,631,225 | 14.981%    | 15.120% |

(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

- M. Working Capital Finance Investments  
Not Applicable
- N. Offsetting and Netting of Assets and Liabilities  
Not Applicable
- O. 5GI\* Securities  
Not Applicable
- P. Short Sales  
None
- Q. Prepayment Penalty and Acceleration Fees  
None

6. Joint Ventures, Partnerships, and Limited Liability Companies
- A. Detail for Those Greater than 10% of Admitted Assets  
Not Applicable
- B. Write-downs for Impairments  
Not Applicable

7. Investment Income



NOTES TO FINANCIAL STATEMENTS

A. Accrued Investment Income

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

B. Amounts Nonadmitted

Not Applicable

8. Derivative Instruments

Not Applicable

9. Income Taxes

A.

The components of the net deferred tax asset/(liability) at the end of current period are as follows:

|   | As of End of Current Period |         |                       | 12/31/2019 |         |                       | Change                   |                         |                       |
|---|-----------------------------|---------|-----------------------|------------|---------|-----------------------|--------------------------|-------------------------|-----------------------|
|   | (1)                         | (2)     | (3)                   | (4)        | (5)     | (6)                   | (7)                      | (8)                     | (9)                   |
|   | Ordinary                    | Capital | (Col. 1 + 2)<br>Total | Ordinary   | Capital | (Col. 4 + 5)<br>Total | (Col. 1 - 4)<br>Ordinary | (Col. 2 - 5)<br>Capital | (Col. 7 + 8)<br>Total |
| (a) Gross Deferred Tax Assets                                       | \$ 243,562                  | \$ -    | \$ 243,562            | \$ -       | -       | \$ -                  | \$ 243,562               | -                       | \$ 243,562            |
| (b) Statutory Valuation Allowance                                   | \$ 243,421                  | \$ -    | \$ 243,421            | \$ -       | -       | \$ -                  | \$ 243,421               | -                       | \$ 243,421            |
| (c) Adjusted Gross Deferred Tax Assets<br>(1a - 1b)                 | \$ 141                      | \$ -    | \$ 141                | \$ -       | -       | \$ -                  | \$ 141                   | -                       | \$ 141                |
| (d) Deferred Tax Assets Nonadmitted                                 | \$ -                        | \$ -    | \$ -                  | \$ -       | -       | \$ -                  | \$ -                     | -                       | \$ -                  |
| (e) Subtotal Net Admitted Deferred Tax<br>Asset (1c - 1d)           | \$ 141                      | \$ -    | \$ 141                | \$ -       | -       | \$ -                  | \$ 141                   | -                       | \$ 141                |
| (f) Deferred Tax Liabilities  | \$ 141                      | \$ -    | \$ 141                | \$ -       | -       | \$ -                  | \$ 141                   | -                       | \$ 141                |
| (g) Net Admitted Deferred Tax Asset/(Net<br>Deferred Tax Liability) |                             |         |                       |            |         |                       |                          |                         |                       |
| (1e - 1f)   | \$ -                        | \$ -    | \$ -                  | \$ -       | -       | \$ -                  | \$ -                     | -                       | \$ -                  |

|  | As of End of Current Period |         |                       | 12/31/2019 |         |                       | Change                   |                         |                       |
|--|-----------------------------|---------|-----------------------|------------|---------|-----------------------|--------------------------|-------------------------|-----------------------|
|  | (1)                         | (2)     | (3)                   | (4)        | (5)     | (6)                   | (7)                      | (8)                     | (9)                   |
|  | Ordinary                    | Capital | (Col. 1 + 2)<br>Total | Ordinary   | Capital | (Col. 4 + 5)<br>Total | (Col. 1 - 4)<br>Ordinary | (Col. 2 - 5)<br>Capital | (Col. 7 + 8)<br>Total |
| Admission Calculation Components<br>SSAP No. 101   |                             |         |                       |            |         |                       |                          |                         |                       |
| (a) Federal Income Taxes Paid In Prior<br>Years Recoverable Through Loss<br>Carrybacks   | -                           | -       | -                     | -          | -       | -                     | -                        | -                       | -                     |
| (b) Adjusted Gross Deferred Tax<br>Assets Expected To Be Realized<br>(Excluding The Amount Of Deferred<br>Tax Assets From 2(a) above) After<br>Application of the Threshold Limitation.<br>(The Lesser of 2(b)1 and 2(b)2 Below) | -                           | -       | -                     | -          | -       | -                     | -                        | -                       | -                     |
| 1. Adjusted Gross Deferred Tax<br>Assets Expected to be Realized<br>Following the Balance Sheet Date.  | -                           | -       | -                     | -          | -       | -                     | -                        | -                       | -                     |
| 2. Adjusted Gross Deferred Tax<br>Assets Allowed per Limitation<br>Threshold.  | XXX                         | XXX     | \$ 1,477,430          | XXX        | XXX     | \$ -                  | XXX                      | XXX                     | \$ 1,477,430          |
| (c) Adjusted Gross Deferred Tax Assets<br>(Excluding The Amount Of Deferred Tax<br>Assets From 2(a) and 2(b) above)  |                             |         |                       |            |         |                       |                          |                         |                       |
| Offset by Gross Deferred Tax Liabilities.  | \$ 141                      | -       | \$ 141                | \$ -       | -       | \$ -                  | \$ 141                   | -                       | \$ 141                |
| (d) Deferred Tax Assets Admitted as the<br>result of application of SSAP No. 101.  |                             |         |                       |            |         |                       |                          |                         |                       |
| Total (2(a) + 2(b) + 2(c))   | \$ 141                      | -       | \$ 141                | \$ -       | -       | \$ -                  | \$ 141                   | -                       | \$ 141                |

|  | 2020         | 2019 |
|--|--------------|------|
| a. Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.                               | 6074%        | N/A  |
| b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above. | \$ 9,849,530 | N/A  |

|   | As of End of Current Period |         | 12/31/2019 |         | Change                   |                         |
|---|-----------------------------|---------|------------|---------|--------------------------|-------------------------|
|   | (1)                         | (2)     | (3)        | (4)     | (5)                      | (6)                     |
|   | Ordinary                    | Capital | Ordinary   | Capital | (Col. 1 - 3)<br>Ordinary | (Col. 2 - 4)<br>Capital |
| 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. |                             |         |            |         |                          |                         |
| 1. Adjusted Gross DTAs amount from Note 9A1(c)  | \$ 141                      | \$ -    | \$ -       | \$ -    | \$ 141                   | \$ -                    |
| 2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies                     | 0.000%                      | 0.000%  | 0.000%     | 0.000%  | 0.000%                   | 0.000%                  |
| 3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)   | \$ 141                      | \$ -    | \$ -       | \$ -    | \$ 141                   | \$ -                    |
| 4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies    | 0.000%                      | 0.000%  | 0.000%     | 0.000%  | 0.000%                   | 0.000%                  |

b. Do the Company's tax-planning strategies include the use of reinsurance? Yes [ ] No [ X ]

B. Unrecognized DTL's – not applicable

NOTES TO FINANCIAL STATEMENTS

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

The components of the net deferred tax asset/(liability) at the end of current period are as follows:

|  | As of End of Current Period |         |                       | 12/31/2019 |         |                       | Change                   |                         |                       |
|--|-----------------------------|---------|-----------------------|------------|---------|-----------------------|--------------------------|-------------------------|-----------------------|
|  | (1)                         | (2)     | (3)                   | (4)        | (5)     | (6)                   | (7)                      | (8)                     | (9)                   |
|  | Ordinary                    | Capital | (Col. 1 + 2)<br>Total | Ordinary   | Capital | (Col. 4 + 5)<br>Total | (Col. 1 - 4)<br>Ordinary | (Col. 2 - 5)<br>Capital | (Col. 7 + 8)<br>Total |
| (a) Gross Deferred Tax Assets  | \$ 243,562                  | \$ -    | \$ 243,562            | \$ -       | -       | \$ -                  | \$ 243,562               | -                       | \$ 243,562            |
| (b) Statutory Valuation Allowance  | \$ 243,421                  | \$ -    | \$ 243,421            | \$ -       | -       | \$ -                  | \$ 243,421               | -                       | \$ 243,421            |
| (c) Adjusted Gross Deferred Tax Assets<br>(1a - 1b)                              | \$ 141                      | \$ -    | \$ 141                | \$ -       | -       | \$ -                  | \$ 141                   | -                       | \$ 141                |
| (d) Deferred Tax Assets Nonadmitted  | \$ -                        | \$ -    | \$ -                  | \$ -       | -       | \$ -                  | \$ -                     | -                       | \$ -                  |
| (e) Subtotal Net Admitted Deferred Tax<br>Asset (1c - 1d)                        | \$ 141                      | \$ -    | \$ 141                | \$ -       | -       | \$ -                  | \$ 141                   | -                       | \$ 141                |
| (f) Deferred Tax Liabilities   | \$ 141                      | \$ -    | \$ 141                | \$ -       | -       | \$ -                  | \$ 141                   | -                       | \$ 141                |
| (g) Net Admitted Deferred Tax Asset/(Net<br>Deferred Tax Liability)<br>(1e - 1f) | \$ -                        | \$ -    | \$ -                  | \$ -       | -       | \$ -                  | \$ -                     | -                       | \$ -                  |

