



# ANNUAL STATEMENT

For the Year Ended December 31, 2020

of the Condition and Affairs of the

## National Interstate Insurance Company

NAIC Group Code.....	84, 84	NAIC Company Code.....	32620	Employer's ID Number.....	34-1607395
(Current Period) (Prior Period)					
Organized under the Laws of OH			State of Domicile or Port of Entry OH		Country of Domicile
Incorporated/Organized..... February 10, 1989			Commenced Business..... March 28, 1989		US
Statutory Home Office			3250 Interstate Drive .. Richfield .. OH .. US .. 44286 (Street and Number) (City or Town, State, Country and Zip Code)		
Main Administrative Office			3250 Interstate Drive .. Richfield .. OH .. US .. 44286 (Street and Number) (City or Town, State, Country and Zip Code)		330-659-8900 (Area Code) (Telephone Number)
Mail Address			3250 Interstate Drive .. Richfield .. OH .. US .. 44286 (Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)		
Primary Location of Books and Records			3250 Interstate Drive .. Richfield .. OH .. US .. 44286 (Street and Number) (City or Town, State, Country and Zip Code)		330-659-8900 (Area Code) (Telephone Number)
Internet Web Site Address			www.natl.com		330-659-8900 -5498 (Area Code) (Telephone Number) (Extension)
Statutory Statement Contact			Leah Marie Blazek (Name) Leah.Blazek@natl.com (E-Mail Address)		330-659-8904 (Fax Number)

### OFFICERS

Name	Title	Name	Title
1. Anthony Joseph Mercurio	President	2. Matthew David Felvus #	
3. Julie Ann McGraw	Senior VP, Chief Financial Officer, & Treasurer	4. Stephen Edward Winborn	Secretary Senior Vice President

### OTHER

James Allan Parks	VP, Chief Underwriting Officer	George Olaf Skuggen	Senior Vice President
Gary Norman Monda	VP, Chief Investment Officer, & Assistant Treasurer	Stephen Joseph Blankenship Jr.	Vice President
Matthew Jon Grimm	Vice President	Chris Edward Mikolay	Vice President
Shawn Vincent Los	Senior Vice President	Scott Edward Noerr	Vice President, Chief Information Officer
Howard Kim Baird	Assistant Treasurer	Robert Jude Zbacnik	Assistant Treasurer
Paul Joel Stock	Vice President	Magdalena Franziska Kulik Grossman #	Chief Compliance Officer
Anthony Gerald Prinzo	Assistant Vice President	Michelle Ann Wiltgen	Assistant Vice President
Jonathan Douglas Hicks	Assistant Vice President	Colleen Frances Shepherd	Assistant Vice President
Jan Marie Lombardi	Assistant Vice President	Janice Induni Shee	Assistant Vice President
David Bernard Slisz	Assistant Vice President	Daniel Mark Keenan	Assistant Vice President

### DIRECTORS OR TRUSTEES

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

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

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

(Signature) Anthony Joseph Mercurio 1. (Printed Name) President (Title)	(Signature) Matthew David Felvus 2. (Printed Name) Secretary (Title)	(Signature) Julie Ann McGraw 3. (Printed Name) Senior VP, Chief Financial Officer, & Treasurer (Title)
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Subscribed and sworn to before me  
This 19th day of February, 2021

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

Yes [X] No [ ]

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**ASSETS**

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	758,164,453		758,164,453	765,628,924
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	12,135,128		12,135,128	12,625,099
2.2 Common stocks.....	209,352,107	994,342	208,357,765	217,655,130
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	37,830,829		37,830,829	39,006,774
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$....29,682,939, Schedule E-Part 1), cash equivalents (\$....37,061,720, Schedule E-Part 2) and short-term investments (\$....4,003,183, Schedule DA).....	70,747,842		70,747,842	52,378,294
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives (Schedule DB).....			0	
8. Other invested assets (Schedule BA).....	11,057,395		11,057,395	13,748,754
9. Receivables for securities.....	2,292		2,292	3,542
10. Securities lending reinvested collateral assets (Schedule DL).....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	1,099,290,046	994,342	1,098,295,704	1,101,046,518
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	4,513,839		4,513,839	5,299,860
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	39,409,371	653,322	38,756,048	34,710,164
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	162,981,549	799,584	162,181,965	153,606,459
15.3 Accrued retrospective premiums (\$....8,192,512) and contracts subject to redetermination (\$.....0).....	8,192,512		8,192,512	11,812,250
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	25,726,360		25,726,360	17,265,416
16.2 Funds held by or deposited with reinsured companies.....	705,462		705,462	2,619,522
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	
18.2 Net deferred tax asset.....	18,678,990		18,678,990	15,937,142
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....	2,387,537	716,114	1,671,423	1,904,656
21. Furniture and equipment, including health care delivery assets (\$.....0).....	2,318,273	2,318,273	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	336,166		336,166	179,317
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other-than-invested assets.....	11,827,321	6,227,318	5,600,002	5,158,208
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	1,376,367,425	11,708,953	1,364,658,471	1,349,539,512
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTAL (Lines 26 and 27).....	1,376,367,425	11,708,953	1,364,658,471	1,349,539,512

**DETAILS OF WRITE-INS**

1101.....			0	
1102.....			0	
1103.....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Receivable from insureds for deductible payments.....	5,758,633	2,227,572	3,531,061	3,066,733
2502. Intangible assets.....	2,847,699	2,847,699	0	
2503. Miscellaneous receivables.....	1,432,281		1,432,281	1,422,733
2598. Summary of remaining write-ins for Line 25 from overflow page.....	1,788,707	1,152,047	636,660	668,742
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	11,827,321	6,227,318	5,600,002	5,158,208

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	397,872,490	398,309,367
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	12,379	55,450
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	92,014,295	91,321,052
4. Commissions payable, contingent commissions and other similar charges.....	15,452,622	14,316,185
5. Other expenses (excluding taxes, licenses and fees).....	24,685,428	19,200,094
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	7,334,907	7,888,812
7.1 Current federal and foreign income taxes (including \$...998,359 on realized capital gains (losses)).....	1,600,448	1,050,141
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 \$....165,177,735 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act).....	168,953,881	172,030,991
10. Advance premium.....	171,296	144,925
11. Dividends declared and unpaid:		
11.1 Stockholders.....	.....	.....
11.2 Policyholders.....	.....	.....
12. Ceded reinsurance premiums payable (net of ceding commissions).....	21,807,703	22,276,595
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20).....	284,020,895	282,253,866
14. Amounts withheld or retained by company for account of others.....	40,421,802	28,159,622
15. Remittances and items not allocated.....	9,772,681	7,704,037
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 3, Column 78).....	454,800	1,413,000
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	.....	.....
18. Drafts outstanding.....	.....	.....
19. Payable to parent, subsidiaries and affiliates.....	12,219,142	15,510,162
20. Derivatives.....	.....	.....
21. Payable for securities.....	1,500,000	.....
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.....	15,147	38,571
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	1,078,309,914	1,061,672,866
27. Protected cell liabilities.....	.....	.....
28. Total liabilities (Lines 26 and 27).....	1,078,309,914	1,061,672,866
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	3,000,000	3,000,000
31. Preferred capital stock.....	.....	.....
32. Aggregate write-ins for other-than-special surplus funds.....	0	0
33. Surplus notes.....	.....	.....
34. Gross paid in and contributed surplus.....	32,997,358	32,689,600
35. Unassigned funds (surplus).....	250,351,199	252,177,046
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....	.....	.....
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....	.....	.....
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	286,348,557	287,866,646
38. TOTAL (Page 2, Line 28, Col. 3).....	1,364,658,471	1,349,539,512

**DETAILS OF WRITE-INS**

2501. Unearned rental income.....	15,147	38,571
2502. .....	.....	.....
2503. .....	.....	.....
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	15,147	38,571
2901. .....	.....	.....
2902. .....	.....	.....
2903. .....	.....	.....
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	0	0
3201. .....	.....	.....
3202. .....	.....	.....
3203. .....	.....	.....
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above).....	0	0

**STATEMENT OF INCOME**

	1 Current Year	2 Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4).....	338,913,949	340,024,128
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7).....	137,827,069	154,048,085
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	36,703,010	40,603,225
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	106,272,883	102,010,674
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	280,802,962	296,661,984
7. Net income of protected cells.....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	58,110,987	43,362,144
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	53,757,497	28,487,385
10. Net realized capital gains (losses) less capital gains tax of \$....998,359 (Exhibit of Capital Gains (Losses)).....	(3,123,200)	5,348,526
11. Net investment gain (loss) (Lines 9 + 10).....	50,634,297	33,835,911
<b>OTHER INCOME</b>		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0	
13. Finance and service charges not included in premiums.....	1,350	1,585
14. Aggregate write-ins for miscellaneous income.....	(8,951,721)	(8,069,412)
15. Total other income (Lines 12 through 14).....	(8,950,371)	(8,067,827)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	99,794,914	69,130,229
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).....	99,794,914	69,130,229
19. Federal and foreign income taxes incurred.....	15,120,910	12,775,026
20. Net income (Line 18 minus Line 19) (to Line 22).....	84,674,004	56,355,202
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	287,866,646	265,517,535
22. Net income (from Line 20).....	84,674,004	56,355,202
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$....(838,678).....	(934,885)	27,220,223
25. Change in net unrealized foreign exchange capital gain (loss).....		
26. Change in net deferred income tax.....	1,903,170	216,932
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	(3,426,336)	(1,142,792)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	958,200	(577,000)
29. Change in surplus notes.....		
30. Surplus (contributed to) withdrawn from Protected Cells.....		
31. Cumulative effect of changes in accounting principles.....		
32. Capital changes:		
32.1 Paid in.....		
32.2 Transferred from surplus (Stock Dividend).....		
32.3 Transferred to surplus.....		
33. Surplus adjustments:		
33.1 Paid in.....	307,758	276,546
33.2 Transferred to capital (Stock Dividend).....		
33.3. Transferred from capital.....		
34. Net remittances from or (to) Home Office.....		
35. Dividends to stockholders.....	(85,000,000)	(60,000,000)
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....		
37. Aggregate write-ins for gains and losses in surplus.....	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	(1,518,089)	22,349,111
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	286,348,557	287,866,646

**DETAILS OF WRITE-INS**

0501.....		
0502.....		
0503.....		
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....	0	0
1401. Miscellaneous.....	400,273	409,072
1402. Funds held interest.....	(9,351,994)	(8,478,484)
1403.....		
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	(8,951,721)	(8,069,412)
3701.....		
3702.....		
3703.....		
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above).....	0	0

# National Interstate Insurance Company

## CASH FLOW

	1 Current Year	2 Prior Year
<b>CASH FROM OPERATIONS</b>		
1. Premiums collected net of reinsurance.....	326,132,077	327,562,366
2. Net investment income.....	57,395,358	31,538,921
3. Miscellaneous income.....	(8,950,371)	(8,067,827)
4. Total (Lines 1 through 3).....	374,577,065	351,033,461
5. Benefit and loss related payments.....	144,853,900	144,689,161
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	135,964,193	129,504,697
7. Commissions, expenses paid and aggregate write-ins for deductions.....	15,568,962	14,103,408
9. Federal and foreign income taxes paid (recovered) net of \$....998,359 tax on capital gains (losses).....	296,387,055	288,297,265
10. Total (Lines 5 through 9).....	78,190,010	62,736,196
11. Net cash from operations (Line 4 minus Line 10).....		
<b>CASH FROM INVESTMENTS</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	204,230,568	149,797,340
12.2 Stocks.....	11,363,162	8,757,213
12.3 Mortgage loans.....	1,820,074	7,645,620
12.4 Real estate.....	(2,860)	.....
12.5 Other invested assets.....	1,501,250	.....
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	218,912,193	166,200,174
12.7 Miscellaneous proceeds.....	.....	.....
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	.....	.....
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	199,153,486	182,751,627
13.2 Stocks.....	3,057,436	1,453,436
13.3 Mortgage loans.....	59,919	269,856
13.4 Real estate.....	.....	143,764
13.5 Other invested assets.....	.....	.....
13.6 Miscellaneous applications.....	.....	5,173,612
13.7 Total investments acquired (Lines 13.1 to 13.6).....	202,270,841	189,792,295
14. Net increase (decrease) in contract loans and premium notes.....	.....	.....
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	16,641,352	(23,592,121)
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	.....	.....
16.2 Capital and paid in surplus, less treasury stock.....	33,442	276,546
16.3 Borrowed funds.....	.....	.....
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	.....	.....
16.5 Dividends to stockholders.....	85,000,000	60,000,000
16.6 Other cash provided (applied).....	8,504,744	11,490,532
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(76,461,814)	(48,232,922)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	18,369,548	(9,088,847)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	52,378,294	61,467,142
19.2 End of year (Line 18 plus Line 19.1).....	70,747,842	52,378,294

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

20.0001 Exchange of debt securities.....	3,805,844	1,998,197
20.0002 Stock based compensation.....	274,316	254,979
20.0003 Securities acquired in paid in kind interest payment.....	39,437	21,119
20.0004 Exchange of equity securities.....	.....	890,913

**National Interstate Insurance Company**  
**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 1 - PREMIUMS EARNED**

Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire.....	74,869	12,780	23,274	64,375
2. Allied lines.....	30,110	14,040	14,716	29,433
3. Farmowners multiple peril.....	0	0	0	0
4. Homeowners multiple peril.....	0	0	0	0
5. Commercial multiple peril.....	2,847,640	2,089,112	1,975,332	2,961,420
6. Mortgage guaranty.....	0	0	0	0
8. Ocean marine.....	1,717	0	0	1,717
9. Inland marine.....	4,924,432	2,230,015	2,724,962	4,429,486
10. Financial guaranty.....	0	0	0	0
11.1 Medical professional liability - occurrence.....	0	0	0	0
11.2 Medical professional liability - claims-made.....	0	0	0	0
12. Earthquake.....	0	0	0	0
13. Group accident and health.....	595,748	296,306	302,582	589,472
14. Credit accident and health (group and individual).....	0	0	0	0
15. Other accident and health.....	5,410	7,891	7,242	6,059
16. Workers' compensation.....	76,688,643	52,572,752	42,583,588	86,677,806
17.1 Other liability - occurrence.....	15,395,927	6,768,917	7,594,855	14,569,989
17.2 Other liability - claims-made.....	548,914	155,553	201,215	503,252
17.3 Excess workers' compensation.....	0	0	0	0
18.1 Products liability - occurrence.....	0	0	0	0
18.2 Products liability - claims-made.....	0	0	0	0
19.1, 19.2 Private passenger auto liability.....	713	1,053	1,025	741
19.3, 19.4 Commercial auto liability.....	192,047,549	90,242,020	95,153,685	187,135,884
21. Auto physical damage.....	42,667,170	17,607,183	18,337,420	41,936,933
22. Aircraft (all perils).....	0	0	0	0
23. Fidelity.....	0	7,529	7,529	0
24. Surety.....	0	(1)	(1)	0
26. Burglary and theft.....	3,335	259	1,098	2,496
27. Boiler and machinery.....	4,664	25,580	25,358	4,886
28. Credit.....	0	0	0	0
29. International.....	0	0	0	0
30. Warranty.....	0	0	0	0
31. Reinsurance - nonproportional assumed property.....	0	0	0	0
32. Reinsurance - nonproportional assumed liability.....	0	0	0	0
33. Reinsurance - nonproportional assumed financial lines.....	0	0	0	0
34. Aggregate write-ins for other lines of business.....	0	0	0	0
35. TOTALS.....	335,836,839	172,030,991	168,953,881	338,913,949

**DETAILS OF WRITE-INS**

3401. Combined write-ins for U&I Part 1 Line 34.....	0	0	0	0
3402. ....	0	0	0	0
3403. ....	0	0	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0

**National Interstate Insurance Company**  
**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 1A - RECAPITULATION OF ALL PREMIUMS**

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire.....	23,274				23,274
2. Allied lines.....	14,716				14,716
3. Farmowners multiple peril.....					0
4. Homeowners multiple peril.....					0
5. Commercial multiple peril.....	1,975,332				1,975,332
6. Mortgage guaranty.....					0
8. Ocean marine.....	0				0
9. Inland marine.....	2,724,962				2,724,962
10. Financial guaranty.....					0
11.1 Medical professional liability - occurrence.....					0
11.2 Medical professional liability - claims-made.....					0
12. Earthquake.....	0				0
13. Group accident and health.....	302,582				302,582
14. Credit accident and health (group and individual).....					0
15. Other accident and health.....	7,242				7,242
16. Workers' compensation.....	42,583,588				42,583,588
17.1 Other liability - occurrence.....	7,594,855				7,594,855
17.2 Other liability - claims-made.....	201,215				201,215
17.3 Excess workers' compensation.....					0
18.1 Products liability - occurrence.....					0
18.2 Products liability - claims-made.....					0
19.1, 19.2 Private passenger auto liability.....	1,025				1,025
19.3, 19.4 Commercial auto liability.....	95,153,685				95,153,685
21. Auto physical damage.....	18,337,420				18,337,420
22. Aircraft (all perils).....					0
23. Fidelity.....	7,529				7,529
24. Surety.....	(1)				(1)
26. Burglary and theft.....	1,098				1,098
27. Boiler and machinery.....	25,358				25,358
28. Credit.....					0
29. International.....					0
30. Warranty.....					0
31. Reinsurance - nonproportional assumed property.....					0
32. Reinsurance - nonproportional assumed liability.....					0
33. Reinsurance - nonproportional assumed financial lines.....					0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0
35. TOTALS.....	168,953,881	0	0	0	168,953,881
36. Accrued retrospective premiums based on experience.....					
37. Earned but unbilled premiums.....					0
38. Balance (sum of Lines 35 through 37).....					168,953,881

**DETAILS OF WRITE-INS**

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

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

**National Interstate Insurance Company**  
**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 1B - PREMIUMS WRITTEN**