|  | As of End of Current Period |         |                       | 12/31/2019 |         |                       | Change                   |                         |                       |
|--|-----------------------------|---------|-----------------------|------------|---------|-----------------------|--------------------------|-------------------------|-----------------------|
|  | (1)                         | (2)     | (3)                   | (4)        | (5)     | (6)                   | (7)                      | (8)                     | (9)                   |
|  | Ordinary                    | Capital | (Col. 1 + 2)<br>Total | Ordinary   | Capital | (Col. 4 + 5)<br>Total | (Col. 1 - 4)<br>Ordinary | (Col. 2 - 5)<br>Capital | (Col. 7 + 8)<br>Total |
| Admission Calculation Components<br>SSAP No. 101   |                             |         |                       |            |         |                       |                          |                         |                       |
| (a) Federal Income Taxes Paid In Prior<br>Years Recoverable Through Loss<br>Carrybacks   | -                           | -       | -                     | -          | -       | -                     | -                        | -                       | -                     |
| (b) Adjusted Gross Deferred Tax<br>Assets Expected To Be Realized<br>(Excluding The Amount Of Deferred<br>Tax Assets From 2(a) above) After<br>Application of the Threshold Limitation.<br>(The Lesser of 2(b)1 and 2(b)2 Below) |                             |         |                       |            |         |                       |                          |                         |                       |
| 1. Adjusted Gross Deferred Tax<br>Assets Expected to be Realized<br>Following the Balance Sheet Date.  | -                           | -       | -                     | -          | -       | -                     | -                        | -                       | -                     |
| 2. Adjusted Gross Deferred Tax<br>Assets Allowed per Limitation<br>Threshold.  | XXX                         | XXX     | \$ 1,477,430          | XXX        | XXX     | \$ -                  | XXX                      | XXX                     | \$ 1,477,430          |
| (c) Adjusted Gross Deferred Tax Assets<br>(Excluding The Amount Of Deferred Tax<br>Assets From 2(a) and 2(b) above)<br>Offset by Gross Deferred Tax Liabilities.   | \$ 141                      | -       | \$ 141                | \$ -       | -       | \$ -                  | \$ 141                   | -                       | \$ 141                |
| (d) Deferred Tax Assets Admitted as the<br>result of application of SSAP No. 101.<br>Total (2(a) + 2(b) + 2(c))  | \$ 141                      | -       | \$ 141                | \$ -       | -       | \$ -                  | \$ 141                   | -                       | \$ 141                |

|  |    |           |      |
|--|----|-----------|------|
| 3.   |    | 2020      | 2019 |
| a. Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.                               |    | 6074%     | N/A  |
| b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above. | \$ | 9,849,530 | N/A  |

|   | As of End of Current Period |         | 12/31/2019 |         | Change                   |                         |
|---|-----------------------------|---------|------------|---------|--------------------------|-------------------------|
|   | (1)                         | (2)     | (3)        | (4)     | (5)                      | (6)                     |
|   | Ordinary                    | Capital | Ordinary   | Capital | (Col. 1 - 3)<br>Ordinary | (Col. 2 - 4)<br>Capital |
| 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. |                             |         |            |         |                          |                         |
| 1. Adjusted Gross DTAs amount from Note 9A1(c)  | \$ 141                      | \$ -    | \$ -       | \$ -    | \$ 141                   | \$ -                    |
| 2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies                     | 0.000%                      | 0.000%  | 0.000%     | 0.000%  | 0.000%                   | 0.000%                  |
| 3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)   | \$ 141                      | \$ -    | \$ -       | \$ -    | \$ 141                   | \$ -                    |
| 4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies    | 0.000%                      | 0.000%  | 0.000%     | 0.000%  | 0.000%                   | 0.000%                  |

b. Do the Company's tax-planning strategies include the use of reinsurance? Yes [ ] No [X]

D. Reconciliation of Federal Income Tax Rate to Effective Rate

|   | Amount       | Effective Tax Rate |
|---|--------------|--------------------|
| Provision computed at statutory rate    | \$ (222,421) | 21.0%              |
| Change in nonadmitted assets            | (21,000)     | 2.0%               |
| Change in statutory valuation allowance | 243,421      | -23.0%             |
| Total                                   | \$ -         | 0.0%               |
| Federal income taxes incurred           | \$ (40)      | 0.0%               |
| Realized capital gains (losses) tax     | 40           | 0.0%               |
| Change in net deferred income taxes     | -            | 0.0%               |
| Total statutory income taxes            | \$ -         | 0.0%               |

## NOTES TO FINANCIAL STATEMENTS

### E. E.Operating Loss and Tax Credit Carryforwards

At December 31, 2020, the Company had approximately \$1,046,878 of operating loss carryforwards available to offset against future taxable income.

The following is income tax expense for 2019 and 2020 that is available for recoupment in the event of future net losses:

2019      \$ -

2020      \$ -

### F. The Company does not file a consolidated federal income tax return.

### G. Income Tax Loss Contingencies

None

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

### A. Nature of Relationships

Branch Financial, Inc. (BFI) is a Delaware-based corporation that acts as the attorney-in-fact for the Company. All of the Company's cash receipts and disbursements are administered by BFI, and BFI allocates certain shared expenses to the Company.

### B. Detail of Transactions Greater than ½% of 1% of Admitted Assets

On July 10, 2020, the Company issued a surplus note for \$8,000,000 at an interest rate of 6% to BFI in exchange for cash. The maturity date of the surplus note is May 1, 2030. On November 12, 2020 the Company issued a second surplus note for \$3,000,000 at an interest rate of 6% to BFI in exchange for cash. The maturity date of the surplus note is November 1, 2030.

All transactions with regard to the surplus notes, both principal and any interest, are subject to regulatory approval. Regulatory approval for the surplus note issuances occurred on July 13, 2020 and November 12, 2020.

### C. Amounts of Transactions

Not Applicable

### D. Amounts Due to or from Related Parties

At December 31, 2020, the Company reported \$602,237 as due to BFI.

### E. Guarantees or Contingencies for Related Parties

Not Applicable

### F. Management, Service Contracts, Cost Sharing Arrangements

All Company policy subscribers designate BFI as the Attorney-in-Fact for the Company through an executed subscriber agreement. Each subscriber agreement requires the Company reimburse BFI for all expenses incurred at BFI during the course of business that are attributed to operating the Company. The Company is also required to pay a commission to BFI in exchange for the services performed by BFI in their attorney-in-fact relationship with the Company at 5% of written premium. All payments of premium, fees, and surplus contributions, are collected by BFI and remitted to the Company in a timely fashion. All payables and receivables between the Company and BFI are also settled in a timely fashion.

As of December 31, 2020, the Company was charged \$1,161,172 by BFI for commissions and other expenses incurred under this agreement.

### G. Nature of Relationships that Could Affect Operations

Not Applicable

### H. Amount Deducted for Investment in Upstream Company

Not Applicable

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

Not Applicable

### J. Write-downs for Impairments

Not Applicable

### K. Detail of the Investment in a Foreign Subsidiary

Not Applicable

### L. Detail of the Investment in a Downstream Noninsurance Holding Company

Not Applicable

## NOTES TO FINANCIAL STATEMENTS

M. All SCA investments

Not Applicable

N. Investments in Insurance SCAs

Not Applicable

O. SCA and SSAP No. 48 Entity Loss Tracking

Not Applicable

### 11. Debt

Not Applicable

### 12. Retirement Plans, Deferred Compensation, Post-Employment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. B. C. D. Defined Benefit Plans

Not Applicable

E. Defined Contribution Plans

Not Applicable

F. Multiemployer Plans

Not Applicable

G. Consolidated/Holding Company Plans

Not Applicable

H. Postemployment Benefits and Compensated Absences

Not Applicable

I. Impact of Medicare Modernization Act on Postretirement Benefits

Not Applicable

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

Along with their policy premium, subscribers agree to make a surplus contribution to the Company equal to 2% of all premiums. The surplus contribution is payable to the Company on or prior to the initial effective date of coverage and on or prior to the effective date of all endorsements generating additional premium. The amounts paid as surplus contributions are credited to policyholder surplus for the benefit and protection of subscribers. Upon the issuance of a policy, or any other confirmation of coverage by the Company, the return of surplus contributions can occur only after withdrawal of the subscriber from the Company, and only with the approval of BFI and regulating authorities, where so required. The Company will return any surplus contributions (without interest) made during the policy term on a pro-rata basis to those subscribers who terminate coverage for any reason. All other surplus contributions, including those made on previous policy terms, are retained by the Company for the benefit of all remaining subscribers.

A. Number of Shares Issued

Not Applicable

B. Dividend Rate of Preferred Stock

Not Applicable

C. D. E. Dividends

Not Applicable

F. Restrictions on Unassigned Funds

Not Applicable

G. Mutual Surplus Advances

Not Applicable

H. Company Stock Held for Special Purposes

Not Applicable

I. Changes in Special Surplus Funds

NOTES TO FINANCIAL STATEMENTS

Not Applicable

J. The portion of unassigned funds (surplus) represented by cumulative net unrealized gain is \$0 at September 30, 2020.

K. Surplus Notes

The Company issued the following surplus debentures or similar obligations:

| 1           | 2           | 3             | 4                             | 5  | 6                                 | 7                                    | 8                                    |
|-------------|-------------|---------------|-------------------------------|--|-----------------------------------|--------------------------------------|--------------------------------------|
| Item Number | Date Issued | Interest Rate | Original Issue Amount of Note | Is Surplus Note Holder a Related Party (Y/N) | Carrying Value of Note Prior Year | Carrying Value of Note Current Year* | Unapproved Interest And/Or Principal |
| 1           | 07/10/2020  | 6.000%        | \$ 8,000,000                  | Y  | \$ -                              | \$ 8,000,000                         | \$ 224,000                           |
| 2           | 11/12/2020  | 6.000%        | \$ 3,000,000                  | Y  | \$ -                              | \$ 3,000,000                         | \$ 22,685                            |
| Total       | XXX         | XXX           | \$ 11,000,000                 | XXX  | \$ -                              | \$ 11,000,000                        | \$ 246,685                           |

\* Total should agree with Page 3, Line 33.

| 1           | 9  | 10                                       | 11   | 12                          | 13                          | 14               |
|-------------|--|--|--|-----------------------------|-----------------------------|------------------|
| Item Number | Current Year Interest Expense Recognized | Life-To-Date Interest Expense Recognized | Current Year Interest Offset Percentage (not including amounts paid to a 3rd party liquidity provider) | Current Year Principal Paid | Life-To-Date Principal Paid | Date of Maturity |
| 1           | \$ -                                     | \$ -                                     | 0.000%   | \$ -                        | \$ -                        | 05/01/2030       |
| 2           | \$ -                                     | \$ -                                     | 0.000%   | \$ -                        | \$ -                        | 11/01/2030       |
| Total       | \$ -                                     | \$ -                                     | XXX  | \$ -                        | \$ -                        | XXX              |

| 1           | 15  | 16   | 17   | 18                                    | 19                                    |
|-------------|---|--|--|---------------------------------------|---------------------------------------|
| Item Number | Are Surplus Note Payments Contractually Linked? (Y/N) | Surplus Note Payments Subject to Administrative Offsetting Provisions? (Y/N) | Were Surplus Note Proceeds Used to Purchase an Asset Directly From the Holder of the Surplus Note? (Y/N) | Is Asset Issuer a Related Party (Y/N) | Type of Assets Received Upon Issuance |
| 1           | N   | N  | N  | N/A                                   | N/A                                   |
| 2           | N   | N  | N  | N/A                                   | N/A                                   |
| Total       | XXX   | XXX  | XXX  | XXX                                   | XXX                                   |

| 1           | 20  | 21                                  | 22  |
|-------------|---|-------------------------------------|---|
| Item Number | Principal Amount of Assets Received Upon Issuance | Book/Adjusted Carry Value of Assets | Is Liquidity Source a Related Party to the Surplus Note Issuer? (Y/N) |
| 1           | \$ -  | \$ -                                | N/A   |
| 2           | \$ -  | \$ -                                | N/A   |
| Total       | \$ -  | \$ -                                | XXX   |

L. M. Quasi-Reorganizations

Not Applicable

14. Contingencies

A. Contingent Commitments

## NOTES TO FINANCIAL STATEMENTS

Not Applicable

B. Assessments

Not Applicable

C. Gain Contingencies

Not Applicable

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

Not Applicable

E. Product Warranties

Not Applicable

F. Joint and Several Liabilities

G. All Other Contingencies

Lawsuits do arise against the Company in its normal course of business. Contingent liabilities arising from litigation or other matters are not, at this time, considered to be material in relation to the financial position of the Company.

15. Leases

A. Lessee Leasing Arrangements

Not Applicable

B. Lessor and Leveraged Leasing Arrangements

Not Applicable

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

Not Applicable

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

Not Applicable

B. Transfer and Servicing of Financial Assets

Not Applicable

C. Wash Sales

Not Applicable

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

A. Administrative Services Only (ASO) Plans

Not Applicable

B. Administrative Services Contract (ASC) Plans

Not Applicable

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts

Not Applicable

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

Not Applicable

20. Fair Value Measurements

SSAP 100, Fair Value Measurements, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are described as follows:

- Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Company has the ability to access.

NOTES TO FINANCIAL STATEMENTS

- Level 2 – Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The Company believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

A. Inputs Used for Assets Measured at Fair Value

1. Fair Value Measurements at Reporting Date

| Description for each class of asset or liability | (Level 1)    | (Level 2) | (Level 3) | Net Asset Value (NAV) | Total        |
|--|--------------|-----------|-----------|-----------------------|--------------|
| a. Assets at fair value                          |              |           |           |                       |              |
| Money Market Mutual Fund                         | \$ 2,188,090 | \$ -      | \$ -      | \$ -                  | \$ 2,188,090 |
| Total assets at fair value/NAV                   | \$ 2,188,090 | \$ -      | \$ -      | \$ -                  | \$ 2,188,090 |

2. Fair Value Measurements in Level 3 of the Fair Value Hierarchy - N/A

3. Reasons for any transfers between levels - N/A

4. Valuation Techniques for Fair Value Measurement Categorized Within Level 2 and Level 3 - N/A

5. Derivative assets and liabilities - N/A

B. Other Fair Value Disclosures

Not Applicable

C. Fair Value for all Financial Instruments

| Type of Financial Instrument | Aggregate Fair Value | Admitted Assets | (Level 1)    | (Level 2)    | (Level 3) | Net Asset Value (NAV) | Not Practicable (Carrying Value) |
|------------------------------|----------------------|-----------------|--------------|--------------|-----------|-----------------------|----------------------------------|
| Bonds                        | \$ 8,212,899         | \$ 8,194,369    | \$ 838,000   | \$ 7,374,899 | \$ -      | \$ -                  | \$ -                             |
| Money Market Mutual Fund     | \$ 2,188,090         | \$ 2,188,090    | \$ 2,188,090 |              | \$ -      | \$ -                  | \$ -                             |

D. Reasons Not Practical to Estimate Fair Value

Not Applicable

E. Investments measured using Net Asset Value (NAV) practical expedient

Not Applicable

21. Other Items

A. Unusual or Infrequent Items

Not Applicable

B. Troubled Debt Restructuring for Debtors

Not Applicable

C. Other Disclosures and Unusual Items

The Company elected to use rounding in reporting amounts in the statement.