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....	103,819	31,554		32,223	28,280	74,869
2. Allied lines.....	19,016	28,531		12,925	4,512	30,110
3. Farmowners multiple peril.....						0
4. Homeowners multiple peril.....						0
5. Commercial multiple peril.....	2,487,733	2,369,778		1,245,628	764,243	2,847,640
6. Mortgage guaranty.....						0
8. Ocean marine.....		2,452		736		1,717
9. Inland marine.....	8,341,958	977,312		3,541,492	853,346	4,924,432
10. Financial guaranty.....						0
11.1 Medical professional liability - occurrence.....						0
11.2 Medical professional liability - claims-made.....						0
12. Earthquake.....						0
13. Group accident and health.....		1,275,697		678,121	1,828	595,748
14. Credit accident and health (group and individual).....						0
15. Other accident and health.....	10,747			5,337		5,410
16. Workers' compensation.....	43,135,981	90,237,221	612,449	48,700,967	8,596,041	76,688,643
17.1 Other liability - occurrence.....	55,207,894	12,238,482		12,785,989	39,264,461	15,395,927
17.2 Other liability - claims-made.....	1,239,895	77,918		407,305	361,594	548,914
17.3 Excess workers' compensation.....						0
18.1 Products liability - occurrence.....						0
18.2 Products liability - claims-made.....						0
19.1, 19.2 Private passenger auto liability.....	1,022			307	2	.713
19.3, 19.4 Commercial auto liability.....	339,630,782	50,834,507	3,719,041	148,943,384	53,193,398	192,047,549
21. Auto physical damage.....	69,234,669	14,599,948	188,923	29,150,290	12,206,079	42,667,170
22. Aircraft (all perils).....						0
23. Fidelity.....						0
24. Surety.....						0
26. Burglary and theft.....	2,806	1,968		1,434	5	3,335
27. Boiler and machinery.....	107,117	6,663		1,999	107,117	4,664
28. Credit.....						0
29. International.....						0
30. Warranty.....						0
31. Reinsurance - nonproportional assumed property.....	XXX.....					0
32. Reinsurance - nonproportional assumed liability.....	XXX.....					0
33. Reinsurance - nonproportional assumed financial lines.....	XXX.....					0
34. Aggregate write-ins for other lines of business.....	.0	0	0	0	0	0
35. TOTALS.....	519,523,439	172,682,030	4,520,413	245,508,137	115,380,905	335,836,839

**DETAILS OF WRITE-INS**

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

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

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

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

**UNDERWRITING AND INVESTMENT EXHIBIT****PART 2 - LOSSES PAID AND INCURRED**

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire.....				0	24,290	10,611	13,680	21.2
2. Allied lines.....				0	13,189	6,934	6,255	21.2
3. Farmowners multiple peril.....				0	0	0	0	0.0
4. Homeowners multiple peril.....				0	0	0	0	0.0
5. Commercial multiple peril.....	549,051	656,092	361,407	843,737	3,458,749	3,887,314	415,171	14.0
6. Mortgage guaranty.....				0	0	0	0	0.0
8. Ocean marine.....				0	2,913	1,741	1,172	68.3
9. Inland marine.....	2,957,474	196,941	1,696,712	1,457,704	1,246,695	1,091,436	1,612,963	36.4
10. Financial guaranty.....				0	0	0	0	0.0
11.1 Medical professional liability - occurrence.....				0	0	0	0	0.0
11.2 Medical professional liability - claims-made.....				0	0	0	0	0.0
12. Earthquake.....		1	(12)	12	60	.99	(27)	0.0
13. Group accident and health.....		193,884	103,405	90,479	456,749	274,719	272,509	46.2
14. Credit accident and health (group and individual).....				0	0	0	0	0.0
15. Other accident and health.....				0	179,962	173,262	6,700	110.6
16. Workers' compensation.....	39,860,675	35,706,493	40,679,693	34,887,475	134,200,240	145,898,515	23,189,200	26.8
17.1 Other liability - occurrence.....	28,711,834	6,127,862	27,946,966	6,892,730	16,925,047	16,742,274	7,075,503	48.6
17.2 Other liability - claims-made.....	1,045,923	13	684,354	361,583	1,346,288	1,093,554	614,317	122.1
17.3 Excess workers' compensation.....				0	0	0	0	0.0
18.1 Products liability - occurrence.....				0	0	0	0	0.0
18.2 Products liability - claims-made.....				0	0	0	0	0.0
19.1, 19.2 Private passenger auto liability.....	468,492	(1,010)	254,075	213,407	771,734	1,017,631	(32,489)	(4,383.2)
19.3, 19.4 Commercial auto liability.....	171,736,867	30,695,654	122,115,279	80,317,242	232,089,389	223,274,397	89,132,233	47.6
21. Auto physical damage.....	25,683,554	7,068,531	19,552,527	13,199,558	7,121,172	4,805,853	15,514,877	37.0
22. Aircraft (all perils).....				0	0	0	0	0.0
23. Fidelity.....				0	0	0	0	0.0
24. Surety.....				0	32,831	29,619	3,212	0.0
26. Burglary and theft.....		3	(16)	18	1,703	1,119	.603	24.2
27. Boiler and machinery.....	.35,931		35,931	0	1,477	.287	1,190	24.4
28. Credit.....				0	0	0	0	0.0
29. International.....				0	0	0	0	0.0
30. Warranty.....				0	0	0	0	0.0
31. Reinsurance - nonproportional assumed property.....	XXX.			0	0	0	0	0.0
32. Reinsurance - nonproportional assumed liability.....	XXX.			0	0	0	0	0.0
33. Reinsurance - nonproportional assumed financial lines.....	XXX.			0	0	0	0	0.0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0.0
35. TOTALS.....	271,049,801	80,644,465	213,430,321	138,263,946	397,872,490	398,309,367	137,827,069	40.7
<b>DETAILS OF WRITE-INS</b>								
3401. ....				0	0	0	0	0.0
3402. ....				0	0	0	0	0.0
3403. ....				0	0	0	0	0.0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	XXX.
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0.0

**UNDERWRITING AND INVESTMENT EXHIBIT****PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES**

Line of Business	Reported Losses				Incurred But Not Reported			8	9
	1	2	3	4	5	6	7		
	Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1. Fire.....			(0)	0	32,323	6,300	14,332	24,290	4,286
2. Allied lines.....				0	10,709	9,369	6,889	13,189	2,327
3. Farmowners multiple peril.....				0				0	
4. Homeowners multiple peril.....				0				0	
5. Commercial multiple peril.....	49,454	1,844,492	568,184	1,325,762	869,227	2,625,948	1,362,188	3,458,749	1,039,573
6. Mortgage guaranty.....				0				0	
8. Ocean marine.....		(31)	(9)	(22)	3,075	4,192	4,333	2,913	694
9. Inland marine.....	889,863	60,988	377,941	572,910	3,738,682	103,369	3,168,267	1,246,695	76,489
10. Financial guaranty.....				0				0	
11.1 Medical professional liability - occurrence.....				0				0	
11.2 Medical professional liability - claims-made.....				0				0	
12. Earthquake.....			0	(0)	(554)		(614)	60	14
13. Group accident and health.....		169,433	90,364	79,069		640,701	263,021	(a) 456,749	66,649
14. Credit accident and health (group and individual).....				0				0	
15. Other accident and health.....			0	(0)	510,353		330,391	(a) 179,962	56,119
16. Workers' compensation.....	59,399,177	44,803,295	56,872,266	47,330,206	76,952,664	93,327,896	83,410,527	134,200,240	25,686,489
17.1 Other liability - occurrence.....	17,931,978	3,407,105	15,330,816	6,008,267	56,128,118	7,042,600	52,253,939	16,925,047	5,663,117
17.2 Other liability - claims-made.....	970,001		500,355	469,646	1,507,848	153,976	785,182	1,346,288	235,200
17.3 Excess workers' compensation.....				0				0	
18.1 Products liability - occurrence.....				0				0	
18.2 Products liability - claims-made.....				0				0	
19.1, 19.2 Private passenger auto liability.....	24,999	215,000	72,055	167,944	870,495	252,949	519,654	771,734	220,990
19.3, 19.4 Commercial auto liability.....	216,711,228	37,153,813	145,374,371	108,490,670	273,640,054	46,127,030	196,168,365	232,089,389	56,569,747
21. Auto physical damage.....		5,606,008	1,033,575	3,868,612	2,770,971	18,999,725	673,222	15,322,746	7,121,172
22. Aircraft (all perils).....				0				0	
23. Fidelity.....				0				0	
24. Surety.....				0	47,019		14,188	32,831	7,774
26. Burglary and theft.....			0	(0)	.814	.567	(322)	1,703	308
27. Boiler and machinery.....	9,069		9,069	0	.11	.2,099	.633	1,477	.261
28. Credit.....				0				0	
29. International.....				0				0	
30. Warranty.....				0				0	
31. Reinsurance - nonproportional assumed property.....	XXX			0	XXX			0	
32. Reinsurance - nonproportional assumed liability.....	XXX			0	XXX			0	
33. Reinsurance - nonproportional assumed financial lines.....	XXX			0	XXX			0	
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0	0
35. TOTALS.....	301,591,777	88,687,670	223,064,023	167,215,424	433,310,564	150,970,220	353,623,718	397,872,490	92,014,295

**DETAILS OF WRITE-INS**

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

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

**National Interstate Insurance Company**  
**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 3 - EXPENSES**

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct.....	35,144,442			35,144,442
1.2 Reinsurance assumed.....	7,184,524			7,184,524
1.3 Reinsurance ceded.....	25,243,074			25,243,074
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	17,085,892	0	0	17,085,892
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....		42,090,080		42,090,080
2.2 Reinsurance assumed, excluding contingent.....		18,155,410		18,155,410
2.3 Reinsurance ceded, excluding contingent.....		27,339,469		27,339,469
2.4 Contingent - direct.....		111,420		111,420
2.5 Contingent - reinsurance assumed.....		911,200		911,200
2.6 Contingent - reinsurance ceded.....		336,325		336,325
2.7 Policy and membership fees.....		1,821		1,821
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	33,594,137	0	33,594,137
3. Allowances to manager and agents.....		13,517		13,517
4. Advertising.....	11,343	198,393	69	209,806
5. Boards, bureaus and associations.....	152,087	3,494,383		3,646,470
6. Surveys and underwriting reports.....		654,185		654,185
7. Audit of assureds' records.....	204	160,095		160,298
8. Salary and related items:				
8.1 Salaries.....	13,772,064	28,508,244	506,153	42,786,461
8.2 Payroll taxes.....	989,388	1,863,412	33,450	2,886,250
9. Employee relations and welfare.....	2,286,324	4,574,673	71,347	6,932,344
10. Insurance.....	5,269	98,524		103,793
11. Directors' fees.....				0
12. Travel and travel items.....	94,374	757,887	3,811	856,073
13. Rent and rent items.....	34,134	886,864	9,037	930,036
14. Equipment.....	45,385	856,831		902,216
15. Cost or depreciation of EDP equipment and software.....	83,351	3,687,986	714	3,772,050
16. Printing and stationery.....	135,957	469,269	7,707	612,933
17. Postage, telephone and telegraph, exchange and express.....	140,097	259,397	1,712	401,207
18. Legal and auditing.....	41,408	1,671,606	205,708	1,918,722
19. Totals (Lines 3 to 18).....	17,791,385	48,155,265	839,708	66,786,359
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....63,158.....		12,027,794		12,027,794
20.2 Insurance department licenses and fees.....	87,058	298,437		385,494
20.3 Gross guaranty association assessments.....		119,920		119,920
20.4 All other (excluding federal and foreign income and real estate).....	21,162	708,805		729,967
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	108,219	13,154,956	0	13,263,175
21. Real estate expenses.....	1,202,510	1,616,754	2,194,325	5,013,589
22. Real estate taxes.....			630,890	630,890
23. Reimbursements by uninsured plans.....				0
24. Aggregate write-ins for miscellaneous expenses.....	515,004	9,751,771	231	10,267,005
25. Total expenses incurred.....	36,703,010	106,272,883	3,665,154	(a).....146,641,047
26. Less unpaid expenses - current year.....	92,014,295	46,523,543	949,414	139,487,252
27. Add unpaid expenses - prior year.....	91,321,052	40,479,402	925,688	132,726,142
28. Amounts receivable relating to uninsured plans, prior year.....				0
29. Amounts receivable relating to uninsured plans, current year.....				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	36,009,767	100,228,742	3,641,428	139,879,937

**DETAILS OF WRITE-INS**

2401. Miscellaneous expenses.....	511,928	9,694,257	231	10,206,416
2402. Intangible asset amortization.....	3,076	57,513		60,589
2403.				0
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above).....	515,004	9,751,771	231	10,267,005

(a) Includes management fees of \$.....17,541,694 to affiliates and \$.....0 to non-affiliates.

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds.....	(a).....106,736	.....100,838
1.1 Bonds exempt from U.S. tax.....	(a).....5,131,185	.....5,013,322
1.2 Other bonds (unaffiliated).....	(a).....20,395,845	.....19,890,854
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....584,647	.....568,269
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....619,843	.....514,616
2.21 Common stocks of affiliates.....	.....27,000,000	.....27,000,000
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....5,404,503	.....5,404,503
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....181,575	.....145,910
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....2,760	.....2,760
9. Aggregate write-ins for investment income.....	.....17,443	.....17,443
10. Total gross investment income.....	.....59,444,537	.....58,658,516
11. Investment expenses.....	(g).....3,665,154	.....
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).....1,235,864	.....
15. Aggregate write-ins for deductions from investment income.....	.....0	.....0
16. Total deductions (Lines 11 through 15).....	.....	.....4,901,018
17. Net investment income (Line 10 minus Line 16).....	.....	.....53,757,497

**DETAILS OF WRITE-INS**

0901. Miscellaneous investment income.....	17,443	17,443
0902. ....	.....	.....
0903. ....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	17,443	17,443
1501. ....	.....	.....
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	0	0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above).....	0	0

- (a) Includes \$....1,045,984 accrual of discount less \$....2,676,039 amortization of premium and less \$....99,149 paid for accrued interest on purchases.
- (b) Includes \$....100 accrual of discount less \$....1,731 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$....1,235,864 depreciation on real estate and \$.....0 depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds.....	22,664	.....	22,664	.....	.....
1.1 Bonds exempt from U.S. tax.....	(107,661)	.....	(107,661)	.....	.....
1.2 Other bonds (unaffiliated).....	783,834	.....(1,480,754)	.....(696,920)	.....(14,854)	.....
1.3 Bonds of affiliates.....	.....	.....	.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....	.....(2,130)	.....(140,253)	.....(142,383)	.....148,308	.....
2.11 Preferred stocks of affiliates.....	.....	.....	.....0	.....	.....
2.2 Common stocks (unaffiliated).....	2,756,399	.....(5,013,840)	.....(2,257,441)	.....(2,199,301)	.....
2.21 Common stocks of affiliates.....	.....	.....	.....0	.....2,223,329	.....
3. Mortgage loans.....	.....	.....	.....0	.....	.....
4. Real estate.....	.....	.....	.....0	.....	.....
5. Contract loans.....	.....	.....	.....0	.....	.....
6. Cash, cash equivalents and short-term investments.....	327	.....	327	.....(3,187)	.....
7. Derivative instruments.....	.....	.....	.....0	.....	.....
8. Other invested assets.....	1,056,573	.....	1,056,573	.....(1,927,857)	.....
9. Aggregate write-ins for capital gains (losses).....	0	0	0	0	0
10. Total capital gains (losses).....	4,510,005	.....(6,634,846)	.....(2,124,841)	.....(1,773,563)	.....0

**DETAILS OF WRITE-INS**

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

**EXHIBIT OF NONADMITTED ASSETS**

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	.....	.....	0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....	.....	.....	0
2.2 Common stocks.....	994,342	1,741,850	747,508
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....	.....	.....	0
3.2 Other than first liens.....	.....	.....	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....	.....	.....	0
4.2 Properties held for the production of income.....	.....	.....	0
4.3 Properties held for sale.....	.....	.....	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	.....	.....	0
6. Contract loans.....	.....	.....	0
7. Derivatives (Schedule DB).....	.....	.....	0
8. Other invested assets (Schedule BA).....	.....	.....	0
9. Receivables for securities.....	.....	.....	0
10. Securities lending reinvested collateral assets (Schedule DL).....	.....	.....	0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	994,342	1,741,850	747,508
13. Title plants (for Title insurers only).....	.....	.....	0
14. Investment income due and accrued.....	.....	.....	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	653,322	155,004	(498,318)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	799,584	864,948	65,365
15.3 Accrued retrospective premiums and contracts subject to redetermination.....	.....	172,364	172,364
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....	.....	.....	0
16.2 Funds held by or deposited with reinsured companies.....	.....	.....	0
16.3 Other amounts receivable under reinsurance contracts.....	.....	.....	0
17. Amounts receivable relating to uninsured plans.....	.....	.....	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	.....	.....	0
18.2 Net deferred tax asset.....	.....	.....	0
19. Guaranty funds receivable or on deposit.....	.....	.....	0
20. Electronic data processing equipment and software.....	716,114	.....	(716,114)
21. Furniture and equipment, including health care delivery assets.....	2,318,273	3,186,178	867,905
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	.....	.....	0
23. Receivables from parent, subsidiaries and affiliates.....	.....	.....	0
24. Health care and other amounts receivable.....	.....	.....	0
25. Aggregate write-ins for other-than-invested assets.....	6,227,318	2,162,273	(4,065,045)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	11,708,953	8,282,618	(3,426,336)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	.....	.....	0
28. TOTALS (Lines 26 and 27).....	11,708,953	8,282,618	(3,426,336)

**DETAILS OF WRITE-INS**

1101.....	.....	.....	0
1102.....	.....	.....	0
1103.....	.....	.....	0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0
2501. Intangible assets.....	2,847,699	.....	(2,847,699)
2502. Receivable from insureds for deductible payments.....	2,227,572	827,296	(1,400,276)
2503. Prepaid expenses.....	1,077,889	1,334,977	257,088
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.74,158	0	(74,158)
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	6,227,318	2,162,273	(4,065,045)

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

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

	SSAP #	F/S Page	F/S Line #	2020	2019
1. Net income state basis	XXX	XXX	XXX	\$ 84,674,004	\$ 56,355,202
2. Effect of state prescribed practices				-	-
3. Effect of state permitted practices				-	-
4. Net income, NAIC SAP	XXX	XXX	XXX	<u>\$ 84,674,004</u>	<u>\$ 56,355,202</u>
5. Statutory surplus state basis	XXX	XXX	XXX	\$ 286,348,557	\$ 287,866,646
6. Effect of state prescribed practices				-	-
7. Effect of state permitted practices				-	-
8. Statutory surplus, NAIC SAP	XXX	XXX	XXX	<u>\$ 286,348,557</u>	<u>\$ 287,866,646</u>

**B. Use of Estimates**

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

**C. Accounting Policies**

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

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

In addition, the Company uses the following accounting policies:

1. Short-term investments are stated at amortized cost using the interest method. Non-investment grade short-term investments are stated at the lower of amortized cost or fair value.
2. Bonds with a NAIC rating 1 and 2 are stated at amortized cost using the interest method; all others are stated at the lower of amortized cost or fair value. The Company does not own any SVO Identified Exchange Traded Funds.
3. Common stocks are stated at fair value except for investments in subsidiaries – see Item 7.
4. Redeemable preferred stocks rated 1 and 2 are stated at amortized cost; perpetual preferred stocks rated 1 and 2 are stated at fair value; all others are stated at the lower of cost, amortized cost or fair value.
5. The Company's investment portfolio does not include any mortgage loans.
6. For residential mortgage-backed securities (RMBS), commercial mortgage-backed securities (CMBS) and other loan-backed and structured securities (LBASS), the NAIC has retained third-party investment management firm to assist in the determination of the appropriate NAIC designations and Book Adjusted Carrying Values based not only on the probability of loss, but also on the severity of loss. Those RMBS, CMBS and other LBASS securities that are not modeled but receive a current year NAIC Credit Rating Provider (CRP) rating equal to NAIC 1 and 2 are stated at amortized cost and NAIC 3-6 are stated at lower of amortized cost or fair value. Mandatory convertible bonds are stated at the lower of book value or fair value, regardless of the NAIC designation.
7. Investments in subsidiary and affiliated companies are stated as follows:  
Three wholly owned insurance subsidiaries, National Interstate Insurance Company of Hawaii, Inc. (NIHI), Triumphe Casualty Company (TCC) and Vanliner Insurance Company (VIC) are stated at the statutory equity in net assets. TransProtection Service Company (TPSC), a wholly owned non-insurance subsidiary, is stated

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**NOTES TO FINANCIAL STATEMENTS**

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at GAAP equity value, but is nonadmitted. Goodwill arising from the acquisition of VIC had been fully amortized by June 30, 2020 (see Note 3A).