D. Business Interruption Insurance Recoveries

Not Applicable

E. State Transferable and Non-transferable Tax Credits

Not Applicable

F. Subprime Mortgage Related Risk Exposure

Not Applicable

G. Insurance-Linked Securities (ILS) Contracts

Not Applicable

NOTES TO FINANCIAL STATEMENTS

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

Not Applicable

22. Events Subsequent

Type I Recognized Subsequent Events:

Subsequent events have been considered through 2/26/21 for the statutory statement issued on 2/26/21.

Type II Nonrecognized Subsequent Events:

Subsequent events have been considered through 2/26/21 for the statutory statement issued on 2/26/21.

A. Did the reporting entity write accident or health insurance premium that is subject to Section 9010 of the federal Affordable Care Act?

No

B.-H. Not Applicable

23. Reinsurance

A. Unsecured Reinsurance Recoverables

The Company does not have any unsecured aggregate recoverable for losses and LAE that exceeds 3% of the Company’s policyholder surplus as of December 31, 2020.

B. Reinsurance Recoverable in Dispute

Not Applicable

C. Reinsurance Assumed and Ceded

1. Return commissions

|               | Assumed Reinsurance |                   | Ceded Reinsurance |                   | Net             |                   |
|---------------|---------------------|-------------------|-------------------|-------------------|-----------------|-------------------|
|               | Premium Reserve     | Commission Equity | Premium Reserve   | Commission Equity | Premium Reserve | Commission Equity |
| a. Affiliates | \$ -                | \$ -              | \$ -              | \$ -              | \$ -            | \$ -              |
| b. All Other  | \$ -                | \$ -              | \$ 258,573        | \$ 62,058         | \$ (258,573)    | \$ (62,058)       |
| c. Total      | \$ -                | \$ -              | \$ 258,573        | \$ 62,058         | \$ (258,573)    | \$ (62,058)       |

2. d. Direct Unearned Premium Reserve \$ 323,216

3. Contingent commissions; none.

4. Risk associated with protected cells; not applicable.

D. Uncollectible Reinsurance

Not Applicable

E. Commutation of Ceded Reinsurance

Not Applicable

F. Retroactive Reinsurance

Not Applicable

G. Reinsurance Accounted for as a Deposit

Not Applicable

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

Not Applicable

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not Applicable

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

Not Applicable

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination



NOTES TO FINANCIAL STATEMENTS

A. through E. Not Applicable

F. Risk-Sharing Provisions of the Affordable Care Act (ACA)

1. Did the reporting entity write accident and health insurance premium that is subject the Affordable Care Act risk-sharing provisions?  
Yes ( ) No (X)
2. Impact of Risk-Sharing provisions of the ACA  
Not Applicable
3. Roll-forward of Prior Year ACA Risk-Sharing Provisions  
Not Applicable
4. Roll-forward of Risk Corridors Asset and Liability Balances by Program Benefit Year  
Not Applicable
5. ACA Risk Corridors Receivable as of Reporting Date  
Not Applicable

25. Changes in Incurred Losses and Loss Adjustment Expenses

|                               | 2020  | 2019 |
|-------------------------------|-------|------|
| Balance, beginning of year    | \$ -  | \$ - |
| Less reinsurance recoverables | -     | -    |
| Net balance at January 1      | -     | -    |
| Incurred related to:          |       |      |
| Current Year                  | 51    | -    |
| Prior Years                   | 0     | -    |
| Total incurred                | 51    | -    |
| Paid related to:              |       |      |
| Current Year                  | 42    | -    |
| Prior Years                   | (0)   | -    |
| Total paid                    | 42    | -    |
| Net balance at December 31    | 9     | -    |
| Plus reinsurance recoverables | 34    | -    |
| Balance, end of year          | \$ 43 | \$ - |

26. Intercompany Pooling Arrangements

Not Applicable

27. Structured Settlements

Not Applicable

28. Health Care Receivables

- A. Pharmaceutical Rebate Receivables  
Not Applicable
- B. Risk Sharing Receivables  
Not Applicable

29. Participating Policies

Not Applicable

30. Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves
2. Date of the most recent evaluation of this liability
3. Was anticipated investment income utilized in the calculation?

\$ 0

12/31/2020

Yes ☐ No ☒

NOTES TO FINANCIAL STATEMENTS

31. High Deductibles

Not Applicable

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

Not Applicable

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 existence of, a liability due to asbestos losses? Yes ( ) No (X)

B. C. Ending Reserves for Asbestos Claims

Not Applicable

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? Yes ( ) No (X)

E. F. Ending Reserves for Environmental Claims

Not Applicable

34. Subscriber Savings Accounts

The Company will maintain a separate individual Subscriber Savings Account ("SSA") for each subscriber, and may, in its discretion, set aside a credit for each subscriber. Subscribers may become vested in a certain percentage of SSA funds according to a schedule that rewards Company loyalty. Additionally, subscribers may be entitled to cash distributions of vested funds.

As of December 31, 2020, the Company has not set aside any funds to subscriber savings accounts.

35. Multiple Peril Crop Insurance

Not Applicable

36. Financial Guaranty Insurance

Not Applicable

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1

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

Yes [ ] No [ X ]

1.2

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

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

1.3

State Regulating?

Ohio

1.4

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

Yes [ ] No [ X ]

1.5

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

2.1

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

Yes [ ] No [ X ]

2.2

If yes, date of change:

3.1

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

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.

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).

3.4

By what department or departments?

3.5

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

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

3.6

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

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

4.1

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

Yes [ ] No [ X ]  
Yes [ ] No [ X ]

4.2

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

Yes [ ] No [ X ]  
Yes [ ] No [ X ]

5.1

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

Yes [ ] No [ X ]

5.2

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

|                     |                        |                        |
|---------------------|------------------------|------------------------|
| 1<br>Name of Entity | 2<br>NAIC Company Code | 3<br>State of Domicile |
|                     | .00000                 |                        |
|                     |                        |                        |

6.1

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

Yes [ ] No [ X ]

6.2

If yes, give full information:

7.1

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

Yes [ ] No [ X ]

7.2

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

|                  |                     |
|------------------|---------------------|
| 1<br>Nationality | 2<br>Type of Entity |
|                  |                     |

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

GENERAL INTERROGATORIES

8.1

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

Yes [ ] No [ X ]

8.2

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

8.3

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

Yes [ ] No [ X ]

8.4

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

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

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Baker Tilly 175 South Third St, Suite 1250, Columbus, OH 43215

10.1

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

Yes [ ] No [ X ]

10.2

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

10.3

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

Yes [ ] No [ X ]

10.4

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

10.5

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

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

10.6

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

11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

None

12.1

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

Yes [ ] No [ X ]

12.11

Name of real estate holding company

12.12

Number of parcels involved

12.13

Total book/adjusted carrying value

\$

12.2

If, yes provide explanation:

13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1

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

13.2

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

Yes [ ] No [ ]

13.3

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

Yes [ ] No [ ]

13.4

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

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

14.1

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

Yes [ X ] No [ ]

a.

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

b.

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

c.

Compliance with applicable governmental laws, rules and regulations;

d.

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

e.

Accountability for adherence to the code.

14.11

If the response to 14.1 is No, please explain:

14.2

Has the code of ethics for senior managers been amended?

Yes [ ] No [ X ]

14.21

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

14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [ ] No [ X ]

14.31

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

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

GENERAL INTERROGATORIES

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

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof?
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?
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 with the official duties of such person?
- Yes [ X ] No [ ]
- Yes [ X ] No [ ]
- Yes [ X ] No [ ]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers
- 20.12 To stockholders not officers
- 20.13 Trustees, supreme or grand (Fraternal Only)
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers
- 20.22 To stockholders not officers
- 20.23 Trustees, supreme or grand (Fraternal Only)
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others
- 21.22 Borrowed from others
- 21.23 Leased from others
- 21.24 Other
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment
- 22.22 Amount paid as expenses
- 22.23 Other amounts paid
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:
- Yes [ ] No [ X ]
- \$
- \$
- \$
- \$
- \$
- \$
- \$
- \$
- \$
- \$
- \$
- \$
- Yes [ ] No [ X ]
- \$
- \$
- \$
- Yes [ ] No [ X ]
- \$

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)
- 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.
- 24.05 For the reporting entity's securities lending program, report amount of collateral for other programs.
- 24.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?
- 24.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?
- 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 [ X ] No [ ]
- Yes [ ] No [ ] N/A [ X ]
- Yes [ ] No [ ] N/A [ X ]
- \$
- \$
- Yes [ ] No [ ] N/A [ X ]
- Yes [ ] No [ ] N/A [ X ]
- Yes [ ] No [ ] N/A [ X ]

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

GENERAL INTERROGATORIES

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.                   | \$ |  |
| 24.092 | Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. | \$ |  |
| 24.093 | Total payable for securities lending reported on the liability page.                                       | \$ |  |

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03).