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

**D. Going Concern**

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

**Note 2 – Accounting Changes and Corrections of Errors**

Not applicable

**Note 3 – Business Combinations and Goodwill****A. Statutory Purchase Method**

The Company purchased a 100% interest in Vanliner Group, Inc. on July 1, 2010. The affiliates of Vanliner Group, Inc. included VIC, a Missouri domiciled insurance company licensed in all 50 states whose primary business is providing insurance for the moving and storage industry, Vanliner Reinsurance Limited, a Bermuda domiciled reinsurance company and TransProtection Service Company, an insurance agency. As of July 30, 2013, Vanliner Group, Inc. was dissolved. The dissolution had no financial impact on the Company, as the above-identified affiliates were the only assets of Vanliner Group, Inc. and subsequent to the dissolution, they are directly owned by the Company. As of July 1, 2015, Vanliner Reinsurance Limited was dissolved. At that time, it had a nonadmitted GAAP value of \$152,365. The net assets of \$152,365 were transferred to the Company, its direct parent. The goodwill associated with the original purchase in 2010 was solely attributable to VIC, a surviving entity after the dissolution, and recorded as a component of the change in unrealized gains (losses). As of June 30, 2020, goodwill has been fully amortized.

The acquisition transaction described above was accounted for as a statutory purchase and reflects the following:

Cost of Acquired Entity	Original Amount of Admitted Goodwill	Admitted Goodwill as of the Reporting Date	Amount of Goodwill Amortized During the Reporting Period	Admitted Goodwill as a % of SCA BACV, Gross of Admitted Goodwill
\$ 120,529,625	\$ 22,328,870	\$ 0	\$ 1,116,443	0.000%

**B. Statutory Merger**

Not applicable

**C. Assumption Reinsurance**

Not applicable

**D. Impairment Loss**

Not applicable

**Note 4 – Discontinued Operations**

A - D. Not applicable

**NOTES TO FINANCIAL STATEMENTS****Note 5 – Investments****A. Mortgage Loans, including Mezzanine Real Estate Loans**

Not applicable

**B. Debt Restructuring**

Not applicable

**C. Reverse Mortgages**

Not applicable

**D. Loan-Backed Securities**

1. The Company uses dealer-modeled prepayment assumptions for mortgage-backed and asset-backed securities at the date of purchase to determine effective yields; significant changes in estimated cash flows from the original purchase assumptions are accounted for on a prospective basis.
2. The Company had no loan-backed securities with a recognized other-than-temporary impairment ("OTTI") due to either the intent to sell or the inability or lack of intent to hold to recovery during 2020.
3. The following table shows each security with a credit-related OTTI charge recognized during the period:

<b>CUSIP</b>	<b>Amortized Cost Before OTTI</b>	<b>Present Value of Projected Cash Flows</b>	<b>Recognized OTTI</b>	<b>Amortized Cost After OTTI</b>	<b>Fair Value at Time of OTTI</b>	<b>Date Reported</b>
75620RAC6	\$ 162,657	\$ 110,816	\$ 51,841	\$ 110,816	\$ 78,852	3/31/2020
55953PAE5	157,839	130,526	27,313	130,526	70,695	3/31/2020
03235TAA5	334,806	167,395	167,411	167,395	167,395	3/31/2020
67389YAF2	1,802,152	1,548,760	253,392	1,548,760	1,354,600	3/31/2020
44931BAE7	1,330,298	1,215,574	114,724	1,215,574	1,005,750	3/31/2020
50188NAA6	797,044	772,522	24,522	772,522	675,700	3/31/2020
01749PAN8	769,209	758,442	10,767	758,442	661,000	3/31/2020
05616MAG1	1,234,206	1,222,790	11,416	1,222,790	1,094,100	3/31/2020
12667F5E1	379,746	392,429	4,411	375,335	367,690	3/31/2020
059522AU6	282,660	273,869	2,677	279,983	275,408	3/31/2020
45660LCK3	343,972	321,055	8,727	335,245	279,716	3/31/2020
32052KAB1	1,036,543	997,939	35,753	1,000,790	957,379	3/31/2020
75115BAC3	399,477	384,377	7,195	392,282	392,282	3/31/2020
76112BNM8	607,376	572,616	12,185	595,191	540,817	3/31/2020
761118FM5	180,729	174,353	3,178	177,551	177,551	3/31/2020
46627MCY1	371,629	348,820	12,099	359,530	360,269	3/31/2020
05616MAG1	1,214,711	1,181,749	32,962	1,181,749	1,069,667	6/30/2020
45660LCK3	330,832	293,586	5,049	325,783	325,783	6/30/2020
50188NAA6	772,522	759,140	13,382	759,140	746,763	6/30/2020
55953PAE5	123,325	120,387	2,938	120,387	91,091	6/30/2020
67389YAF2	1,545,759	1,526,256	19,503	1,526,256	1,450,259	6/30/2020
75620RAC6	107,456	93,008	14,448	93,008	71,550	6/30/2020
01749PAN8	758,455	750,385	8,070	750,385	719,900	9/30/2020
05616MAG1	1,179,639	1,143,331	36,308	1,143,331	1,096,500	9/30/2020
44931BAE7	1,215,654	1,204,129	11,525	1,204,129	1,167,600	9/30/2020
55953PAE5	116,327	108,421	7,906	108,421	88,166	9/30/2020
75620RAC6	90,850	85,128	5,722	85,128	77,977	9/30/2020
03235TAA5	181,810	101,259	80,551	101,259	101,259	12/31/2020
75620RAC6	77,279	76,372	907	76,372	76,372	12/31/2020
<b>TOTAL</b>	XXXX	XXXX	<b>\$ 986,882</b>	XXXX	XXXX	XXXX

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

- a. The aggregate amount of unrealized losses:

1. Less than 12 months	\$ (997,885)
2. 12 months or longer	(824,619)

- b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 months	\$ 70,306,518
2. 12 months or longer	61,833,451

5. Based on cash flow projections received from independent sources (which reflect loan to collateral values, subordination, vintage and geographic concentration), implied cash flows inherent in security ratings and analysis of historical payment data, management believes that the Company will recover its cost basis in all securities with unrealized losses as of December 31, 2020. The Company has the intent to hold such securities until they recover in value or mature.

**NOTES TO FINANCIAL STATEMENTS****E. Dollar Repurchase Agreements and/or Securities Lending Transactions**

Not applicable

**F. Repurchase Agreements Transactions Accounted for as Secured Borrowing**

Not applicable

**G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing**

Not applicable

**H. Repurchase Agreements Transactions Accounted for as a Sale**

Not applicable

**I. Reverse Repurchase Agreements Transactions Accounted for as a Sale**

Not applicable

**J. Real Estate**

Not applicable

**K. Low-Income Housing Tax Credits**

Not applicable

**L. Restricted Assets****1. Restricted Assets (Including Pledged)**

	Gross (Admitted & Nonadmitted) Restricted						8	9	Percentage		
	1	2	3	4	5	6			10	11	
	Total General Account (G/A)	G/A Supporting Protected Cell Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted ) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
b. Collateral held under security lending agreements	-	-	-	-	-	-	-	-	-	-	-
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	-	-	-
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-	-
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	-	-	-
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-	-
g. Placed under option contracts	-	-	-	-	-	-	-	-	-	-	-
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock	11,057,395	-	-	-	11,057,395	14,029,259	(2,971,864)	-	11,057,395	0.8%	0.8%
i. FHLB capital stock	-	-	-	-	-	-	-	-	-	-	-
j. On deposit with states	97,198,267	-	-	-	97,198,267	98,150,823	(952,556)	-	97,198,267	7.1%	7.1%
k. On deposit with other regulatory bodies	602,187	-	-	-	602,187	602,865	(678)	-	602,187	0.0%	0.0%
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	\$108,857,849	\$ -	\$ -	\$ -	\$108,857,849	\$112,782,947	\$ (3,925,098)	\$ -	\$108,857,849	7.9%	8.0%

(a) Subset of column 1

(b) Subset of column 2

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

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

**NOTES TO FINANCIAL STATEMENTS**

2. Detail of Assets Pledged as Collateral Not Captured in Other Categories  
Not applicable
3. Detail of Other Restricted Assets  
Not applicable
4. Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements  
Not applicable

**M. Working Capital Finance Investments**

Not applicable

**N. Offsetting and Netting of Assets and Liabilities**

Not applicable

**O. 5GI Securities**

Investment	Number of 5GI Securities		Aggregate BACV		Aggregate Fair Value	
	Current Year	Prior Year	Current Year	Prior Year	Current Year	Prior Year
(1) Bonds – AC	-	2	\$ -	\$ 164,118	\$ -	\$ 164,275
(2) Bonds – FV	2	-	91,067	-	91,067	-
(3) LB & SS – AC	3	1	276,644	165,043	290,000	165,500
(4) LB & SS – FV	1	2	9	131,685	9	131,685
(5) Preferred Stock – AC	-	-	-	-	-	-
(6) Preferred Stock – FV	1	1	-	140,253	-	140,253
(7) Total (1+2+3+4+5+6)	7	6	\$ 367,720	\$ 601,099	\$ 381,076	\$ 601,713

AC – Amortized Cost    FV – Fair Value

**P. Short Sales**

The Company did not have any short sales during 2020.

**Q. Prepayment Penalty and Acceleration Fees**

During 2020, the Company had 17 bonds sold, redeemed, or otherwise disposed as a result of a callable feature with a total prepayment penalty of \$571,149.

	General Account	Protected Cell
(1) Number of CUSIPs	17	-
(2) Aggregate Amount of Investment Income	\$ 571,149	\$ -

**Note 6 – Joint Ventures, Partnerships and Limited Liability Companies****A. Detail for Those Greater than 10% of Admitted Assets**

The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.

**B. Write-down's for Impairment of Joint Ventures, Partnerships and LLCs**

The Company did not recognize any impairment write-down for its investments in Joint Ventures, Partnerships and Limited Liability Companies during the statement periods.

**Note 7 – Investment Income****A. Accrued Investment Income**

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

**B. Amounts Nonadmitted**

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

**Note 8 – Derivative Instruments**

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

**NOTES TO FINANCIAL STATEMENTS****Note 9 – Income Taxes****A. Deferred Tax Assets and Deferred Tax Liabilities**

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

	2020			2019			Change		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) Col (7+8) Total
(a) Gross Deferred Tax Assets	\$21,335,579	\$ 2,095,147	\$23,430,726	\$20,229,405	\$1,543,270	\$21,772,675	\$ 1,106,174	\$ 551,877	\$ 1,658,051
(b) Statutory Valuation Allowance Adjustment	-	-	-	-	-	-	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a-1b)	21,335,579	2,095,147	23,430,726	20,229,405	1,543,270	21,772,675	1,106,174	551,877	1,658,051
(d) Deferred Tax Assets Nonadmitted	-	-	-	-	-	-	-	-	-
(e) Subtotal (Net Deferred Tax Assets) (1c-1d)	21,335,579	2,095,147	23,430,726	20,229,405	1,543,270	21,772,675	1,106,174	551,877	1,658,051
(f) Deferred Tax Liabilities	4,128,822	622,914	4,751,736	4,374,752	1,460,781	5,835,533	(245,930)	(837,867)	(1,083,797)
(g) Net Admitted Deferred Tax Assets/(Net Deferred Tax Liability) (1e-1f)	\$17,206,757	\$ 1,472,233	\$18,678,990	\$15,854,653	\$ 82,489	\$15,937,142	\$ 1,352,104	\$1,389,744	\$ 2,741,848

2. Admission Calculation Components, SSAP No. 101:

	2020			2019			Change		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) Col (7+8) Total
(a). Federal income taxes paid in prior years recoverable through loss carrybacks	\$15,362,731	\$ -	\$15,362,731	\$16,022,407	\$283,297	\$16,305,704	\$ (659,676)	\$ (283,297)	\$ (942,973)
(b). Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below:	1,742,884	2,095,147	3,838,031	487,721	1,259,973	1,747,694	1,255,163	835,174	2,090,337
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	1,742,884	2,095,147	3,838,031	487,721	1,259,973	1,747,694	1,255,163	835,174	2,090,337
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	39,899,722	XXX	XXX	40,336,261	XXX	XXX	(436,539)
(c). Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	4,229,964	-	4,229,964	3,719,277	-	3,719,277	510,687	-	510,687
(d). Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c))	\$21,335,579	\$2,095,147	\$23,430,726	\$20,229,405	\$1,543,270	\$21,772,675	\$ 1,106,174	\$ 551,877	\$ 1,658,051

3. Other Admissibility Criteria:

	2020	2019
a. Ratio percentage used to determine recovery period and threshold limitation amount	402%	416%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 267,669,567	\$ 271,929,504

**NOTES TO FINANCIAL STATEMENTS****4. Impact of Tax Planning Strategies**

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

	2020			2019			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
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)	21,335,579	2,095,147	23,430,726	20,229,405	1,543,270	21,772,675	1,106,174	551,877	1,658,051
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e).	21,335,579	2,095,147	23,430,726	20,229,405	1,543,270	21,772,675	1,106,174	551,877	1,658,051
4. Percentage of net adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

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

B. The Company has recognized all deferred tax liabilities.

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

1.

Current Income Tax:	(1) 2020	(2) 2019	(3) (Col 1-2) Change
(a) Federal	\$ 15,118,430	\$ 12,771,359	\$ 2,347,071
(b) Foreign	2,480	3,667	(1,187)
(c) Subtotal	15,120,910	12,775,026	2,345,884
(d) Federal income tax on net capital gains	998,359	1,591,764	(593,405)
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	-	-	-
(g) Federal and Foreign income taxes incurred	\$ 16,119,269	\$ 14,366,790	\$ 1,752,479

**NOTES TO FINANCIAL STATEMENTS**

2.

Deferred Tax Assets:	(1) 2020	(2) 2019	(3) (Col 1-2) Change
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ 8,840,890	\$ 8,978,565	\$ (137,675)
(2) Unearned premium reserve	7,103,257	7,231,388	(128,131)
(3) Policyholder reserves	-	-	-
(4) Investments	-	-	-
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	2,690,204	2,240,762	449,442
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	-	-	-
(11) Net operating loss carry-forward	-	-	-
(12) Tax credit carry-forward	-	-	-
(13) Other (including items <5% of total ordinary tax assets)	2,701,228	1,778,690	922,538
(14) Other assets – nonadmitted	-	-	-
(99) Subtotal	\$21,335,579	\$20,229,405	\$ 1,106,174
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	-	-	-
(d) Admitted ordinary deferred tax assets (2a99-2b-2c)	\$21,335,579	\$20,229,405	\$ 1,106,174
(e) Capital:			
(1) Investments	\$ 2,095,147	\$ 1,543,270	\$551,877
(2) Net capital loss carry-forward	-	-	-
(3) Real Estate			
(4) Other (including items <5% of total capital tax assets)			
(99) Subtotal	\$ 2,095,147	\$ 1,543,270	\$551,877
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99-2f-2g)	\$ 2,095,147	\$ 1,543,270	\$551,877
(i) Admitted deferred tax assets (2d+2h)	\$ 23,430,726	\$ 21,772,675	\$ 1,658,051

3.