Yes [ X ] No [ ]

|      |  |   |    |           |
|------|--|---|----|-----------|
| 25.2 | If yes, state the amount thereof at December 31 of the current year: | 25.21 Subject to repurchase agreements  | \$ |           |
|      |  | 25.22 Subject to reverse repurchase agreements  | \$ |           |
|      |  | 25.23 Subject to dollar repurchase agreements   | \$ |           |
|      |  | 25.24 Subject to reverse dollar repurchase agreements                                 | \$ |           |
|      |  | 25.25 Placed under option agreements  | \$ |           |
|      |  | 25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock | \$ |           |
|      |  | 25.27 FHLB Capital Stock  | \$ |           |
|      |  | 25.28 On deposit with states  | \$ | 1,631,225 |
|      |  | 25.29 On deposit with other regulatory bodies   | \$ |           |
|      |  | 25.30 Pledged as collateral - excluding collateral pledged to an FHLB                 | \$ |           |
|      |  | 25.31 Pledged as collateral to FHLB - including assets backing funding agreements     | \$ |           |
|      |  | 25.32 Other   | \$ |           |

25.3 For category (25.26) provide the following:

| 1<br>Nature of Restriction | 2<br>Description | 3<br>Amount |
|----------------------------|------------------|-------------|
|                            |                  |             |
|                            |                  |             |

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes [ ] No [ X ]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

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

If no, attach a description with this statement.

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

26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? ..

Yes [ ] No [ X ]

|      |  |  |                  |
|------|--|--|------------------|
| 26.4 | If the response to 26.3 is YES, does the reporting entity utilize: | 26.41 Special accounting provision of SSAP No. 108 | Yes [ ] No [ X ] |
|      |  | 26.42 Permitted accounting practice                | Yes [ ] No [ X ] |
|      |  | 26.43 Other accounting guidance                    | Yes [ ] No [ X ] |

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

Yes [ ] No [ X ]

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

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes [ ] No [ X ]

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

\$

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

Yes [ ] No [ X ]

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

| 1<br>Name of Custodian(s) | 2<br>Custodian's Address                |
|---------------------------|---|
| Fifth Third Bank          | 21 East State Street Columbus, OH 43215 |

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

GENERAL INTERROGATORIES

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

| 1<br>Name(s) | 2<br>Location(s) | 3<br>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<br>Old Custodian | 2<br>New Custodian | 3<br>Date of Change | 4<br>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<br>Name of Firm or Individual               | 2<br>Affiliation |
|---|------------------|
| Asset Allocation and Management Company ..... | U.....           |
|   |                  |

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

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

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

| 1<br>Central Registration<br>Depository Number | 2<br>Name of Firm or Individual               | 3<br>Legal Entity Identifier (LEI) | 4<br>Registered With | 5<br>Investment<br>Management<br>Agreement<br>(IMA) Filed |
|--|---|------------------------------------|----------------------|---|
| 109875 .....                                   | Asset Allocation and Management Company ..... | 549300DSCHE1V5W3U963 .....         | SEC .....            | NO.....   |
|  |   |                                    |                      |   |

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

29.2 If yes, complete the following schedule:

| 1<br>CUSIP #    | 2<br>Name of Mutual Fund | 3<br>Book/Adjusted<br>Carrying Value |
|-----------------|--------------------------|--------------------------------------|
| 29.2999 - Total |                          |                                      |

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

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

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

GENERAL INTERROGATORIES

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

|                             | 1                             | 2          | 3  |
|-----------------------------|-------------------------------|------------|--|
|                             | Statement (Admitted)<br>Value | Fair Value | Excess of Statement<br>over Fair Value (-), or<br>Fair Value over<br>Statement (+) |
| 30.1 Bonds .....            | 8,194,369                     | 8,212,899  | 18,530   |
| 30.2 Preferred stocks ..... |                               |            |  |
| 30.3 Totals                 | 8,194,369                     | 8,212,899  | 18,530   |

30.4 Describe the sources or methods utilized in determining the fair values:  
Market values were provided by the investment custodian .....

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

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

35. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:  
a. The shares were purchased prior to January 1, 2019.  
b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.  
c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.  
d. The fund only or predominantly holds bonds in its portfolio.  
e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.  
f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.  
Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? ..... Yes [ ] No [ X ]

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 [ ] N/A [ X ]



ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

GENERAL INTERROGATORIES

OTHER

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

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<br>Name | 2<br>Amount Paid |
|-----------|------------------|
| .....     | .....            |
| .....     | .....            |

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

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<br>Name | 2<br>Amount Paid |
|-----------|------------------|
| .....     | .....            |
| .....     | .....            |

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

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<br>Name | 2<br>Amount Paid |
|-----------|------------------|
| .....     | .....            |
| .....     | .....            |

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND 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. ....

\$ \_\_\_\_\_

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? .....

\$ \_\_\_\_\_

1.31

Reason for excluding .....

1.4

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

\$ \_\_\_\_\_

1.5

Indicate total incurred claims on all Medicare Supplement Insurance. ....

\$ \_\_\_\_\_

1.6

Individual policies:

Most current three years:

1.61

Total premium earned .....

\$ \_\_\_\_\_

1.62

Total incurred claims .....

\$ \_\_\_\_\_

1.63

Number of covered lives .....

All years prior to most current three years

1.64

Total premium earned .....

\$ \_\_\_\_\_

1.65

Total incurred claims .....

\$ \_\_\_\_\_

1.66

Number of covered lives .....

1.7

Group policies:

Most current three years:

1.71

Total premium earned .....

\$ \_\_\_\_\_

1.72

Total incurred claims .....

\$ \_\_\_\_\_

1.73

Number of covered lives .....

All years prior to most current three years

1.74

Total premium earned .....

\$ \_\_\_\_\_

1.75

Total incurred claims .....

\$ \_\_\_\_\_

1.76

Number of covered lives .....

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator .....

2.2

Premium Denominator .....

22,122

2.3

Premium Ratio (2.1/2.2) .....

0.000

0.000

2.4

Reserve Numerator .....

2.5

Reserve Denominator .....

73,261

2.6

Reserve Ratio (2.4/2.5) .....

0.000

0.000

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 .....

\$ \_\_\_\_\_

3.22

Non-participating policies .....

\$ \_\_\_\_\_

4.

For mutual reporting Entities and Reciprocal Exchanges Only:

4.1

Does the reporting entity issue assessable policies? .....

Yes [ ] No [ ]

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. ....

\$ \_\_\_\_\_

5.

For Reciprocal Exchanges Only:

5.1

Does the Exchange appoint local agents? .....

Yes [ X ] No [ ]

5.2

If yes, is the commission paid:

5.21

Out of Attorney's-in-fact compensation.....

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

5.22

As a direct expense of the exchange.....

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

5.3

What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

All .....

5.4

Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? .....

Yes [ ] No [ X ]

5.5

If yes, give full information .....

16

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

6.1

What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?  
N/A

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 Company is provided RMS Risklink modeling output from SCOR Re for their personal lines automobile and homeowners business. All business is currently located in Ohio, with minimal risk to either hurricane or earthquake.

6.3

What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?  
The Company has a quota share reinsurance agreement

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 [ ] No [ X ]

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.  
The company has a quota share reinsurance agreement with a significant cession of loss that reduces loss amounts for probable maximum loss events similar to an excess of loss contract.

7.1

Has this 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 ratio cap, an aggregate limit or any similar provisions)?

Yes [ X ] No [ ]

7.2

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

1

7.3

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

Yes [ X ] No [ ]

8.1

Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured?

Yes [ ] No [ X ]

8.2

If yes, give full information

9.1

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

Yes [ ] No [ X ]

9.2

Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:  
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or  
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.

Yes [ ] No [ X ]

9.3

If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:  
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;  
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and  
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4

Except for transactions meeting the requirements of paragraph 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?

Yes [ ] No [ X ]

9.5

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

9.6

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

Yes [ ] No [ X ]  
Yes [ ] No [ X ]  
Yes [ ] No [ X ]

10.