Deferred Tax Liabilities:	(1) 2020	(2) 2019	(3) (Col 1-2) Change
(a) Ordinary:			
(1) Investments	\$ -	\$ -	\$ -
(2) Fixed assets	1,916,915	2,040,898	(123,983)
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Discount of unpaid losses transition	1,624,051	1,948,862	(324,811)
(6) Accruals	172,531	242,626	(70,095)
(7) Other (including items <5% of total ordinary tax liabilities)	415,325	142,366	272,959
(99) Subtotal	\$ 4,128,822	\$ 4,374,752	\$ (245,930)
(b) Capital:			
(1) Investments	\$ 622,914	\$ 1,460,781	\$ (837,867)
(2) Real estate	-	-	-
(3) Other (including items <5% of total capital tax liabilities)	-	-	-
(99) Subtotal	\$ 622,914	\$ 1,460,781	\$ (837,867)
(c) Deferred tax liabilities (3a99+3b99)	\$ 4,751,736	\$ 5,835,533	\$ (1,083,797)

4. Net Deferred Tax Assets/Liabilities (2i-3c) \$ 18,678,990 \$ 15,937,142 \$ 2,741,848

**NOTES TO FINANCIAL STATEMENTS****D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate**

The Company's income tax expense and change in deferred income taxes differs from the amount obtained by applying the federal statutory rate of 21% in 2020 and 2019, respectively, to net income are as follows:

	<b>2020</b>	<b>2019</b>
Income taxes at the statutory rate	\$ 21,242,637	\$ 14,957,453
Intercompany dividends	(5,670,000)	-
Tax exempt income deduction	(749,088)	(775,027)
Dividend received deduction	(59,389)	(96,724)
Other	(548,061)	64,156
<b>Totals</b>	<b>\$ 14,216,099</b>	<b>\$ 14,149,858</b>
Federal and foreign income taxes incurred	\$ 15,120,910	\$ 12,775,026
Federal income tax on net capital (losses) gains	998,359	1,591,764
Change in net deferred income taxes ex. unrealized	(1,903,170)	(216,932)
<b>Total statutory income taxes</b>	<b>\$ 14,216,099</b>	<b>\$ 14,149,858</b>

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

1. At December 31, 2020, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.
2. The amount of federal income taxes incurred and available for recoupment in the event of future net losses:

<b>Year</b>	<b>Amount</b>	<b>Ordinary</b>	<b>Capital</b>
2020	\$ 10,707,653	\$ 10,707,653	\$ -
2019	8,823,301	8,823,301	-
2018	-	-	-

3. At December 31, 2020, the Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

**F. Consolidated Federal Income Tax Return**

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

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

**NOTES TO FINANCIAL STATEMENTS**

Great American Advisors, Inc.	Republic Indemnity Company of America
Great American Agency of Texas, Inc.	Republic Indemnity Company of California
Great American Alliance Insurance Company	Safety Claims & Litigation Services, LLC
Great American Assurance Company	Safety, Claims and Litigation Services, LLC
Great American Casualty Insurance Company	Skipjack Marina Corp.
Great American Contemporary Insurance Company	Summit Consulting, LLC
Great American E & S Insurance Company	Summit Holding Southeast, Inc.
Great American Fidelity Insurance Company	TEJ Holdings, Inc.
Great American Financial Resources, Inc.	Three East Fourth, Inc.
Great American Holding, Inc.	TransProtection Service Company
Great American Insurance Agency, Inc.	Triumphe Casualty Company
Great American Insurance Company	Vanliner Insurance Company

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

**G. Federal or Foreign Federal Income Tax Loss Contingencies:**

The Company does not have any tax loss contingencies.

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

The Company has no liability under the Repatriation Transition Tax.

**I. Alternative Minimum Tax (AMT Credit)**

The Company has no AMT credit.

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

**A. Nature of Relationships**

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

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

**B. Detail of Transactions Greater than 1/2% of Admitted Assets**

The Company received the following dividends from its wholly owned subsidiaries during 2020:

<u>Date</u>	<u>Amount</u>	<u>Type</u>	<u>Entity</u>
09/18/2020	\$ 1,400,000	Ordinary	NIHI
09/18/2020	\$ 2,000,000	Ordinary	TCC
09/18/2020	\$ 22,000,000	Ordinary	VIC
09/18/2020	\$ 1,600,000	N/A	TPSC

The Company paid the following dividends to its parent National Interstate Corporation during 2020:

<u>Date</u>	<u>Amount</u>	<u>Type</u>
03/12/2020	\$ 15,000,000	Ordinary
09/18/2020	\$ 40,000,000	Ordinary
12/15/2020	\$ 30,000,000	Extraordinary

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**NOTES TO FINANCIAL STATEMENTS**

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The Corporation paid the following dividends to its parent Great American Holding, Inc. during 2020:

<u>Date</u>	<u>Amount</u>	<u>Type</u>
03/13/2020	\$ 15,000,000	N/A
09/18/2020	\$ 40,000,000	N/A
12/15/2020	\$ 30,000,000	N/A

**C. Transactions with Related Parties Who Are Not Reported on Schedule Y**

Not applicable

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

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

	2020	2019
National Interstate Corporation	\$ 6,023	\$ (166,828)
National Interstate Insurance Agency, Inc.	(173,164)	(38,278)
National Interstate Insurance of Hawaii, Inc.	(2,567,301)	(1,349,424)
Triumphant Casualty Company	(1,097,655)	(1,867,716)
American Highways Insurance Agency, Inc.	34,644	26,106
Explorer RV Insurance Agency, Inc.	1,280	1,967
Hudson Indemnity, Ltd.	(888,029)	(510,588)
Hudson Management Group, Ltd.	(156,063)	(156,050)
TransProtection Service Company	294,219	151,244
Vanliner Insurance Company	<u>(7,336,929)</u>	<u>(11,421,277)</u>
<b>Total</b>	<b><u>\$ (11,882,975)</u></b>	<b><u>\$ (15,330,844)</u></b>

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

**E. Management, Service Contracts, Cost Sharing Arrangements**

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

The Company has a cost sharing agreement with some of its affiliates under which costs are allocated between companies to reflect the actual costs incurred to operate each company. Allocated costs for 2020 were \$17,361,230.

The Company has an agreement with American Money Management Corporation (AMMC), a wholly owned subsidiary of AFG, whereby AMMC manages the Company's investment portfolio. Fees incurred for these services during 2020 were \$180,064.

**F. Guarantees or Undertakings for Related Parties**

Not applicable (see Note 14A)

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

The Company is a wholly owned subsidiary of the Corporation (See Note 10A).

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

Not applicable

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

The Company owns a 100% interest in VIC whose carrying value is equal to or exceeds 10% of the net admitted assets of the Company. The Company carries VIC at its statutory equity value of \$166,737,267.

Summarized statutory information for VIC follows.

<u>Description</u>	<u>Amount</u>
Admitted Assets	\$ 552,270,993
Liabilities	\$ 385,533,726
Policyholders' Surplus	\$ 166,737,267
Net Income	\$ 24,367,651

**NOTES TO FINANCIAL STATEMENTS****J. Write-downs for Impairment of Investments in Affiliates**

Not applicable

**K. Foreign Subsidiary Valued Using CARVM**

Not applicable

**L. Downstream Holding Company Valued Using Look-Through Method**

Not applicable

**M. Non-insurance Subsidiary, Controlled and Affiliated (SCA) Entity Valuations****(1) Balance Sheet Value (Admitted and Nonadmitted) All SCAs (Except 8bi Entities)**

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities	%	\$ -	\$ -	\$ -
Total SSAP No. 97 8a Entities	XXX	\$ -	\$ -	\$ -
b. SSAP No. 97 8b(ii) Entities	%	\$ -	\$ -	\$ -
Total SSAP No. 97 8b(ii) Entities	XXX	\$ -	\$ -	\$ -
c. SSAP No. 97 8b(iii) Entities				
TransProtection Service Company	100 %	\$ 994,342	\$ -	\$ 994,342
Total SSAP No. 97 8b(iii) Entities	XXX	\$ 994,342	\$ -	\$ 994,342
d. SSAP No. 97 8b(iv) Entities	%	\$ -	\$ -	\$ -
Total SSAP No. 97 8b(iv) Entities	XXX	\$ -	\$ -	\$ -
e. Total SSAP No. 97 8b Entities (exception 8b(i) entities) (b + c + d)	XXX	\$ 994,342	\$ -	\$ 994,342
f. Aggregate Total (a + e)	XXX	\$ 994,342	\$ -	\$ 994,342

**(2) NAIC Filing Response Information**

SCA Entity (Should be the same entities as shown in M(1) above)	Type of NAIC Filing*	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received Y/N	NAIC Disallowed Entities Valuation Method	Resubmission Required Y/N	Code **
a. SSAP No. 97 8a Entities			\$ -				
Total SSAP No. 97 8a Entities	XXX	XXX	\$ -	XXX	XXX	XXX	XXX
b. SSAP No. 97 8b(ii) Entities			\$ -				
Total SSAP No. 97 8b(ii) Entities	XXX	XXX	\$ -	XXX	XXX	XXX	XXX
c. SSAP No. 97 8b(iii) Entities							
TransProtection Service Company	S1	5/15/14	\$ -	Y	N	I	
Total SSAP No. 97 8b(iii) Entities	XXX	XXX	\$ -	XXX	XXX	XXX	XXX
d. SSAP No. 97 8b(iv) Entities			\$ -				
Total SSAP No. 97 8b(iv) Entities	XXX	XXX	\$ -	XXX	XXX	XXX	XXX
e. Total SSAP No. 97 8b Entities (exception 8b(i) entities) (b + c + d)	XXX	XXX	\$ -	XXX	XXX	XXX	XXX
f. Aggregate Total (a + e)	XXX	XXX	\$ -	XXX	XXX	XXX	XXX

\* S1 – Sub-1, S2 – Sub-2 or RDF – Resubmission of Disallowed Filing

\*\* I – Immaterial or M – Material

**N. Insurance SCA Entities Utilizing Prescribed or Permitted Practices**

All insurance subsidiaries owned by the Company prepare their statutory financial statements in compliance with NAIC statutory accounting practices and procedures.

**O. SCA and SSAP No. 48 Entity Loss Tracking**

Not applicable

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## NOTES TO FINANCIAL STATEMENTS

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**Note 11 – Debt**

- A. The Company does not have any outstanding liability for borrowed money.
- B. The Company does not have any agreements with the Federal Home Loan Bank.

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

- A. Defined Benefit Plans - The Company does not have any defined benefit plans.
- B. Defined Benefit Plan Assets - The Company does not have any defined benefit plans.
- C. Defined Benefit Plan Fair Value of Assets - The Company does not have any defined benefit plans.
- D. Defined Benefit Plans - Rate of Return on Assets Assumptions - The Company does not have any defined benefit plans.
- E. Defined Contribution Plans - The Company does not have any defined contribution plans.
- F. Multiemployer Plans - The Company does not have any multiemployer plans.
- G. Consolidated / Holding Company Plans

**Employee Retirement Plan**

American Financial Group, Inc. has established the American Financial Group, Inc. 401(K) Retirement and Savings Plan for the benefit of employees of American Financial Group, Inc. and its participating subsidiaries. Substantially all employees meeting minimum requirements regarding service are eligible to participate in this Plan. The Plan is a defined contribution plan in which participating employees are entitled to share in contributions made by the Company on their behalf. The Plan has three types of contributions, including (1) Retirement Contributions made by the Company, (2) 401(k) Contributions made by participating employees, and (3) Matching Contributions made by the Company. The benefits for the Retirement Contributions are based on eligible compensation as defined by the Plan for each year of participation. Funding is determined annually. Each Company contributes an amount for Retirement Contributions based upon the relationship of its total eligible compensation to total eligible compensation under the Plan for all participating subsidiaries. In addition, participating employees are permitted to make 401(k) Contributions to the Plan. Matching Contributions may be made by the Company based on the amount of 401(k) Contributions made by the participating employees. Plan costs are funded as they accrue and vested benefits are fully funded. Both Retirement Contributions and Matching Contributions to the Plan are subject to the discretion of the Company. The Company has no liability for future contributions to the Plan. At December 31, 2020, the fair market value of the Plan's Retirement Contributions assets was \$455,546,671 and the fair market value of the Plan's Matching Contributions assets was \$371,165,976. The Company's share of the expense for the plan during 2020 was \$1,561,002.

**Postretirement Benefit Plan**

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

The Company accrues its postretirement benefits over the period the employees qualify for such benefits. At December 31, 2020, the Company's accumulated postretirement benefit obligation was \$174,607 using a discount rate of 1.50% of which \$97,291 is currently accrued. Net postretirement benefits costs for the year ended December 31, 2020, were \$56,966, which includes service cost, interest cost, and amortization of the transition obligation. The weighted average annual assumed rate of increase in the health care cost trend rate is 6% for 2021 and is assumed to decrease gradually to 4.50% over 6 years and to remain at that level thereafter.

- H. Postemployment Benefits and Compensated Absences – The Company has accrued for postemployment benefits in accordance with SSAP No. 11.
- I. Impact of Medicare Modernization Act on Postretirement Benefits – There is no impact to the Company under this Act.

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## NOTES TO FINANCIAL STATEMENTS

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**Note 13 – Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations****A. Outstanding Shares**

The Company has 3,000 Common shares with a par value of \$1,000 a share, authorized, issued and outstanding at December 31, 2020.

**B. Dividend Rate of Preferred Stock**

Not applicable as no preferred shares are authorized.

**C. Dividend Restrictions**

The maximum amount of dividends or distributions, which may be paid to stockholders by property/casualty insurance companies domiciled in the State of Ohio without (i) prior approval or (ii) expiration of a 30 day waiting period without disapproval of the Director of Insurance, is the greater of net income or 10% of policyholders' surplus as of the preceding December 31, but only to the extent of earned surplus as of the preceding December 31. The maximum amount of ordinary dividends or distributions, which may be paid in 2021, is \$84,674,004.

**D. Dates and Amounts of Dividends Paid**

The Company paid two ordinary dividends in the amount of \$15,000,000 and \$40,000,000 on March 12, 2020 and September 18, 2020, respectively, and an extraordinary dividend in the amount of \$30,000,000 on December 15, 2020.

**E. Amount of Ordinary Dividends That May Be Paid**

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

**F. Restrictions on Unassigned Funds**

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

**G. Mutual Surplus Advances**

Not applicable

**H. Company Stock Held for Special Purposes**

Not applicable

**I. Changes in Special Surplus Funds**

Not applicable

**J. Changes in Unassigned Funds**

The portion of unassigned funds (surplus) represented by cumulative unrealized capital gains is \$60,761,796 after deducting applicable deferred taxes of \$535,411.

**K. Surplus Notes**

Not applicable

**L and M. Quasi Reorganizations**

Not applicable

**Note 14 – Liabilities, Contingencies and Assessments****A. Contingent Commitments**

At December 31, 2020, the Company has an outstanding capital commitment of \$8,885,384 related to future investments in limited partnerships. There were no commitments or contingent commitments to affiliates or any other entities, and the Company has made no guarantees on behalf of its affiliates or on indebtedness of others.

**B. Guaranty Fund and Other Assessments**

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

The Company has accrued a liability for guaranty fund and other assessments of \$2,999,190 and \$3,392,409, for the

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**NOTES TO FINANCIAL STATEMENTS**

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

**C. Gain Contingencies**

Not applicable

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

The Company did not pay any amounts in the reporting period to settle claims related to extra contractual obligations or bad faith claims stemming from lawsuits.

**E. Product Warranties**

Not applicable

**F. Joint and Several Liabilities**

Not applicable

**G. All Other Contingencies**

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

At the end of the current and prior year, the Company had admitted assets of \$209,130,526 and \$200,128,873, respectively, in premiums due from policyholders, agents and ceding insurers. The Company routinely assesses the collectability of these receivables. Based upon Company experience, any uncollectable premiums receivable as of the end of the current year are not expected to exceed the nonadmitted amounts totaling \$1,452,906 and, therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial position.

During the current year, the Company recognized other-than-temporary impairment charges of \$1,480,754, \$140,253, and \$5,013,840 relating to bonds, preferred stocks, and unaffiliated common stocks, respectively. Considerations the Company used in the impairment evaluation process included, but were not limited to, whether the issuer is experiencing significant financial difficulties, the economic stability of an entire industry sector or subsection, and the extent to which the unrealized gain is credit-driven or a result of changes in market interest rates.

**Note 15 – Leases****A. Lessee Leasing Arrangements**

1. At December 31, 2020, there are no office lease obligations for the Company. There was no rental expense in either 2020 or 2019.
2. At December 31, 2020, there are no future minimum rental payments.
3. The Company has not entered into any sale and leaseback arrangements.

**B. Lessor Leasing Arrangements****1. Operating Leases**

- a. The Company leases space at its Richfield, Ohio campus to unrelated parties. Real estate owned and leased is stated at cost less accumulated depreciation. The lease period is 5 years and contains renewal options. The Company is responsible for the payment of property taxes, insurance and maintenance costs related to the leased spaced.
- b. Rental income for the current and the prior year was approximately \$533,599 and \$458,511, respectively.
- c. Future minimum lease payments receivables under non-cancelable leasing arrangements are as follows:

Year	Amount
2021	\$ 524,707
2022	121,323
2023	123,071
2024	72,386
2025	-
Total	\$ 841,487

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## NOTES TO FINANCIAL STATEMENTS

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- d. The lease agreements contain no provision for contingent rental payments.
- 2. Leveraged Leases

Not applicable

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

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

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

- A. The Company did not sell any receivable balances during 2020.
- B. Transfers and Servicing of Financial Assets – Not applicable.
- C. The Company was not involved in any wash sale transactions during 2020.

**Note 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

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

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

**Note 20 – Fair Value Measurement**

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

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

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

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

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

**NOTES TO FINANCIAL STATEMENTS**

The following table provides information as of December 31, 2020 about the Company's investments measured at fair value.

Assets at fair value	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
<b>Bonds:</b>					
Residential MBS	\$ -	\$ 241,333	\$ -	\$ -	\$ 241,333
Asset backed securities	-	863,865	214,218	-	1,078,083
All other bonds	-	1,432,084	91,069	-	1,523,153
Total bonds	-	2,537,282	305,287	-	2,842,569
Preferred stocks	10,103,403	2,021,950	-	-	12,125,353
Non-affiliated common stocks	6,882,192	-	-	-	6,882,192
<b>Total assets at fair value</b>	<b>\$ 16,985,595</b>	<b>\$ 4,559,232</b>	<b>\$ 305,287</b>	<b>\$ -</b>	<b>\$ 21,850,114</b>

## 2. Rollforward of Level 3 Items

The following table presents a reconciliation of the beginning and ending balances for investments measured at fair value using Level 3 inputs for the year ended December 31, 2020.