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

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

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force? ..... Yes [ ] No [ X ]

11.2 If yes, give full information  
.....

12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11 Unpaid losses .....\$

12.12 Unpaid underwriting expenses (including loss adjustment expenses) .....\$

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

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

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 the current year:

12.61 Letters of credit .....\$

12.62 Collateral and other funds.....\$

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): .....\$ 470,000

13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? ..... Yes [ ] No [ X ]

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. ....1

14.1 Is the company a cedant in a multiple cedant reinsurance contract? ..... Yes [ ] No [ X ]

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:  
.....

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? ..... Yes [ ] No [ ]

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<br>Direct Losses<br>Incurred | 2<br>Direct Losses<br>Unpaid | 3<br>Direct Written<br>Premium | 4<br>Direct Premium<br>Unearned | 5<br>Direct Premium<br>Earned |
|------------------------|--------------------------------|------------------------------|--------------------------------|---------------------------------|-------------------------------|
| 16.11 Home .....       |                                |                              |                                |                                 |                               |
| 16.12 Products .....   |                                |                              |                                |                                 |                               |
| 16.13 Automobile ..... |                                |                              |                                |                                 |                               |
| 16.14 Other*           |                                |                              |                                |                                 |                               |

\* Disclose type of coverage:  
.....

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

17.1

Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that is exempt from the statutory provision for unauthorized reinsurance? .....

Yes [ ☐ ] No [ ☒ ]

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 .....

\$ .....

17.12

Unfunded portion of Interrogatory 17.11 .....

\$ .....

17.13

Paid losses and loss adjustment expenses portion of Interrogatory 17.11.....

\$ .....

17.14

Case reserves portion of Interrogatory 17.11 .....

\$ .....

17.15

Incurred but not reported portion of Interrogatory 17.11 .....

\$ .....

17.16

Unearned premium portion of Interrogatory 17.11 .....

\$ .....

17.17

Contingent commission portion of Interrogatory 17.11 .....

\$ .....

18.1

Do you act as a custodian for health savings accounts? .....

Yes [ ☐ ] No [ ☒ ]

18.2

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

\$ .....

18.3

Do you act as an administrator for health savings accounts? .....

Yes [ ☐ ] No [ ☒ ]

18.4

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

\$ .....

19.

Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? .....

Yes [ ☒ ] No [ ☐ ]

19.1

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

Yes [ ☐ ] No [ ☒ ]

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

**FIVE-YEAR HISTORICAL DATA**

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

|   | 1<br>2020   | 2<br>2019 | 3<br>2018 | 4<br>2017 | 5<br>2016 |
|---|-------------|-----------|-----------|-----------|-----------|
| <b>Gross Premiums Written (Page 8, Part 1B Cols. 1, 2 &amp; 3)</b>  |             |           |           |           |           |
| 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) .....  | 125,658     |           |           |           |           |
| 2. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....  | 96,273      |           |           |           |           |
| 3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....  | 211,897     |           |           |           |           |
| 4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....   |             |           |           |           |           |
| 5. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....  |             |           |           |           |           |
| 6. Total (Line 35) .....  | 433,828     |           |           |           |           |
| <b>Net Premiums Written (Page 8, Part 1B, Col. 6)</b>   |             |           |           |           |           |
| 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) .....  | 25,132      |           |           |           |           |
| 8. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....  | 19,255      |           |           |           |           |
| 9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....  | 42,379      |           |           |           |           |
| 10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....  |             |           |           |           |           |
| 11. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....   |             |           |           |           |           |
| 12. Total (Line 35) .....   | 86,766      |           |           |           |           |
| <b>Statement of Income (Page 4)</b>   |             |           |           |           |           |
| 13. Net underwriting gain (loss) (Line 8) .....   | (1,075,779) |           |           |           |           |
| 14. Net investment gain or (loss) (Line 11) .....   | 10,322      |           |           |           |           |
| 15. Total other income (Line 15) .....  | 6,270       |           |           |           |           |
| 16. Dividends to policyholders (Line 17) .....  |             |           |           |           |           |
| 17. Federal and foreign income taxes incurred (Line 19) .....   | (40)        |           |           |           |           |
| 18. Net income (Line 20) .....  | (1,059,147) |           |           |           |           |
| <b>Balance Sheet Lines (Pages 2 and 3)</b>  |             |           |           |           |           |
| 19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3) .....   | 10,788,795  |           |           |           |           |
| 20. Premiums and considerations (Page 2, Col. 3)  |             |           |           |           |           |
| 20.1 In course of collection (Line 15.1) .....  | 197,652     |           |           |           |           |
| 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) .....   | 939,265     |           |           |           |           |
| 22. Losses (Page 3, Line 1) .....   | 7,223       |           |           |           |           |
| 23. Loss adjustment expenses (Page 3, Line 3) .....   | 1,395       |           |           |           |           |
| 24. Unearned premiums (Page 3, Line 9) .....  | 64,643      |           |           |           |           |
| 25. Capital paid up (Page 3, Lines 30 & 31) .....   |             |           |           |           |           |
| 26. Surplus as regards policyholders (Page 3, Line 37) .....  | 9,849,530   |           |           |           |           |
| <b>Cash Flow (Page 5)</b>   |             |           |           |           |           |
| 27. Net cash from operations (Line 11) .....  | (1,045,552) |           |           |           |           |
| <b>Risk-Based Capital Analysis</b>  |             |           |           |           |           |
| 28. Total adjusted capital .....  | 9,849,530   |           |           |           |           |
| 29. Authorized control level risk-based capital .....   | 162,095     |           |           |           |           |
| <b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0</b>                      |             |           |           |           |           |
| 30. Bonds (Line 1) .....  | 76.9        |           |           |           |           |
| 31. Stocks (Lines 2.1 & 2.2) .....  |             |           |           |           |           |
| 32. Mortgage loans on real estate (Lines 3.1 and 3.2) .....   |             |           |           |           |           |
| 33. Real estate (Lines 4.1, 4.2 & 4.3) .....  |             |           |           |           |           |
| 34. Cash, cash equivalents and short-term investments (Line 5) .....  | 23.1        |           |           |           |           |
| 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     |
| <b>Investments in Parent, Subsidiaries and Affiliates</b>   |             |           |           |           |           |
| 42. Affiliated bonds (Schedule D, Summary, Line 12, Col. 1) .....   |             |           |           |           |           |
| 43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1) .....  |             |           |           |           |           |
| 44. Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1) .....   |             |           |           |           |           |
| 45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10) .....   |             |           |           |           |           |
| 46. Affiliated mortgage loans on real estate .....  |             |           |           |           |           |
| 47. All other affiliated .....  |             |           |           |           |           |
| 48. Total of above Lines 42 to 47 .....   |             |           |           |           |           |
| 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) |             |           |           |           |           |

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

FIVE-YEAR HISTORICAL DATA

(Continued)

|  | 1<br>2020 | 2<br>2019 | 3<br>2018 | 4<br>2017 | 5<br>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) .....  | 9,849,530 |           |           |           |           |
| 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) .....  |           |           |           |           |           |
| 55. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....  | 22,125    |           |           |           |           |
| 56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....  |           |           |           |           |           |
| 57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....   |           |           |           |           |           |
| 58. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....  |           |           |           |           |           |
| 59. Total (Line 35) .....  | 22,125    |           |           |           |           |
| 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) .....  |           |           |           |           |           |
| 61. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....  | 4,425     |           |           |           |           |
| 62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....  |           |           |           |           |           |
| 63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....   |           |           |           |           |           |
| 64. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....  |           |           |           |           |           |
| 65. Total (Line 35) .....  | 4,425     |           |           |           |           |
| Operating Percentages (Page 4) (Line 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) .....   | 52.7      |           |           |           |           |
| 68. Loss expenses incurred (Line 3) .....  | 177.5     |           |           |           |           |
| 69. Other underwriting expenses incurred (Line 4) .....  | 4,732.7   |           |           |           |           |
| 70. Net underwriting gain (loss) (Line 8) .....  | (4,862.9) |           |           |           |           |
| 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) .....   | 1,199.4   |           |           |           |           |
| 72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0) .....   | 230.2     |           |           |           |           |
| 73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0) .....   | 0.9       |           |           |           |           |
| 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) .....   |           |           |           |           |           |
| 75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0).....                  |           |           |           |           |           |
| Two Year Loss Development (\$000 omitted)  |           |           |           |           |           |
| 76. Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12) .....                       |           |           |           |           |           |
| 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) ..... |           |           |           |           |           |

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

If no, please explain: .....