	Beginning Balance at 1/1/2020	Transfers into Level 3	Transfers out of Level 3	Total gains (losses) included in Net Income	Total gains (losses) included in Surplus	Purchases				Issuances		Sales		Settlements	Ending Balance at 12/31/2020
Collateralized loan obligations	\$ 131,675	\$ 70,695	\$ (176,292)	\$ (122,697)	\$ 96,619	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asset backed securities	235,703	380,821	(349,206)	(156,358)	105,825	-	-	-	-	(2,567)	-	-	-	-	214,218
All other bonds	-	87,988	-	-	(3,078)	6,159	-	-	-	-	-	-	-	-	91,069
Non-affiliated common stocks	1,049,440	-	(496,090)	(140,252)	(413,098)	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 1,416,818</b>	<b>\$ 539,504</b>	<b>\$ (1,021,588)</b>	<b>\$ (419,307)</b>	<b>\$ (213,732)</b>	<b>\$ 6,159</b>	<b>\$ -</b>	<b>\$ (2,567)</b>	<b>\$ -</b>	<b>\$ 305,287</b>					

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

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

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

The Company's investment manager, AMMC (an affiliate) is responsible for the valuation process and uses data from outside sources (including nationally recognized pricing services and broker/dealers) in establishing fair value. Pricing services use a variety of observable inputs to estimate the fair value of fixed maturities that do not trade on a daily basis. These inputs include, but are not limited to, recent reported trades, benchmark yields, issuer spreads, bids or offers, reference data and measures of volatility. Included in the pricing of mortgage-backed securities are estimates of the rate of future prepayments and defaults of principal over the remaining life of the underlying collateral. Inputs from brokers and independent financial institutions include, but are not limited to, yields or spreads of comparable investments which have recent trading activity, credit quality, duration, credit enhancements, collateral value and estimated cash flows based on inputs including delinquency rates, estimated defaults and losses, and estimates of the rate of future prepayments. Valuation techniques utilized by pricing services and prices obtained from external sources are reviewed by the Company's affiliated investment professionals who are familiar with the securities being priced and the markets in which they trade to ensure the fair value determination is representative of an exit price. To validate the appropriateness of the prices obtained, these investment professionals compare the valuation received to independent third party pricing sources and consider widely published indices (as benchmarks), recent trades, changes in interest rates, general economic conditions and the credit quality of the specific issuers. In addition, AMMC communicates directly with the pricing service regarding the methods and assumptions used in pricing, including verifying, on a test basis, the inputs used by the pricing service to value specific securities.

Level 1 consists of publicly traded equity securities and highly liquid, direct obligations of the U.S. Government whose fair value is based on quoted prices that are readily and regularly available in an active market. Level 2 primarily consists of financial instruments whose fair value is based on quoted prices in markets that are not active and include U.S. government agency securities, fixed maturity investments and perpetual preferred stocks that are not actively traded. Level 3 consists of valuations derived from market valuation techniques generally consistent with those used to estimate the fair value of Level 2 financial instruments in which one or more significant inputs are unobservable or when the market for a security exhibits significantly less liquidity relative to markets supporting

**NOTES TO FINANCIAL STATEMENTS**

Level 2 fair value measurements. The unobservable inputs may include management's own assumptions about the assumptions market participants would use based on the best information available in the circumstances. The Company's Level 3 is comprised of financial instruments whose fair value is estimated based on non-binding broker quotes or internally developed using significant inputs not based on, or corroborated by, observable market information. The Company primarily uses the market approach valuation technique for all investments.

**5. Derivative Fair Values**

Not applicable

**B. Other Fair Value Disclosures**

The Company has no additional fair value disclosures.

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

The table below reflects, as of December 31, 2020, the fair values and admitted values of all admitted assets that are financial instruments excluding those accounted for under the equity method.

	Fair Value	Admitted Value	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
U.S. Government and government agencies	\$ 4,645,821	\$ 4,520,054	\$ 3,748,405	\$ 897,416	\$ -	\$ -	\$ -
States, municipalities and political subdivisions	164,196,479	157,039,829	-	162,839,732	1,356,747	-	-
Residential MBS	96,599,207	93,217,288	-	96,599,207	-	-	-
Commercial MBS	10,561,896	10,145,584	-	10,561,896	-	-	-
Collateralized loan obligations	136,420,818	136,084,445	-	130,776,615	5,644,203	-	-
Asset backed securities	198,030,410	196,442,496	-	192,724,537	5,305,873	-	-
All other bonds	170,896,054	160,714,757	846,450	167,466,165	2,583,439	-	-
Total bonds	781,350,685	758,164,453	4,594,855	761,865,568	14,890,262	-	-
Preferred stocks	12,401,452	12,135,128	10,323,503	2,077,949	-	-	-
Non-affiliated common stocks	6,882,192	6,882,192	6,882,192	-	-	-	-
Cash, cash equivalents & short-term investments	70,748,966	70,747,842	70,748,966	-	-	-	-
Total	\$ 871,383,295	\$ 847,929,615	\$ 92,549,516	\$ 763,943,517	\$ 14,890,262	\$ -	\$ -

**D. Items for which Not Practicable to Determine Fair Values**

Not applicable

**E. Instruments Measured at Net Asset Value (NAV)**

Not applicable

**Note 21 – Other Items****A. Unusual or Infrequent Items**

In response to the unprecedented situation caused by the COVID-19 virus, the Company worked with its insureds, upon request, to adjust exposures to assist with cash flow difficulties by providing premium adjustments or credits impacting the following annual statement lines through December 31, 2020 as follows:

Commercial Auto Liability	\$ 38,412,435
Commercial Auto Physical Damage	2,277,343
General Liability	517,207
Workers' Compensation	208,167
Inland Marine	56,515
Total	\$ 41,471,667

**B. Troubled Debt Restructuring for Debtors**

Not applicable

**C. Other Disclosures**

Not applicable

**NOTES TO FINANCIAL STATEMENTS****D. Business Interruption Insurance Recoveries**

Not applicable

**E. State Transferable and Non-Transferable Tax Credits**

Not applicable

**F. Sub-Prime Exposure**

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

	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other-Than-Temporary Impairment Losses Recognized
a. Residential mortgage-backed securities	\$ 5,582,338	\$ 5,452,757	\$ 6,278,577	\$ 1,999,610
b. Commercial mortgage-backed securities	-	-	-	-
c. Collateralized debt obligations	-	-	-	-
d. Structured securities	-	-	-	-
e. Equity investments in SCAs *	3,429,186	3,779,868	4,025,591	-
f. Other Assets	-	-	-	-
g. Totals	\$ 9,011,524	\$9,232,625	\$ 10,304,168	\$ 1,999,610

\* The Company has 100% owned SCA entities whose investment holdings in residential mortgage-backed securities have exposure to subprime mortgage risk. These investments comprise less than 1% of the Company's invested assets.

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

**G. Insurance-Linked Securities (ILS) Contracts**

Not applicable

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

Not applicable

**Note 22 – Events Subsequent**

Subsequent events have been considered through February 19, 2021, the date of issuance of these financial statements. There were no occurring events subsequent to the end of the year that merited recognition or disclosure in these statements.

**Note 23 – Reinsurance****A. Unsecured Reinsurance Recoverables****Individual Reinsurers with Unsecured Reinsurance Recoverables Exceeding 3% of Policyholder Surplus****Individual Reinsurers Who Are Not Members of a Group**

FEIN	Reinsurer Name	Unsecured Amount
52-1952955	Renaissance Reinsurance U.S. Inc.	\$21,313,000
AA-1340125	Hannover Rückversicherung AG	11,660,000

**NOTES TO FINANCIAL STATEMENTS**

## Individual Reinsurers Who Are Members of a Group

FEIN	Reinsurer Name	Unsecured Amount
86-0114294	Vanliner Insurance Company	\$244,967,000
13-4924125	Munich Reinsurance America Inc.	58,775,000
13-2673100	General Reinsurance Corporation	38,627,000
13-1675535	Swiss Reinsurance America Corporation	37,676,000
99-0345306	National Interstate Insurance Company of Hawaii	18,844,000
95-3623282	Triumphe Casualty Company	18,844,000
22-2005057	Everest Reinsurance Company	9,926,000

## All Members of the Groups Shown above with Unsecured Reinsurance Recoverables

Group Code	FEIN	Reinsurer Name	Unsecured Amount
0084	86-0114294	Vanliner Insurance Company	244,967,000
0084	99-0345306	National Interstate Insurance Company of Hawaii	18,844,000
0084	95-3623282	Triumphe Casualty Company	18,844,000
0084	31-0501234	Great American Insurance Company	5,511,000
Total 0084			\$288,166,000
0361	13-4924125	Munich Reinsurance America Inc.	58,775,000
Total 0361			\$58,775,000
0031	13-2673100	General Reinsurance Corporation	38,627,000
0031	47-0355979	National Indemnity Company	4,848,000
Total 0031			\$43,475,000
0181	13-1675535	Swiss Reinsurance America Corp	37,676,000
0181	48-0921045	Employers Reinsurance Company	5,000
Total 0181			\$37,681,000
1120	22-2005057	Everest Reinsurance Company	9,926,000
Total 1120			\$9,926,000

## B. Reinsurance Recoverables in Dispute

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

## C. Reinsurance Assumed and Ceded and Protected Cells

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

	Assumed		Ceded		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
	Affiliates	\$ 86,592,242	\$8,474,448	\$119,126,034	\$ 8,110,673	\$(32,533,792)
All other		2,480,926	660,247	46,051,701	4,369,864	(43,570,775)
Totals		\$ 89,073,168	\$9,134,695	\$165,177,735	\$12,480,537	\$(76,104,567)
						\$3,345,842)

Direct Unearned Premium Reserve: \$ 245,058,448

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

	Direct	Assumed	Ceded	Net
Contingent commissions	\$ -	\$1,412,573	\$819,015	\$593,558
Sliding scale adjustments	-	-	-	-
Other profit commissions	-	-	-	-
Totals	\$	\$1,412,573	\$819,015	\$593,558

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

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**NOTES TO FINANCIAL STATEMENTS**

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**D. Uncollectible Reinsurance**

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

**E. Commutation of Ceded Reinsurance**

During 2020 the Company commuted several treaties with the reinsurers listed below. The Company recognized the amounts received from the reinsurers as a reduction of losses and loss adjustment expenses paid (thereby reducing losses and loss adjustment expenses incurred) in the current year. The Company also increased its loss and loss adjustment expense reserves by the same amount (thereby increasing losses and loss adjustment expense incurred) to recognize the effect of releasing the reinsurer from its obligation under the treaty. The net effect of the commutations was \$0. The amounts received are shown below by reinsurer and treaty year.

Reinsurer and Treaty Year	Amounts Received
Wheels Ins Ltd (2016-2017)	\$1,747,210
TRAX Insurance Ltd (2016 – 2017)	1,014,122
Tennessee Steel Haulers (2014 – 2015)	217,449
Tennessee Steel Haulers (2013 – 2014)	32,942
<b>Total</b>	<b>\$3,011,723</b>

**F. Retroactive Reinsurance**

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

**G. Reinsurance Accounted for as a Deposit**

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

**H. Run-off Agreements**

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

**I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation**

Not applicable

**J. Reinsurance Agreements Qualifying for Reinsurer Aggregation**

Not applicable

**K. Reinsurance Credit on Contracts Covering Health Business**

Not applicable

**Note 24 – Retrospectively Rated Contracts & Contracts Subject to Redetermination****A. Method Used to Estimate**

The Company estimates accrued retrospective premium adjustments through the review of each individual retrospective rate risk, comparing case basis loss and allocated loss adjustment expense with that anticipated in the policy contract to arrive at the best estimate of return or additional retrospective premium.

**B. Method Used to Record**

The Company records accrued retrospective premium through written premium.

**C. Amount and Percent of Net Retrospective Premiums**

Net premiums written for 2020 on retrospective policies were \$13,012,737, or 3.9% of total net premiums written.

**D. Medical Loss Ratio Rebates**

Not applicable

**NOTES TO FINANCIAL STATEMENTS****E. Calculation of Nonadmitted Accrued Retrospective Premiums**

Ten percent of the amount of accrued retrospective premiums not offset by retrospective return premiums, other liabilities to the same party (other than loss and loss adjustment expense reserves), or collateral as permitted by SSAP No. 66, Retrospectively Rated Contracts, is nonadmitted. As of December 31, 2020, the Company's accrued retrospective premiums were sufficiently collateralized, resulting in no nonadmitted amount at the reporting date.

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

Not applicable

**Note 25 – Change in Incurred Losses and Loss Adjustment Expenses**

A. The following table provides a reconciliation of the beginning and ending balances for outstanding losses and loss adjustment expenses (LAE), net of reinsurance recoverable, for 2020 and 2019:

	Year Ended December 31	
	2020	2019
Outstanding losses and LAE, net of reinsurance recoverables, at beginning of year	\$ 489,630,419	\$ 469,656,954
Add provision for claims, net of reinsurance, occurring in:		
Current year	209,530,079	215,651,310
Prior years	(35,000,000)	(21,000,000)
Net incurred losses during the current year	<u>174,530,079</u>	<u>194,651,310</u>
Deduct payments for claims, net of reinsurance occurring in:		
Current year	41,911,510	44,610,068
Prior years	132,362,203	130,067,777
Net claim payments during the current year	<u>174,273,713</u>	<u>174,677,845</u>
Outstanding losses and LAE, net of reinsurance recoverables, at end of year	<u><u>\$ 489,886,785</u></u>	<u><u>\$ 489,630,419</u></u>

The foregoing reconciliation shows that \$35,000,000 of favorable development in the December 31, 2019 balances emerged in 2020 and \$21,000,000 of favorable development in the December 31, 2018 balances emerged in 2019. The favorable development in 2020 and 2019 resulted from the combination of settling cases and adjusting current estimates of case and incurred but not reported (IBNR) reserves for amounts less than the case and IBNR estimates carried at the end of December 31, 2019 and December 31, 2018, respectively. Management of the Company evaluates case and IBNR estimates based on data from a variety of sources including the Company's historical experience and knowledge of various factors such as the historic loss experience of the industry, trends in claims frequency and severity, the Company's mix of business and claims processing procedures, legislative enactments, judicial decisions, legal developments in imposition of damages and changes and trends in general economic conditions, including the effects of inflation.

**B. Significant Change in Methodologies and Assumptions**

Not applicable

**Note 26 – Intercompany Pooling Arrangements**

Effective January 1, 2011, the Company entered into an amended intercompany reinsurance pooling agreement with its subsidiaries, NIHI, TCC and VIC. The effect is to transfer all net retained insurance liabilities of the subsidiaries to NIIC and to cede specified percentages of the net underwriting results of the group to the participating companies as follows:

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

Prior to the pooling of business, each participating company makes cessions, primarily excess of loss arrangements, to various other affiliated and non-affiliated reinsurers under terms of other reinsurance agreements. Each participant records its own Provision for Reinsurance based on its pre-pooling reinsurance activity. These liabilities are not shared with the other pooled participants. In the event that a reinsurance balance becomes uncollectible, the pool members will share the uncollectible balance in accordance with the pooling participation schedule. As of December 31, 2020, under the pooling

**NOTES TO FINANCIAL STATEMENTS**

agreement, the Company, the lead entity for pooling activity, has payable balances due to NIHI and TCC of \$1,985,413 and \$956,158, respectively, and a receivable balance due from VIC of \$2,074,413. These amounts are settled on a quarterly basis.

**Note 27 – Structured Settlements****A. Reserves Released Due to Purchase of Annuities**

During the current year, the Company purchased 11 structured settlements from unaffiliated life insurance companies with the claimants as payee. The loss and LAE reserves for these claims are no longer included in the balance sheet as a liability for losses and loss adjustment expenses.

Loss Reserves Eliminated by Annuities	Unrecorded Loss Contingencies
\$ 1,739,549	\$ -

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

None

**Note 28 – Health Care Receivables**

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

**Note 29 – Participating Policies**

Not applicable as the Company does not have participating policies.

**Note 30 – Premium Deficiency Reserves**

As of December 31, 2020, the Company does not have any premium deficiency reserves.

Liability carried for premium deficiency reserves	\$ -
Date of the most recent evaluation of this liability	1/27/2021
Was anticipated investment income utilized in the calculation?	Yes [ ] No [X]

**Note 31 – High Deductibles****A. Reserve Credit Recorded on Unpaid Claims and Amount Billed and Recoverable on Paid Claims for High Deductibles****1. Counter Party Exposure Recorded on Unpaid Claims and Billed Recoverables on Paid Claims**

Annual Statement Line of Business (ASL)		3	4	5	6
1 ASL #	2 ASL Description	Gross (of High Deductible) Loss Reserves	Reserve Credit for High Deductibles	Billed Recoverables on Paid Claims	Total High Deductibles and Billed Recoverables (Col. 4 + Col. 5)
19.4	Commercial Auto	\$ 3,339,497	\$ 1,831,397	\$ 421,726	\$ 2,253,123
16	Workers' Compensation	115,711	80,011	17,297	97,308
17.1	General Liability	74,338	74,338	21,392	95,730
Total		\$ 3,529,546	\$ 1,985,746	\$ 460,415	\$ 2,446,161

**2. Unsecured Amounts of High Deductibles**

a. Total high deductibles and billed recoverables on paid claims	\$ 2,446,161
b. Collateral on balance sheet	542,294
c. Collateral off balance sheet	1,584,340
d. Total unsecured deductibles and billed recoverables on paid claims	319,527
e. Percentage unsecured	13.06%

**3. High Deductible Recoverables Amounts on Paid Claims**

a. Amount of overdue nonadmitted (either due to aging or collateral)	\$ 8,564
b. Total over 90 days overdue admitted	\$ -
c. Total overdue (a+b)	\$ 8,564

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## NOTES TO FINANCIAL STATEMENTS

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

Counterparty Ranking	Top Unsecured High Deductible Amounts
Counterparty 1	\$ 228,310
Counterparty 2	91,215

### B. Unsecured High Deductibles Recoverables for Individual Obligors Part of a Group Under the Same Management or Control Which are Greater Than 1% of Capital and Surplus

Not applicable

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

A - C. The Company does not discount its liabilities for unpaid loss and loss adjustment expenses.