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

**SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES**

**SCHEDULE P - PART 1 - SUMMARY**

(\$000 OMITTED)

| Years in Which<br>Premiums Were<br>Earned and<br>Losses Were<br>Incurred | Premiums Earned                |                |                      | Loss and Loss Expense Payments |       |  |       |                                 |       |  |  | 12   |
|--|--------------------------------|----------------|----------------------|--------------------------------|-------|--|-------|---------------------------------|-------|--|--|--|
|  | 1<br><br>Direct and<br>Assumed | 2<br><br>Ceded | 3<br><br>Net (1 - 2) | Loss Payments                  |       | Defense and Cost<br>Containment Payments |       | Adjusting and Other<br>Payments |       | 10<br><br>Salvage and<br>Subrogation<br>Received | 11<br><br>Total Net<br>Paid Cols<br>(4 - 5 + 6 - 7<br>+ 8 - 9) | Number of<br>Claims<br>Reported<br>Direct and<br>Assumed |
|  |                                |                |                      | 4                              | 5     | 6  | 7     | 8                               | 9     |  |  |  |
|  |                                |                |                      | Direct and<br>Assumed          | Ceded | Direct and<br>Assumed                    | Ceded | Direct and<br>Assumed           | Ceded |  |  |  |
| 1. Prior.....  | XXX                            | XXX            | XXX                  |                                |       |  |       |                                 |       |  |  | XXX  |
| 2. 2011.....   |                                |                |                      |                                |       |  |       |                                 |       |  |  | XXX  |
| 3. 2012.....   |                                |                |                      |                                |       |  |       |                                 |       |  |  | XXX  |
| 4. 2013.....   |                                |                |                      |                                |       |  |       |                                 |       |  |  | XXX  |
| 5. 2014.....   |                                |                |                      |                                |       |  |       |                                 |       |  |  | XXX  |
| 6. 2015.....   |                                |                |                      |                                |       |  |       |                                 |       |  |  | XXX  |
| 7. 2016.....   |                                |                |                      |                                |       |  |       |                                 |       |  |  | XXX  |
| 8. 2017.....   |                                |                |                      |                                |       |  |       |                                 |       |  |  | XXX  |
| 9. 2018.....   |                                |                |                      |                                |       |  |       |                                 |       |  |  | XXX  |
| 10. 2019.....  |                                |                |                      |                                |       |  |       |                                 |       |  |  | XXX  |
| 11. 2020.....  | 111                            | 88             | 22                   | 22                             | 18    |  |       | 45                              | 6     |  | 44   | XXX  |
| 12. Totals.....  | XXX                            | XXX            | XXX                  | 22                             | 18    |  |       | 45                              | 6     |  | 44   | XXX  |

|                 | Losses Unpaid      |       |                    |       | Defense and Cost Containment Unpaid |       |                    |       | Adjusting and Other Unpaid |       | 23                                  | 24                                   | 25  |
|-----------------|--------------------|-------|--------------------|-------|-------------------------------------|-------|--------------------|-------|----------------------------|-------|-------------------------------------|--------------------------------------|---|
|                 | Case Basis         |       | Bulk + IBNR        |       | Case Basis                          |       | Bulk + IBNR        |       |                            |       |                                     |                                      |   |
|                 | 13                 | 14    | 15                 | 16    | 17                                  | 18    | 19                 | 20    | 21                         | 22    | Salvage and Subrogation Anticipated | Total Net Losses and Expenses Unpaid | Number of Claims Outstanding Direct and Assumed |
|                 | Direct and Assumed | Ceded | Direct and Assumed | Ceded | Direct and Assumed                  | Ceded | Direct and Assumed | Ceded | Direct and Assumed         | Ceded |                                     |                                      |   |
| 1. Prior.....   |                    |       |                    |       |                                     |       |                    |       |                            |       |                                     |                                      |   |
| 2. 2011.....    |                    |       |                    |       |                                     |       |                    |       |                            |       |                                     |                                      | XXX   |
| 3. 2012.....    |                    |       |                    |       |                                     |       |                    |       |                            |       |                                     |                                      | XXX   |
| 4. 2013.....    |                    |       |                    |       |                                     |       |                    |       |                            |       |                                     |                                      | XXX   |
| 5. 2014.....    |                    |       |                    |       |                                     |       |                    |       |                            |       |                                     |                                      | XXX   |
| 6. 2015.....    |                    |       |                    |       |                                     |       |                    |       |                            |       |                                     |                                      | XXX   |
| 7. 2016.....    |                    |       |                    |       |                                     |       |                    |       |                            |       |                                     |                                      | XXX   |
| 8. 2017.....    |                    |       |                    |       |                                     |       |                    |       |                            |       |                                     |                                      | XXX   |
| 9. 2018.....    |                    |       |                    |       |                                     |       |                    |       |                            |       |                                     |                                      | XXX   |
| 10. 2019.....   |                    |       |                    |       |                                     |       |                    |       |                            |       |                                     |                                      | XXX   |
| 11. 2020.....   | 6                  | 4     | 31                 | 24    |                                     |       | 1                  | 1     | 5                          | 4     |                                     | 9                                    | XXX   |
| 12. Totals..... | 6                  | 4     | 31                 | 24    |                                     |       | 1                  | 1     | 5                          | 4     |                                     | 9                                    | XXX   |

|                 | Total<br>Losses and Loss Expenses Incurred |       |     | Loss and Loss Expense Percentage<br>(Incurred /Premiums Earned) |       |       | Nontabular Discount |                 | 34  | Net Balance Sheet<br>Reserves After Discount |                            |
|-----------------|--|-------|-----|---|-------|-------|---------------------|-----------------|---|--|----------------------------|
|                 | 26   | 27    | 28  | 29  | 30    | 31    | 32                  | 33              | Inter-<br>Company<br>Pooling<br>Participation<br>Percentage | 35   | 36                         |
|                 | Direct<br>and<br>Assumed                   | Ceded | Net | Direct<br>and<br>Assumed  | Ceded | Net   | Loss                | Loss<br>Expense |   | Losses<br>Unpaid                             | Loss<br>Expenses<br>Unpaid |
| 1. Prior.....   | XXX  | XXX   | XXX | XXX   | XXX   | XXX   |                     |                 | XXX   |  |                            |
| 2. 2011.....    |  |       |     |   |       |       |                     |                 |   |  |                            |
| 3. 2012.....    |  |       |     |   |       |       |                     |                 |   |  |                            |
| 4. 2013.....    |  |       |     |   |       |       |                     |                 |   |  |                            |
| 5. 2014.....    |  |       |     |   |       |       |                     |                 |   |  |                            |
| 6. 2015.....    |  |       |     |   |       |       |                     |                 |   |  |                            |
| 7. 2016.....    |  |       |     |   |       |       |                     |                 |   |  |                            |
| 8. 2017.....    |  |       |     |   |       |       |                     |                 |   |  |                            |
| 9. 2018.....    |  |       |     |   |       |       |                     |                 |   |  |                            |
| 10. 2019.....   |  |       |     |   |       |       |                     |                 |   |  |                            |
| 11. 2020.....   | 110  | 57    | 52  | 99.3  | 65.0  | 236.4 |                     |                 |   | 7  | 1                          |
| 12. Totals..... | XXX  | XXX   | XXX | XXX   | XXX   | XXX   |                     |                 | XXX   | 7  | 1                          |

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<br>2011  | 2<br>2012 | 3<br>2013 | 4<br>2014 | 5<br>2015 | 6<br>2016 | 7<br>2017 | 8<br>2018 | 9<br>2019 | 10<br>2020 | 11<br>One Year | 12<br>Two Year |
| 1. Prior.....                       |  |           |           |           |           |           |           |           |           |            |                |                |
| 2. 2011.....                        |  |           |           |           |           |           |           |           |           |            |                |                |
| 3. 2012.....                        | XXX  |           |           |           |           |           |           |           |           |            |                |                |
| 4. 2013.....                        | XXX  | XXX       |           |           |           |           |           |           |           |            |                |                |
| 5. 2014.....                        | XXX  | XXX       | XXX       |           |           |           |           |           |           |            |                |                |
| 6. 2015.....                        | XXX  | XXX       | XXX       | XXX       |           |           |           |           |           |            |                |                |
| 7. 2016.....                        | XXX  | XXX       | XXX       | XXX       | XXX       |           |           |           |           |            |                |                |
| 8. 2017.....                        | XXX  | XXX       | XXX       | XXX       | XXX       | XXX       |           |           |           |            |                |                |
| 9. 2018.....                        | XXX  | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       |           |           |            |                |                |
| 10. 2019.....                       | XXX  | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       |           |            |                | XXX            |
| 11. 2020.....                       | XXX  | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | 12         | XXX            | XXX            |
| 12. Totals                          |  |           |           |           |           |           |           |           |           |            |                |                |