#### **Note 33 – Asbestos/Environmental Reserves**

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

#### **Note 34 – Subscriber Savings Accounts**

Not applicable

#### **Note 35 – Multiple Peril Crop Insurance**

Not applicable

#### **Note 36 – Financial Guaranty Insurance**

The Company does not write financial guaranty insurance.

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

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

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

1.3 State regulating? Ohio

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

1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. 1042046

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

2.2 If yes, date of change:  
3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2016

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2016

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 11/17/2017

3.4 By what department or departments? Ohio Department of Insurance

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

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

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.11 sales of new business? Yes [X] No [ ]  
4.12 renewals? Yes [X] No [ ]

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

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

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

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

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]

6.2 If yes, give full information:  
7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [X]

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

1 Nationality	2 Type of Entity
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8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes [ ] No [X]

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

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

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

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

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

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

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

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

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

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

10.5	Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?	Yes [ ]	No [ X ]	N/A [ ]
10.6	If the response to 10.5 is no or n/a, please explain: <u>The Audit Committee of American Financial Group, Inc., the Company's SOX compliant ultimate parent, is deemed to serve as the Company's Audit Committee for the purposes of compliance with Ohio insurance law.</u>			
11.	What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification? <u>Lisa Hays, Vice President - Great American Insurance Company 301 East 4th Street, Cincinnati, Ohio 45202</u>			
12.1	Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?	Yes [ ]	No [ X ]	
	12.11 Name of real estate holding company			
	12.12 Number of parcels involved			0
	12.13 Total book/adjusted carrying value		\$	0
12.2	If yes, provide explanation			
13.	<b>FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:</b>			
13.1	What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?			
13.2	Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?	Yes [ ]	No [ ]	
13.3	Have there been any changes made to any of the trust indentures during the year?	Yes [ ]	No [ ]	
13.4	If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?	Yes [ ]	No [ ]	N/A [ ]
14.1	Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?	Yes [ X ]	No [ ]	
	(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;			
	(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;			
	(c) Compliance with applicable governmental laws, rules and regulations;			
	(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and			
	(e) Accountability for adherence to the code.			
14.11	If the response to 14.1 is no, please explain:			
14.2	Has the code of ethics for senior managers been amended?	Yes [ ]	No [ X ]	
14.21	If the response to 14.2 is yes, provide information related to amendment(s).			
14.3	Have any provisions of the code of ethics been waived for any of the specified officers?	Yes [ ]	No [ X ]	
14.31	If the response to 14.3 is yes, provide the nature of any waiver(s).			
15.1	Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?	Yes [ X ]	No [ ]	
15.2	If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.			
1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount	
031316815	1st Summit Bank	Non Payment of Audit Premium/Deductible	\$	64,906
103100616	American Heritage Bank	Non Payment of Audit Premium/Deductible	\$	79,179
104000854	American National Bank	Non Payment of Deductible	\$	87,775
061201754	Ameris Bank	Non Payment of Deductible	\$	2,500,000
082905505	Anstaff Bank	Non Payment of Audit Premium	\$	37,148
113103276	Austin Bank	Non Payment of Deductible	\$	44,000
073902546	Availa Bank	Non Payment of Audit Premium/Deductible	\$	43,815
081903867	Bank of Missouri	Non Payment of Audit Premium	\$	155,456
053112039	Bank of North Carolina	Non Payment of Audit Premium	\$	149,410
075903446	Bank of the Prairie	Non Payment of Deductible	\$	20,000
026009632	Bank of Tokyo-Mitsubishi	Non Payment of Deductible	\$	149,174
271972899	Bank Financial	Non Payment of Audit Premium	\$	14,721
323371076	Banner Bank	Non Payment of Audit Premium/Deductible	\$	29,611
084201757	BNA Bank	Non Payment of Deductible	\$	270,312
053101121	Branch Banking and Trust	Non Payment of Audit Premium/Deductible	\$	800,268
081500859	Central Bank of Boone County	Non Payment of Deductible	\$	250,000
244172095	Century National Bank	Non Payment of Audit Premium/Deductible	\$	47,120
072410013	Chemical Bank	Non Payment of Audit Premium/Deductible	\$	61,538
031308302	Citizens & Northern Bank	Non Payment of Audit Premium	\$	15,000
101015282	Crossfirst Bank	Non Payment of Deductible	\$	504,000
073912756	Danville State Savings Bank	Non Payment of Audit Premium/Deductible	\$	26,113
243074385	Dollar Bank	Non Payment of Audit Premium	\$	59,058
307074580	Elevations Credit Union	Non Payment of Audit Premium	\$	80,000
121108441	Farmers & Merchants Bank of Central California	Non Payment of Audit Premium	\$	317,469
041208421	Farmers State Bank	Non Payment of Audit Premium	\$	18,937
101205681	Fidelity Bank & Trust	Non Payment of Audit Premium/Deductible	\$	127,103
083900525	Field & Main Bank	Non Payment of Audit Premium/Deductible	\$	85,300
084008811	First Capital Bank	Non Payment of Audit Premium	\$	120,321

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

241070417	First Citizens Bank	Non Payment of Audit Premium/Deductible	\$ 80,420
062102726	First Community Bank	Non Payment of Audit Premium	\$ 81,540
091916077	First Farmers and Merchants Bank	Non Payment of Audit Premium/Deductible	\$ 63,165
091305031	First International Bank and Trust	Non Payment of Audit Premium	\$ 31,349
074900657	First Merchants Bank	Non Payment of Deductible	\$ 90,000
084304243	First State Bank	Non Payment of Audit Premium	\$ 80,005
071925826	First Trust Bank of IL	Non Payment of Deductible	\$ 100,000
103100881	First United Bank & Trust	Non Payment of Deductible	\$ 1,447,530
111905612	Gilmer National Bank	Non Payment of Audit Premium	\$ 87,659
074909218	Grant County State Bank	Non Payment of Deductible	\$ 15,000
067006775	Harbor Community Bank	Non Payment of Deductible	\$ 700,000
031207856	Harvest Community Bank	Non Payment of Audit Premium	\$ 11,604
075911852	Johnson Bank	Non Payment of Audit Premium	\$ 54,533
044210063	Kingston National Bank	Non Payment of Audit Premium	\$ 20,906
081500862	Landmark Bank	Non Payment of Audit Premium	\$ 35,490
101107886	Legacy Bank	Non Payment of Audit Premium	\$ 34,187
114911687	Lone Star National Bank	Non Payment of Audit Premium/Deductible	\$ 1,065,864
072413845	Macatawa Bank	Non Payment of Deductible	\$ 66,000
072413829	Merchantile Bank of Michigan	Non Payment of Audit Premium/Deductible	\$ 181,000
041210448	Middlefield Banking Company	Non Payment of Audit Premium/Deductible	\$ 13,484
031205340	Newfield National Bank	Non Payment of Deductible	\$ 5,000
243374218	Northwest Savings Bank	Non Payment of Audit Premium/Deductible	\$ 41,516
086518891	Old Missouri Bank	Non Payment of Audit Premium/Deductible	\$ 60,000
072404333	Oxford Bank	Non Payment of Audit Premium/Deductible	\$ 110,412
107000068	Pueblo Bank and Trust	Non Payment of Audit Premium/Deductible	\$ 53,356
111322994	PlainsCapital Bank	Non Payment of Deductible	\$ 306,258
104102309	Platte Valley Bank	Non Payment of Audit Premium	\$ 184,463
122042205	Preferred Bank	Non Payment of Audit Premium	\$ 89,254
091408598	Premier Bank and Trust	Non Payment of Deductible	\$ 68,561
031907790	QNB Bank	Non Payment of Audit Premium	\$ 55,560
122221686	Rabobank	Non Payment of Audit Premium	\$ 31,537
062206567	River Bank and Trust	Non Payment of Deductible	\$ 78,000
042307224	Second National Bank	Non Payment of Audit Premium/Deductible	\$ 159,409
051409456	Select Bank	Non Payment of Audit Premium	\$ 73,553
082900432	Simmons Bank	Non Payment of Audit Premium/Deductible	\$ 26,873
071122645	Soy Capital	Non Payment of Deductible	\$ 8,317
073913755	Sterling Bank	Non Payment of Audit Premium	\$ 46,862
083000564	Stock Yards Bank & Trust	Non Payment of Audit Premium/Deductible	\$ 128,943
113121135	Texas State Bank	Non Payment of Audit Premium	\$ 18,844
124100417	The Bank of Commerce	Non Payment of Audit Premium	\$ 37,380
083907926	The Casey County Bank	Non Payment of Deductible	\$ 25,000
041206135	The Commerical & Savings Bank	Non Payment of Audit Premium/Deductible	\$ 149,807
071122616	The Fisher National Bank	Non Payment of Audit Premium	\$ 26,969
031310219	The Juniata Valley Bank	Non Payment of Audit Premium	\$ 87,689
084303118	The Lauderdale County Bank	Non Payment of Audit Premium/Deductible	\$ 311,352
101201863	The Nodaway Valley Bank	Non Payment of Audit Premium	\$ 29,027
044101305	The Park National Bank	Non Payment of Audit Premium	\$ 637,681
011601100	Union Bank	Non Payment of Audit Premium	\$ 31,739
051403164	Union First Market Bank	Non Payment of Audit Premium	\$ 168,306
091210074	United Community Bank	Non Payment of Audit Premium	\$ 45,962
122245044	Valley Republic Bank	Non Payment of Audit Premium	\$ 102,911
041215854	Waterford Bank	Non Payment of Audit Premium/Deductible	\$ 136,281
021914544	Westchester Bank	Non Payment of Audit Premium	\$ 39,853
041272279	Westfield Bank	Non Payment of Audit Premium	\$ 56,475
031100102	Wilmington Savings Fund Society	Non Payment of Audit Premium/Deductible	\$ 200,000

**BOARD OF DIRECTORS**

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

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

18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No [ ]

**FINANCIAL**

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans): \$ 0

20.11 To directors or other officers \$ 0

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

20.12	To stockholders not officers	\$ 0	
20.13	Trustees, supreme or grand (Fraternal only)	\$ 0	
20.2	Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):		
20.21	To directors or other officers	\$ 0	
20.22	To stockholders not officers	0	
20.23	Trustees, supreme or grand (Fraternal only)	0	
21.1	Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting in the statement?	Yes [ ] No [ X ]	
21.2	If yes, state the amount thereof at December 31 of the current year:		
21.21	Rented from others	\$ 0	
21.22	Borrowed from others	\$ 0	
21.23	Leased from others	\$ 0	
21.24	Other	\$ 0	
22.1	Does this statement include payments for assessments as described in the <i>Annual Statement Instructions</i> other than guaranty fund or guaranty association assessments?	Yes [ ] No [ X ]	
22.2	If answer is yes:		
22.21	Amount paid as losses or risk adjustment	\$ 0	
22.22	Amount paid as expenses	\$ 0	
22.23	Other amounts paid	\$ 0	
23.1	Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?	Yes [ X ] No [ ]	
23.2	If yes, indicate any amounts receivable from parent included in the Page 2 amount:	\$ 6,023	
<b>INVESTMENT</b>			
24.01	Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)?	Yes [ X ] No [ ]	
24.02	If no, give full and complete information, relating thereto:		
24.03	For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided). <u>The Company does not engage in securities lending.</u>		
24.04	For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions.	\$ 0	
24.05	For the reporting entity's securities lending program, report amount of collateral for other programs.	\$ 0	
24.06	Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?	Yes [ ] No [ ] N/A [ X ]	
24.07	Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?	Yes [ ] No [ ] N/A [ X ]	
24.08	Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?	Yes [ ] No [ ] N/A [ X ]	
24.09	For the reporting entity's securities lending program, state the amount of the following as of December 31 of the current year:		
24.091	Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	\$ 0	
24.092	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	\$ 0	
24.093	Total payable for securities lending reported on the liability page:	\$ 0	
25.1	Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.)	Yes [ X ] No [ ]	
25.2	If yes, state the amount thereof at December 31 of the current year:		
25.21	Subject to repurchase agreements	\$ 0	
25.22	Subject to reverse repurchase agreements	\$ 0	
25.23	Subject to dollar repurchase agreements	\$ 0	
25.24	Subject to reverse dollar repurchase agreements	\$ 0	
25.25	Placed under option agreements	\$ 0	
25.26	Letter stock or securities restricted as sale – excluding FHLB Capital Stock	\$ 11,057,395	
25.27	FHLB Capital Stock	\$ 0	
25.28	On deposit with states	\$ 97,198,267	
25.29	On deposit with other regulatory bodies	\$ 602,187	
25.30	Pledged as collateral – excluding collateral pledged to an FHLB	\$ 0	
25.31	Pledged as collateral to FHLB – including assets backing funding agreements	\$ 0	
25.32	Other	\$ 0	
25.3	For category (25.26) provide the following:		
	1 Nature of Restriction	2 Description	3 Amount
	Partnership limitation	CANAL MEZZANINE PARTNERS II, LP	\$ 3,276,026
	Partnership limitation	CANAL CAPITAL PARTNERS III, LP	\$ 723,178
	Partnership limitation	FORT WASHINGTON PRIVATE EQUITY OPPORTUNITIES FUND III, LP	\$ 1,907,521
	Partnership limitation	PRIMUS CAPITAL FUND VII, LP	\$ 5,150,670
	Not registered with SEC	PERMIAN HOLDINGS INC.	\$
	Not registered with SEC	PERMIAN HOLDINGS INC.	\$
26.1	Does the reporting entity have any hedging transactions reported on Schedule DB?	Yes [ ] No [ X ]	
26.2	If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement.	Yes [ ] No [ ] N/A [ X ]	

**GENERAL INTERROGATORIES****PART 1 - COMMON INTERROGATORIES****Lines 26.3 through 26.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:**

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

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

- 26.41 Special accounting provision of SSAP No. 108 Yes [ ] No [ ]
- 26.42 Permitted accounting practice Yes [ ] No [ ]
- 26.43 Other accounting guidance Yes [ ] No [ ]

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

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

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

27.2 If yes, state the amount thereof at December 31 of the current year: \$ \_\_\_\_\_ 0

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

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

1 Name of Custodian(s)	2 Custodian's Address
The Bank of New York Mellon	1 Wall Street, New York, NY 10286

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

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

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [ ] No [ X ]

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

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

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

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

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

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

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

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

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

29.2 If yes, complete the following schedule:

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

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	\$ 762,167,636	\$ 785,354,992	\$ 23,187,356
30.2 Preferred Stocks	\$ 12,135,128	\$ 12,401,453	\$ 266,325

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

30.3	Totals	\$ 774,302,764	\$ 797,756,445	\$ 23,453,681						
30.4	Describe the sources or methods utilized in determining the fair values: <u>The source used to determine the fair value is primarily from pricing services and to a lesser extent broker quotes when necessary.</u>									
31.1	Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?	Yes [X]	No [ ]							
31.2	If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?	Yes [ ]	No [X]							
31.3	If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D: <u>For the securities that were priced using broker prices, American Money Management Corporation obtains data from brokers that are familiar with the securities being priced and the markets in which they trade.</u>									
32.1	Have all the filing requirements of the <i>Purposes and Procedures Manual of the NAIC Investment Analysis Office</i> been followed?	Yes [X]	No [ ]							
32.2	If no, list exceptions:									
33.	By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designation 5GI security:									
	a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.									
	b. Issuer or obligor is current on all contracted interest and principal payments.									
	c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.									
	Has the reporting entity self-designated 5GI securities?	Yes [X]	No [ ]							
34.	By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:									
	a. The security was purchased prior to January 1, 2018.									
	b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.									
	c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.									
	d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.									
	Has the reporting entity self-designated PLGI securities?	Yes [ ]	No [X]							
35.	By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:									
	a. The shares were purchased prior to January 1, 2019.									
	b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.									
	c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.									
	d. The fund only or predominantly holds bonds in its portfolio.									
	e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.									
	f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.									
	Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria?	Yes [ ]	No [X]							
36.	By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E, Part 2 (identified through a code (%)) in those investment schedules), the reporting entity is certifying to the following:									
	a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.									
	b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.									
	c. If the investment is with a related party or affiliate then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.									
	d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 36.a-36.c are reported as long-term investments.									
	Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria?	Yes [ ]	No [X]	N/A [ ]						
	<b>OTHER</b>									
37.1	Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?			\$ 1,388,647						
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.									
	<table border="1"> <thead> <tr> <th>1 Name</th> <th>2 Amount Paid</th> </tr> </thead> <tbody> <tr> <td>INSURANCE SERVICES OFFICE, INC</td> <td>\$ 1,069,549</td> </tr> </tbody> </table>	1 Name	2 Amount Paid	INSURANCE SERVICES OFFICE, INC	\$ 1,069,549					
1 Name	2 Amount Paid									
INSURANCE SERVICES OFFICE, INC	\$ 1,069,549									
38.1	Amount of payments for legal expenses, if any?			\$ 96,118						
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.									
	<table border="1"> <thead> <tr> <th>1 Name</th> <th>2 Amount Paid</th> </tr> </thead> <tbody> <tr> <td>THOMPSON HINE LLP</td> <td>\$ 33,652</td> </tr> <tr> <td>E. DANIEL LOTENSCHTEIN, AAL, ALC</td> <td>\$ 25,000</td> </tr> </tbody> </table>	1 Name	2 Amount Paid	THOMPSON HINE LLP	\$ 33,652	E. DANIEL LOTENSCHTEIN, AAL, ALC	\$ 25,000			
1 Name	2 Amount Paid									
THOMPSON HINE LLP	\$ 33,652									
E. DANIEL LOTENSCHTEIN, AAL, ALC	\$ 25,000									
39.1	Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?			\$ 0						
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.									
	<table border="1"> <thead> <tr> <th>1 Name</th> <th>2 Amount Paid</th> </tr> </thead> <tbody> <tr> <td></td> <td>\$</td> </tr> </tbody> </table>	1 Name	2 Amount Paid		\$					
1 Name	2 Amount Paid									
	\$									