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<br>Number of Claims Closed With Loss Payment | 12<br>Number of Claims Closed Without Loss Payment |
|-------------------------------------|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|---|--|
|                                     | 1<br>2011   | 2<br>2012 | 3<br>2013 | 4<br>2014 | 5<br>2015 | 6<br>2016 | 7<br>2017 | 8<br>2018 | 9<br>2019 | 10<br>2020 |   |  |
| 1. Prior.....                       | .000  |           |           |           |           |           |           |           |           |            | XXX   | XXX  |
| 2. 2011.....                        |   |           |           |           |           |           |           |           |           |            | XXX   | XXX  |
| 3. 2012.....                        | XXX   |           |           |           |           |           |           |           |           |            | XXX   | XXX  |
| 4. 2013.....                        | XXX   | XXX       |           |           |           |           |           |           |           |            | XXX   | XXX  |
| 5. 2014.....                        | XXX   | XXX       | XXX       |           |           |           |           |           |           |            | XXX   | XXX  |
| 6. 2015.....                        | XXX   | XXX       | XXX       | XXX       |           |           |           |           |           |            | XXX   | XXX  |
| 7. 2016.....                        | XXX   | XXX       | XXX       | XXX       | XXX       |           |           |           |           |            | XXX   | XXX  |
| 8. 2017.....                        | XXX   | XXX       | XXX       | XXX       | XXX       | XXX       |           |           |           |            | XXX   | XXX  |
| 9. 2018.....                        | XXX   | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       |           |           |            | XXX   | XXX  |
| 10. 2019.....                       | XXX   | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       |           |            | XXX   | XXX  |
| 11. 2020.....                       | XXX   | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | 4          | 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<br>2011   | 2<br>2012 | 3<br>2013 | 4<br>2014 | 5<br>2015 | 6<br>2016 | 7<br>2017 | 8<br>2018 | 9<br>2019 | 10<br>2020 |
| 1. Prior.....                       |   |           |           |           |           |           |           |           |           |            |
| 2. 2011.....                        |   |           |           |           |           |           |           |           |           |            |
| 3. 2012.....                        | XXX   |           |           |           |           |           |           |           |           |            |
| 4. 2013.....                        | XXX   | XXX       |           |           |           |           |           |           |           |            |
| 5. 2014.....                        | XXX   | XXX       | XXX       |           |           |           |           |           |           |            |
| 6. 2015.....                        | XXX   | XXX       | XXX       | XXX       |           |           |           |           |           |            |
| 7. 2016.....                        | XXX   | XXX       | XXX       | XXX       | XXX       |           |           |           |           |            |
| 8. 2017.....                        | XXX   | XXX       | XXX       | XXX       | XXX       | XXX       |           |           |           |            |
| 9. 2018.....                        | XXX   | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       |           |           |            |
| 10. 2019.....                       | XXX   | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       |           |            |
| 11. 2020.....                       | XXX   | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | XXX       | 6          |

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Branch Insurance Exchange

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

| Allocated by States and Territories                                  |                   |   |                        |  |  |                        |                      |  |  |
|--|-------------------|---|------------------------|--|--|------------------------|----------------------|--|--|
| States, Etc.   | 1                 | Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken |                        | 4  | 5                                      | 6                      | 7                    | 8  | 9  |
|  |                   | 2   | 3                      |  |  |                        |                      |  |  |
|  | Active Status (a) | Direct Premiums Written   | Direct Premiums Earned | Dividends Paid or Credited to Policyholders on Direct Business | Direct Losses Paid (Deducting Salvage) | Direct Losses Incurred | Direct Losses Unpaid | Finance and Service Charges Not Included in Premiums | Direct Premiums Written for Federal Purchasing Groups (Included in Column 2) |
| 1. Alabama .....   | AL                | N   |                        |  |  |                        |                      |  |  |
| 2. Alaska .....  | AK                | N   |                        |  |  |                        |                      |  |  |
| 3. Arizona .....   | AZ                | L   |                        |  |  |                        |                      |  |  |
| 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                | L   |                        |  |  |                        |                      |  |  |
| 16. Iowa .....   | IA                | N   |                        |  |  |                        |                      |  |  |
| 17. Kansas .....   | KS                | N   |                        |  |  |                        |                      |  |  |
| 18. Kentucky .....   | KY                | N   |                        |  |  |                        |                      |  |  |
| 19. Louisiana .....  | LA                | N   |                        |  |  |                        |                      |  |  |
| 20. Maine .....  | ME                | N   |                        |  |  |                        |                      |  |  |
| 21. Maryland .....   | MD                | L   |                        |  |  |                        |                      |  |  |
| 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   | 433,828                | 110,611  | 22,125                                 | 58,241                 | 36,116               | 6,270  |  |
| 37. Oklahoma .....   | OK                | N   |                        |  |  |                        |                      |  |  |
| 38. Oregon .....   | OR                | N   |                        |  |  |                        |                      |  |  |
| 39. Pennsylvania .....   | PA                | N   |                        |  |  |                        |                      |  |  |
| 40. Rhode Island .....   | RI                | N   |                        |  |  |                        |                      |  |  |
| 41. South Carolina .....   | SC                | N   |                        |  |  |                        |                      |  |  |
| 42. South Dakota .....   | SD                | N   |                        |  |  |                        |                      |  |  |
| 43. Tennessee .....  | TN                | N   |                        |  |  |                        |                      |  |  |
| 44. Texas .....  | TX                | N   |                        |  |  |                        |                      |  |  |
| 45. Utah .....   | UT                | N   |                        |  |  |                        |                      |  |  |
| 46. Vermont .....  | VT                | N   |                        |  |  |                        |                      |  |  |
| 47. Virginia .....   | VA                | N   |                        |  |  |                        |                      |  |  |
| 48. Washington .....   | WA                | N   |                        |  |  |                        |                      |  |  |
| 49. West Virginia .....  | WV                | N   |                        |  |  |                        |                      |  |  |
| 50. Wisconsin .....  | WI                | N   |                        |  |  |                        |                      |  |  |
| 51. Wyoming .....  | WY                | N   |                        |  |  |                        |                      |  |  |
| 52. American Samoa .....   | AS                | N   |                        |  |  |                        |                      |  |  |
| 53. Guam .....   | GU                | N   |                        |  |  |                        |                      |  |  |
| 54. Puerto Rico .....  | PR                | N   |                        |  |  |                        |                      |  |  |
| 55. U.S. Virgin Islands .....  | VI                | N   |                        |  |  |                        |                      |  |  |
| 56. Northern Mariana Islands .....                                   | MP                | N   |                        |  |  |                        |                      |  |  |
| 57. Canada .....   | CAN               | N   |                        |  |  |                        |                      |  |  |
| 58. Aggregate other alien ..   | OT                | XXX   |                        |  |  |                        |                      |  |  |
| 59. Totals   | XXX               | 433,828   | 110,611                |  | 22,125                                 | 58,241                 | 36,116               | 6,270  |  |
| DETAILS OF WRITE-INS   |                   |   |                        |  |  |                        |                      |  |  |
| 58001. ....  | XXX               |   |                        |  |  |                        |                      |  |  |
| 58002. ....  | XXX               |   |                        |  |  |                        |                      |  |  |
| 58003. ....  | XXX               |   |                        |  |  |                        |                      |  |  |
| 58998. Summary of remaining write-ins for Line 58 from overflow page | XXX               |   |                        |  |  |                        |                      |  |  |
| 58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)  | XXX               |   |                        |  |  |                        |                      |  |  |

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....4

E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - see DSLI).....

D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile.....

R - Registered - Non-domiciled RRGs.....

Q - Qualified - Qualified or accredited reinsurer. ....

N - None of the above - Not allowed to write business in the state .....53

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

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

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**NONE**

**NONE**