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

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?	Yes [ ]	No [ X ]
1.2	If yes, indicate premium earned on U.S. business only.	\$	0
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?	\$	0
1.31	Reason for excluding:		
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.	\$	0
1.5	Indicate total incurred claims on all Medicare Supplement insurance.	\$	0
1.6	Individual policies:		
	Most current three years:		
1.61	Total premium earned	\$	0
1.62	Total incurred claims	\$	0
1.63	Number of covered lives		0
	All years prior to most current three years:		
1.64	Total premium earned	\$	0
1.65	Total incurred claims	\$	0
1.66	Number of covered lives		0
1.7	Group policies:		
	Most current three years:		
1.71	Total premium earned	\$	0
1.72	Total incurred claims	\$	0
1.73	Number of covered lives		0
	All years prior to most current three years:		
1.74	Total premium earned	\$	0
1.75	Total incurred claims	\$	0
1.76	Number of covered lives		0
2.	Health Test:		
		1 Current Year	2 Prior Year
2.1	Premium Numerator	\$ 0	\$ 0
2.2	Premium Denominator	\$ 338,913,949	\$ 340,024,128
2.3	Premium Ratio (2.1/2.2)	0.0%	0.0%
2.4	Reserve Numerator	\$ 1,069,304	\$ 853,818
2.5	Reserve Denominator	\$ 658,853,045	\$ 661,716,859
2.6	Reserve Ratio (2.4/2.5)	0.2%	0.1%
3.1	Did the reporting entity issue participating policies during the calendar year?		Yes [ ] No [ X ]
3.2	If yes, provide the amount of premium written for participating and/or non-participating policies during the calendar year:		
3.21	Participating policies	\$ 0	0
3.22	Non-participating policies	\$ 0	0
4.	FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:		
4.1	Does the reporting entity issue assessable policies?	Yes [ ]	No [ ]
4.2	Does the reporting entity issue non-assessable policies?	Yes [ ]	No [ ]
4.3	If assessable policies are issued, what is the extent of the contingent liability of the policyholders?		%
4.4	Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.	\$ 0	0
5.	FOR RECIPROCAL EXCHANGES ONLY:		
5.1	Does the exchange appoint local agents?	Yes [ ]	No [ ]
5.2	If yes, is the commission paid:		
5.21	Out of Attorney's-in-fact compensation	Yes [ ]	No [ ]
5.22	As a direct expense of the exchange	Yes [ ]	No [ ]
5.3	What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?		N/A [ X ]
5.4	Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?	Yes [ ]	No [ ]
5.5	If yes, give full information:		
6.1	What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?		
	<u>The Company is party to an intercompany pooling agreement, where it retains no more than \$700,000 per occurrence. In addition, the pool purchases up to \$20M per person WC coverage and up to \$55M multiple person WC coverage, subject to a \$15M maximum on any one life.</u>		
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:		
	<u>The Company obtains its results from its Reinsurer and/or its Broker using RMS RiskLink model v18 for Hurricane and v18 for EQ to help identify locations of concentrations. In addition to RMS, AIR Touchstone v7 results were attained and produced significantly lower PMLs in the 20 up to 500-year return periods. Company also limits writing of property insurance in HI and coastal areas on the mainland and purchases facultative when applicable.</u>		
6.3	What provision has this reporting entity made (such as catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?		
	<u>The Company purchases up to \$14.5M in Cat reinsurance limit in excess of \$500K for property in HI and for select products located on the Mainland. In addition, all other property has catastrophe protection in excess of \$500K retention. In addition, the Company maintains property per risk protection \$14.9M xs \$100K (minimum retention and varies by product).</u>		
6.4	Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?	Yes [ X ]	No [ ]

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

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

7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes [X] No [ ]

7.2 If yes, indicate the number of reinsurance contracts containing such provisions. 73

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

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

- (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
- (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes [X] No [ ]

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

- (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
- (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
- (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved. Yes [X] No [ ]

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. Yes [X] No [ ]

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 Yes [ ] No [X]
- (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 Yes [ ] No [X]
- (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [ ] No [X]

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [ ] N/A [ ]

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

11.2 If yes, give full information

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

12.11 Unpaid losses	\$ 2,812,594
12.12 Unpaid underwriting expenses (including loss adjustment expenses)	\$ 219,318
	\$ 0

12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds? Yes [ ] No [X] N/A [ ]

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

12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:

12.41 From	%
12.42 To	%

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

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

12.61 Letters of Credit	\$ 34,814,331
12.62 Collateral and other funds	\$ 39,274,670

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

13.1	Largest net aggregate amount insured in any one risk (excluding workers' compensation):					\$ 700,000
13.2	Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?					Yes [ ] No [X]
13.3	State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.					2
14.1	Is the reporting entity a cedant in a multiple cedant reinsurance contract?					Yes [X] No [ ]
14.2	If yes, please describe the method of allocating and recording reinsurance among the cedants: <u>The allocation would be based on the percentage of the individual company's claim to the total of all claims.</u>					
14.3	If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?					Yes [X] No [ ]
14.4	If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?					Yes [ ] No [ ]
14.5	If the answer to 14.4 is no, please explain:					
15.1	Has the reporting entity guaranteed any financed premium accounts?					Yes [ ] No [X]
15.2	If yes, give full information					
16.1	Does the reporting entity write any warranty business?					Yes [ ] No [X]
	If yes, disclose the following information for each of the following types of warranty coverage:					
		1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11	Home	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
16.12	Products	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
16.13	Automobile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
16.14	Other*	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
* Disclose type of coverage:						
17.1	Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F-Part 3 that is exempt from the statutory provision for unauthorized reinsurance?					Yes [ ] No [X]
	Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from the statutory provision for unauthorized reinsurance. Provide the following information for this exemption:					
17.11	Gross amount of unauthorized reinsurance in Schedule F-Part 3 exempt from the statutory provision for unauthorized reinsurance					\$ 0
17.12	Unfunded portion of Interrogatory 17.11					\$ 0
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11					\$ 0
17.14	Case reserves portion of Interrogatory 17.11					\$ 0
17.15	Incurred but not reported portion of Interrogatory 17.11					\$ 0
17.16	Unearned premium portion of Interrogatory 17.11					\$ 0
17.17	Contingent commission portion of Interrogatory 17.11					\$ 0
18.1	Do you act as a custodian for health savings accounts?					Yes [ ] No [X]
18.2	If yes, please provide the amount of custodial funds held as of the reporting date.					\$ 0
18.3	Do you act as an administrator for health savings accounts?					Yes [ ] No [X]
18.4	If yes, please provide the balance of the funds administered as of the reporting date.					\$ 0
19.	Is the reporting entity licensed or charted, registered, qualified, eligible, or writing business in at least 2 states?					Yes [X] No [ ]
19.1	If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity?					Yes [ ] No [ ]

**FIVE-YEAR HISTORICAL DATA**

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

	1 2020	2 2019	3 2018	4 2017	5 2016
<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)	596,935,191	627,818,796	587,051,950	567,565,299	549,923,287
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	93,530,503	91,283,162	76,840,634	86,254,369	93,915,213
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	4,973,744	5,700,905	5,454,584	6,405,146	6,487,960
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	1,286,444	1,301,417	808,989	576,261	78,107
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
6. Total (Line 35)	696,725,882	726,104,280	670,156,156	660,801,075	650,404,567
<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)	284,681,745	297,957,904	281,133,461	272,748,970	254,030,689
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	47,699,916	46,125,290	40,161,812	46,245,195	50,656,580
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	2,854,021	3,555,349	3,469,991	4,104,236	4,215,243
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	601,157	611,991	387,835	278,478	50,472
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
12. Total (Line 35)	335,836,839	348,250,533	325,153,100	323,376,879	308,952,985
<b>Statement of Income (Page 4)</b>					
13. Net underwriting gain (loss) (Line 8)	58,110,987	43,362,144	32,750,142	15,518,056	3,158,687
14. Net investment gain (loss) (Line 11)	50,634,297	33,835,911	52,591,687	55,135,111	26,573,432
15. Total other income (Line 15)	(8,950,371)	(8,067,827)	(6,257,248)	(4,221,626)	(4,627,443)
16. Dividends to policyholders (Line 17)					
17. Federal and foreign income taxes incurred (Line 19)	15,120,910	12,775,026	12,498,383	12,044,240	8,958,603
18. Net income (Line 20)	84,674,004	56,355,202	66,586,198	54,387,301	16,146,072
<b>Balance Sheet Lines (Pages 2 and 3)</b>					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	1,364,658,471	1,349,539,512	1,283,039,372	1,272,393,181	1,286,548,943
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1)	38,756,048	34,710,164	22,890,037	25,871,994	25,556,781
20.2 Deferred and not yet due (Line 15.2)	162,181,965	153,606,459	150,034,430	133,493,969	129,019,209
20.3 Accrued retrospective premiums (Line 15.3)	8,192,512	11,812,250	5,702,994		
21. Total liabilities excluding protected cell business (Page 3, Line 26)	1,078,309,914	1,061,672,866	1,017,521,837	971,183,517	949,583,395
22. Losses (Page 3, Line 1)	397,872,490	398,309,367	384,947,589	370,855,100	356,089,387
23. Loss adjustment expenses (Page 3, Line 3)	92,014,295	91,321,052	84,709,365	74,434,847	69,200,843
24. Unearned premiums (Page 3, Line 9)	168,953,881	172,030,991	163,804,586	159,410,012	143,854,837
25. Capital paid up (Page 3, Lines 30 & 31)	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
26. Surplus as regards policyholders (Page 3, Line 37)	286,348,557	287,866,646	265,517,535	301,209,664	336,965,548
<b>Cash Flow (Page 5)</b>					
27. Net cash from operations (Line 11)	78,190,010	62,736,196	68,846,944	94,351,765	59,056,519
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital	286,348,557	287,866,646	265,517,535	301,209,664	336,965,548
29. Authorized control level risk-based capital	66,623,400	65,436,248	57,718,628	62,278,699	58,767,162
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b>					
(Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	69.0	69.5	69.1	67.0	66.7
31. Stocks (Lines 2.1 & 2.2)	20.1	20.9	19.6	20.2	21.3
32. Mortgage loans on real estate (Lines 3.1 & 3.2)					
33. Real estate (Lines 4.1, 4.2 & 4.3)	3.4	3.5	3.8	2.9	1.7
34. Cash, cash equivalents and short-term investments (Line 5)	6.4	4.8	5.8	8.0	6.8
35. Contract loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)	1.0	1.2	1.8	1.9	3.4
38. Receivables for securities (Line 9)	0.0				
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 (Sch. D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	202,469,915	200,213,144	174,078,956	172,717,498	181,621,050
45. Affiliated short-term investments					
(subtotals included in Schedule DA, Verification, Column 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. Total of above lines 42 to 47	202,469,915	200,213,144	174,078,956	172,717,498	181,621,050
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)	70.7	69.6	65.6	57.3	53.9

**FIVE-YEAR HISTORICAL DATA**

(Continued)

	1 2020	2	3 2018	4 2017	5 2016
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24).....	.....(934,885)	.....27,220,223	.....(2,344,139)	.....(10,676,711)	.....19,107,272
52. Dividends to stockholders (Line 35).....	.....(85,000,000)	.....(60,000,000)	.....(95,000,000)	.....(70,000,000)	.....
53. Change in surplus as regards policyholders for the year (Line 38).....	.....(1,518,089)	.....22,349,111	.....(35,692,129)	.....(35,755,884)	.....41,369,445
<b>Gross Losses Paid (Page 9, Part 2, Cols. 1 &amp; 2)</b>					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	.....314,352,804	.....324,159,308	.....303,181,872	.....333,328,362	.....350,286,172
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	.....35,906,504	.....34,627,510	.....37,027,470	.....52,098,426	.....47,357,242
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	.....1,241,075	.....3,373,310	.....3,209,288	.....1,746,142	.....1,825,785
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	.....193,884	.....197,326	.....81,570	.....8,486	.....
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	.....	.....	.....	.....	.....
59. Total (Line 35).....	.....351,694,267	.....362,357,454	.....343,500,200	.....387,181,416	.....399,469,199
<b>Net Losses Paid (Page 9, Part 2, Col. 4)</b>					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	.....122,672,438	.....124,598,211	.....117,977,605	.....128,496,221	.....127,919,318
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	.....14,657,293	.....14,789,690	.....18,420,319	.....23,999,103	.....25,927,937
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	.....843,737	.....1,206,412	.....2,140,006	.....1,097,193	.....1,208,282
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	.....90,479	.....91,995	.....38,066	.....3,582	.....
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	.....	.....	.....	.....	.....
65. Total (Line 35).....	.....138,263,946	.....140,686,308	.....138,575,996	.....153,596,100	.....155,055,537
<b>Operating Percentages (Page 4)</b> (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1).....	.....100.0	.....100.0	.....100.0	.....100.0	.....100.0
67. Losses incurred (Line 2).....	.....40.7	.....45.3	.....47.6	.....54.7	.....61.0
68. Loss expenses incurred (Line 3).....	.....10.8	.....11.9	.....13.2	.....12.3	.....9.2
69. Other underwriting expenses incurred (Line 4).....	.....31.4	.....30.0	.....29.0	.....28.0	.....28.7
70. Net underwriting gain (loss) (Line 8).....	.....17.1	.....12.8	.....10.2	.....5.0	.....1.1
<b>Other Percentages</b>					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0).....	.....34.3	.....31.6	.....30.6	.....27.9	.....29.2
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	.....51.5	.....57.2	.....60.8	.....67.0	.....70.2
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).....	.....117.3	.....121.0	.....122.5	.....107.4	.....91.7
<b>One Year Loss Development (\$000 omitted)</b>					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11).....	.....(37,466)	.....(24,588)	.....(16,801)	.....(3,943)	.....13,404
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).....	.....(13.0)	.....(9.3)	.....(5.6)	.....(1.2)	.....4.5
<b>Two Year Loss Development (\$000 omitted)</b>					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	.....(55,736)	.....(39,728)	.....(19,401)	.....11,159	.....28,386
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).....	.....(21.0)	.....(13.2)	.....(5.8)	.....3.8	.....10.0

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

Yes  No 

If no, please explain:

**SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES****SCHEDULE P - PART 1 - SUMMARY**

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported-Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)		
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded				
1. Prior.....	....XXX.....	....XXX.....	....XXX.....	....2,305	....831	....476	....114	....260	....	....106	....2,097	....XXX.....	
2. 2011.....	....392,230	....146,659	....245,571	....278,775	....119,143	....40,851	....22,209	....15,675	....	....5,036	....193,949	....XXX.....	
3. 2012.....	....405,272	....154,351	....250,921	....264,083	....120,834	....36,909	....20,560	....13,471	....	....4,216	....173,069	....XXX.....	
4. 2013.....	....454,725	....180,218	....274,507	....302,196	....140,142	....37,636	....21,003	....13,893	....	....4,279	....192,579	....XXX.....	
5. 2014.....	....488,205	....203,622	....284,583	....301,315	....152,429	....33,895	....19,974	....15,129	....	....4,613	....177,936	....XXX.....	
6. 2015.....	....512,201	....218,337	....293,864	....321,709	....173,243	....32,624	....20,200	....17,098	....	....5,142	....177,989	....XXX.....	
7. 2016.....	....519,895	....221,743	....298,152	....253,968	....126,511	....28,631	....18,264	....18,207	....	....5,607	....156,030	....XXX.....	
8. 2017.....	....508,056	....200,234	....307,822	....248,825	....125,081	....22,971	....15,229	....18,146	....	....4,702	....149,632	....XXX.....	
9. 2018.....	....520,524	....199,765	....320,759	....210,481	....106,138	....18,329	....12,213	....17,305	....	....4,188	....127,763	....XXX.....	
10. 2019.....	....561,715	....221,691	....340,024	....170,823	....94,449	....12,033	....8,381	....18,742	....	....3,581	....98,769	....XXX.....	
11. 2020.....	....561,814	....222,900	....338,914	....63,582	....33,785	....3,903	....3,023	....11,234	....	....1,279	....41,912	....XXX.....	
12. Totals.....	....XXX.....	....XXX.....	....XXX.....	....2,418,062	....1,192,584	....268,258	....161,172	....159,160	....0	....42,750	....1,491,725	....XXX.....	

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	Direct and Assumed	Ceded			
1. Prior.....	....16,197	....10,460	....13,482	....8,842	....464	....165	....1,240	....648	....254	....3	....73	....11,518	....XXX.....
2. 2011.....	....1,076	....405	....6,649	....4,021	....113	....21	....1,021	....697	....246	....1	....44	....3,960	....XXX.....
3. 2012.....	....2,345	....1,019	....4,326	....1,995	....105	....19	....2,367	....1,931	....394	....0	....23	....4,574	....XXX.....
4. 2013.....	....3,456	....1,664	....10,970	....7,008	....221	....101	....3,675	....3,128	....722	....(0)	....90	....7,144	....XXX.....
5. 2014.....	....6,294	....2,521	....11,382	....7,106	....324	....6	....2,880	....2,159	....950	....(0)	....114	....10,039	....XXX.....
6. 2015.....	....12,246	....6,011	....13,218	....5,298	....637	....(185)	....3,121	....1,697	....1,268	....(0)	....286	....17,668	....XXX.....
7. 2016.....	....17,636	....7,075	....26,892	....13,235	....1,398	....293	....4,133	....2,090	....1,933	....(0)	....497	....29,300	....XXX.....
8. 2017.....	....39,953	....18,878	....33,632	....15,570	....2,079	....352	....6,637	....3,037	....2,453	....0	....868	....46,916	....XXX.....
9. 2018.....	....62,518	....28,334	....62,008	....32,904	....3,379	....1,140	....11,736	....4,275	....3,899	....(4)	....1,286	....76,890	....XXX.....
10. 2019.....	....80,415	....36,449	....99,560	....50,889	....4,738	....1,913	....21,181	....8,039	....5,655	....	....1,859	....114,260	....XXX.....
11. 2020.....	....75,136	....37,240	....194,693	....99,289	....4,942	....2,654	....32,856	....11,019	....10,196	....	....3,631	....167,619	....XXX.....
12. Totals.....	....317,271	....150,056	....476,812	....246,155	....18,398	....6,478	....90,846	....38,721	....27,969	....(0)	....8,772	....489,887	....XXX.....

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. Prior..	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....	....	....XXX.....	....10,377	....1,141
2. 2011.....	....344,406	....146,497	....197,909	....87.8	....99.9	....80.6	....	....	....0.70	....3,299	....661
3. 2012.....	....324,001	....146,358	....177,643	....79.9	....94.8	....70.8	....	....	....0.70	....3,658	....916
4. 2013.....	....372,769	....173,046	....199,723	....82.0	....96.0	....72.8	....	....	....0.70	....5,755	....1,389
5. 2014.....	....372,168	....184,194	....187,974	....76.2	....90.5	....66.1	....	....	....0.70	....8,050	....1,989
6. 2015.....	....401,920	....206,263	....195,657	....78.5	....94.5	....66.6	....	....	....0.70	....14,155	....3,513
7. 2016.....	....352,798	....167,468	....185,330	....67.9	....75.5	....62.2	....	....	....0.70	....24,219	....5,081
8. 2017.....	....374,696	....178,148	....196,548	....73.8	....89.0	....63.9	....	....	....0.70	....39,137	....7,779
9. 2018.....	....389,653	....185,000	....204,653	....74.9	....92.6	....63.8	....	....	....0.70	....63,288	....13,603
10. 2019.....	....413,149	....200,120	....213,029	....73.6	....90.3	....62.7	....	....	....0.70	....92,637	....21,623
11. 2020.....	....396,541	....187,010	....209,531	....70.6	....83.9	....61.8	....	....	....0.70	....133,299	....34,320
12. Totals.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....XXX.....	....0	....0	....XXX.....	....397,872	....92,014

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

**SCHEDULE P - PART 2 - SUMMARY**

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										DEVELOPMENT	
	1 2011	2 2012	3 2013	4 2014	5 2015	6 2016	7 2017	8 2018	9 2019	10 2020	11 One Year	12 Two Year
1. Prior.....	213,608	198,490	189,880	193,190	197,651	196,814	196,657	194,613	193,692	193,346	(346)	(1,267)
2. 2011.....	148,690	155,845	166,361	173,112	178,934	184,580	184,676	182,839	182,550	181,989	(561)	(849)
3. 2012.....	XXX.....	154,152	154,188	161,696	165,687	172,625	171,017	169,687	165,595	163,778	(1,817)	(5,908)
4. 2013.....	XXX.....	XXX.....	178,881	182,047	184,547	188,989	189,639	189,169	186,176	185,108	(1,068)	(4,061)
5. 2014.....	XXX.....	XXX.....	XXX.....	186,717	184,600	182,140	182,313	178,940	174,722	171,896	(2,826)	(7,044)
6. 2015.....	XXX.....	XXX.....	XXX.....	XXX.....	186,992	186,667	185,268	183,060	181,125	177,291	(3,834)	(5,769)
7. 2016.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	183,216	181,517	177,322	171,305	165,191	(6,114)	(12,131)
8. 2017.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	189,797	188,453	185,990	175,948	(10,042)	(12,505)
9. 2018.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	189,647	187,986	183,446	(4,540)	(6,201)
10. 2019.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	194,949	188,631	(6,318)	XXX.....
11. 2020.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	188,101	XXX.....	XXX.....
										12. Totals.....	(37,466)	(55,736)

**SCHEDULE P - PART 3 - SUMMARY**

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1 2011	2 2012	3 2013	4 2014	5 2015	6 2016	7 2017	8 2018	9 2019	10 2020		
1. Prior.....	000.....	64,637	117,410	151,476	164,726	169,771	174,950	178,179	180,243	182,079	XXX.....	XXX.....
2. 2011.....	55,278	91,403	120,340	144,952	163,290	172,448	175,015	176,390	177,525	178,275	XXX.....	XXX.....
3. 2012.....	XXX.....	46,981	81,993	111,803	134,034	147,838	153,372	156,824	159,034	159,598	XXX.....	XXX.....
4. 2013.....	XXX.....	XXX.....	55,567	98,027	128,965	151,426	163,502	171,277	176,811	178,687	XXX.....	XXX.....
5. 2014.....	XXX.....	XXX.....	XXX.....	47,141	86,430	116,712	139,812	152,742	159,486	162,807	XXX.....	XXX.....
6. 2015.....	XXX.....	XXX.....	XXX.....	XXX.....	43,543	88,435	124,522	143,658	155,696	160,891	XXX.....	XXX.....
7. 2016.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	43,267	82,883	107,832	127,306	137,824	XXX.....	XXX.....
8. 2017.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	43,363	86,328	110,407	131,485	XXX.....	XXX.....
9. 2018.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	35,235	81,860	110,458	XXX.....	XXX.....
10. 2019.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	33,805	80,027	XXX.....	XXX.....
11. 2020.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	30,677	XXX.....	XXX.....

**SCHEDULE P - PART 4 - SUMMARY**

Years in Which Losses Were Incurred	Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)									
	1 2011	2 2012	3 2013	4 2014	5 2015	6 2016	7 2017	8 2018	9 2019	10 2020
1. Prior.....	131,561	73,008	31,204	10,929	12,318	10,252	9,339	6,366	5,781	5,231
2. 2011.....	63,180	36,398	20,021	10,763	5,440	7,216	6,552	4,294	3,332	2,952
3. 2012.....	XXX.....	77,036	40,185	21,376	13,274	13,678	11,278	9,022	5,033	2,768
4. 2013.....	XXX.....	XXX.....	83,457	45,690	26,605	19,734	14,263	11,061	5,841	4,509
5. 2014.....	XXX.....	XXX.....	XXX.....	94,941	56,032	33,472	22,583	15,966	10,123	4,997
6. 2015.....	XXX.....	XXX.....	XXX.....	XXX.....	94,328	53,548	32,903	20,590	15,172	9,344
7. 2016.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	97,333	63,216	43,134	26,319	15,701
8. 2017.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	106,254	66,019	44,614	21,662
9. 2018.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	108,172	60,991	36,565
10. 2019.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	116,252	61,813
11. 2020.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	117,240

**National Interstate Insurance Company**  
**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Allocated by States and Territories

States, Etc.	1 Active Status (a)	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)	
		2 Direct Premiums Written	3 Direct Premiums Earned							
1. Alabama.....	AL.....	6,105,310	6,015,584		3,792,843	5,258,875	7,992,552		3,586,943	
2. Alaska.....	AK.....	4,329,956	4,197,930		3,062,573	1,747,777	4,846,799	50	2,327,521	
3. Arizona.....	AZ.....	12,529,530	10,815,716		3,325,094	5,528,248	12,899,744		1,210,936	
4. Arkansas.....	AR.....	4,628,124	5,768,225		3,002,757	3,610,590	6,650,246	25	936,814	
5. California.....	CA.....	71,268,870	75,067,497		53,110,869	50,948,893	114,312,104	50	23,874,557	
6. Colorado.....	CO.....	4,129,349	3,877,997		1,605,091	1,390,500	3,536,238	25	1,417,045	
7. Connecticut.....	CT.....	2,829,691	3,717,769		3,091,275	3,666,729	8,976,058		2,529,716	
8. Delaware.....	DE.....	17,363,094	19,143,388		17,093,224	15,849,667	35,668,868		333,753	
9. District of Columbia.....	DC.....	203,121	327,977		14,053	1,088,221	1,116,461		194,314	
10. Florida.....	FL.....	30,290,218	26,921,484		13,145,601	18,453,555	34,700,780	25	11,740,513	
11. Georgia.....	GA.....	11,560,098	12,474,719		6,281,432	8,602,927	14,163,686	100	8,021,311	
12. Hawaii.....	HI.....	14,085,472	15,289,579		3,519,537	3,315,908	18,081,293	375	7,180,337	
13. Idaho.....	ID.....	8,900,294	8,260,560		4,614,862	6,441,926	10,195,597		3,302,259	
14. Illinois.....	IL.....	18,799,772	18,464,244		6,262,200	7,123,364	32,182,491	50	14,285,396	
15. Indiana.....	IN.....	10,824,358	10,331,933		5,654,834	8,853,838	13,173,464	50	7,246,172	
16. Iowa.....	IA.....	4,403,961	3,470,000		2,236,038	1,809,171	5,186,904	50	1,484,908	
17. Kansas.....	KS.....	17,965,390	17,199,384		7,354,835	9,089,599	16,528,293	50	2,729,548	
18. Kentucky.....	KY.....	3,508,531	4,443,670		4,067,755	3,805,510	7,276,129		2,721,731	
19. Louisiana.....	LA.....	9,353,335	9,829,771		6,321,415	8,301,761	13,044,689		5,495,782	
20. Maine.....	ME.....	351,907	437,919		205,741	201,062	955,558		310,559	
21. Maryland.....	MD.....	4,064,188	3,891,700		9,929,953	1,589,986	7,064,914		2,638,395	
22. Massachusetts.....	MA.....	10,703,292	11,433,884		2,719,393	3,359,378	16,882,474		5,743,547	
23. Michigan.....	MI.....	2,678,058	2,294,170		1,656,445	2,406,794	2,230,442			
24. Minnesota.....	MN.....	5,389,261	5,895,393		2,791,271	2,673,743	8,318,679		2,550,018	
25. Mississippi.....	MS.....	6,740,496	5,577,042		1,075,225	3,704,708	5,998,773		2,803,556	
26. Missouri.....	MO.....	18,526,029	19,715,953		9,977,082	9,708,442	26,386,638	75	5,132,401	
27. Montana.....	MT.....	1,397,425	1,243,952		1,446,976	1,650,796	2,504,391		1,147,084	
28. Nebraska.....	NE.....	4,314,705	4,219,953		2,273,217	2,419,810	6,787,341		1,430,494	
29. Nevada.....	NV.....	3,759,819	3,621,908		831,682	3,590,972	9,928,906		956,042	
30. New Hampshire.....	NH.....	3,133,070	2,608,117		460,454	303,074	3,711,916		441,315	
31. New Jersey.....	NJ.....	3,083,280	1,972,039		168,943	1,206,810	1,682,363		1,420,840	
32. New Mexico.....	NM.....	2,680,338	2,614,934		1,070,746	2,722,043	4,493,215	25	1,763,254	
33. New York.....	NY.....	41,030,514	40,065,610		18,794,966	24,806,281	75,688,180	100	26,222,847	
34. North Carolina.....	NC.....	8,136,985	8,205,636		6,803,666	2,362,016	13,879,986	25	1,790,751	
35. North Dakota.....	ND.....	2,310,686	1,702,241		450,131	557,975	1,640,324		878,721	
36. Ohio.....	OH.....	22,556,073	21,101,035		9,499,238	7,571,505	21,698,952	50	11,408,042	
37. Oklahoma.....	OK.....	9,205,283	7,228,924		3,657,820	2,409,147	7,998,007		3,342,867	
38. Oregon.....	OR.....	2,180,222	1,743,929		1,016,402	1,037,226	1,700,405		996,805	
39. Pennsylvania.....	PA.....	19,536,182	20,151,086		6,945,747	9,648,464	26,140,758		8,428,693	
40. Rhode Island.....	RI.....	478,323	558,415		3,230,539	(1,356,710)	1,583,662		133,334	
41. South Carolina.....	SC.....	4,274,863	3,506,559		1,327,993	383,461	4,839,498		2,181,355	
42. South Dakota.....	SD.....	334,991	305,814		97,811	112,422	635,361	25	401,898	
43. Tennessee.....	TN.....	12,677,472	12,770,006		4,841,731	3,873,414	18,241,103	75	6,979,213	
44. Texas.....	TX.....	37,422,131	37,912,344		15,795,252	23,233,040	54,536,586	50	14,725,502	
45. Utah.....	UT.....	11,151,654	10,553,678		4,362,374	7,657,748	14,533,704	25	6,025,249	
46. Vermont.....	VT.....	1,159,430	1,206,276		505,984	(261)	2,433,835		377,610	
47. Virginia.....	VA.....	9,914,930	8,643,320		3,223,238	4,182,704	8,060,320	25	5,889,609	
48. Washington.....	WA.....	3,991,315	4,095,157		3,057,678	2,464,552	7,021,377	25	1,990,918	
49. West Virginia.....	WV.....	327,584	423,296		370,949	457,631	701,423			
50. Wisconsin.....	WI.....	12,913,293	12,763,743		4,904,866	4,777,794	15,885,757		6,422,221	
51. Wyoming.....	WY.....	21,166	19,944			21,820	205,094			
52. American Samoa.....	AS.....									
53. Guam.....	GU.....									
54. Puerto Rico.....	PR.....									
55. US Virgin Islands.....	VI.....									
56. Northern Mariana Islands.....	MP.....									
57. Canada.....	CAN.....									
58. Aggregate Other Alien.....	OT.....	XXX.....	0.....	0.....	0.....	0.....	0.....	0.....	0.....	
59. Totals.....		XXX.....	519,523,439	514,101,403	0.....	271,049,801	294,624,908	734,902,341	1,350	225,152,696

**DETAILS OF WRITE-INS**

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

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG..... 51

E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - See DSLI)..... 0

D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile..... 0

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

Allied Lines - Location of property

Commercial multiperil - Location of property

Inland Marine - Location of property

Other Accident and Health - Individual, by personal residence

Workers' Compensation - Location of risk

Other Liability - Location of risk

Auto Liability - Location of primary garage

Auto Physical - Location of primary garage

Surety - Location of contractor

Boiler and machinery - Location of property

R - Registered - Non-domiciled RRGs..... 0

Q - Qualified - Qualified or accredited reinsurer..... 0

N - None of the above - Not allowed to write business in the state..... 6

**Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group****Part 1 - Organizational Chart**

	<b>Domiciliary Location</b>	<b>FEIN</b>	<b>NAIC Co. Code</b>
American Financial Group, Inc.	OH	31-1544320	
American Financial Enterprises, Inc.	CT	31-0996797	
American Money Management Corporation	OH	31-0828578	
American Real Estate Capital Company, LLC	OH	27-1577326	
Mid-Market Capital Partners, LLC	DE	27-2829629	
APU Holding Company	OH	41-2112001	
American Premier Underwriters, Inc.	PA	23-6000765	
Lehigh Valley Railroad Company	PA	13-6400464	
Pennsylvania Lehigh Oil & Gas Holdings LLC	PA	46-1665396	
Magnolia Alabama Holdings, Inc.	DE	20-1548213	
Magnolia Alabama Holdings LLC	AL	20-1574094	
Michigan Oil & Gas Holdings, LLC	MI	46-1852532	
Ohio Oil & Gas Holdings, LLC	OH	46-1480078	
The Owasco River Railway, Inc.	NY	13-6021353	
PCC Technical Industries, Inc.	DE	76-0080537	
Pennsylvania Oil & Gas Holdings, LLC	PA	46-3246684	
Pennsylvania-Reading Seashore Lines (66.67%)	NJ	23-6000766	
GAI Insurance Company, Ltd. *	BMU	98-1073776	
Hangar Acquisition Corp.	OH	31-1446308	
Premier Lease & Loan Services Insurance Agency, Inc.	WA	91-1242743	
Premier Lease & Loan Services of Canada, Inc.	WA	91-1508644	
Dixie Terminal Corporation	OH	31-0823725	
Great American Financial Resources, Inc.	DE	06-1356481	
AAG Insurance Agency, Inc.	KY	31-1422717	
Ceres Group, Inc.	DE	34-1017531	
Continental General Corporation	NE	47-0717079	
QQAgency of Texas, Inc.	TX	34-1947042	
Great American Advisors, Inc.	OH	31-1395344	
Great American Life Insurance Company *	OH	13-1935920	63312
Annuity Investors Life Insurance Company *	OH	31-1021738	93661
Bay Bridge Holding Company, LLC ^	MD	84-4395026	
Bay Bridge Marina Hemingway's Restaurant, LLC (85%)	MD	27-4078277	
Bay Bridge Marina Management, LLC (85%)	MD	27-0513333	
Brothers Management, LLC	FL	20-1246122	
Charleston Harbor Fishing, LLC	SC	81-3737639	
GALIC - Bay Bridge Marina, LLC	MD	20-4604276	
GALIC Brothers, Inc.	OH	31-1391777	
Manhattan National Holding Corporation	OH	26-3260520	
Manhattan National Life Insurance Company *	OH	45-0252531	67083
Mountain View Grand Holding Company, LLC ^	NH	84-4574243	
Skipjack Holding Company, LLC	MD	84-2654660	
Skipjack Marina Corp.	MD	52-2179330	
Helium Holdings Limited	BMU		
GAI Australia Pty Ltd	AUS		
One East Fourth, Inc.	OH	31-0686194	
Pioneer Carpet Mills, Inc.	OH	31-0883227	
TEJ Holdings, Inc.	OH	31-1119320	
Three East Fourth, Inc.	OH	31-0728327	

\* Denotes insurer

@ Entity affiliated but not owned

Subsidiaries 100% owned by respective parent unless otherwise stated

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**Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group****Part 1 - Organizational Chart**

	Domiciliary Location	FEIN	NAIC Co. Code
American Financial Group, Inc.	OH	31-1544320	
Great American Holding, Inc.	OH	42-1575938	
ABA Insurance Services, Inc.	OH	80-0333563	
Agricultural Services, LLC	OH	27-3062314	
Great American Contemporary Insurance Company *	OH	36-4079497	10646
Great American Holding (Europe) Limited	GBR		
Great American Europe Limited	GBR		
Great American International Insurance (EU) Designated Activity Company *	IRL		
Great American International Insurance (UK) Limited*	GBR		
Great American Specialty & Affinity Limited	GBR		
Mid-Continent Casualty Company *	OH	73-0556513	23418
Mid-Continent Assurance Company *	OH	73-1406844	15380
Mid-Continent Excess and Surplus Insurance Company *	OH	38-3803661	13794
Mid-Continent Specialty Insurance Services, Inc.	OK	30-0571535	
Oklahoma Surety Company *	OH	73-0773259	23426
National Interstate Corporation	OH	34-1607394	
American Highways Insurance Agency, Inc.	OH	34-1899058	
Explorer RV Insurance Agency, Inc.	OH	31-1548235	
Hudson Indemnity, Ltd. *	CYM	98-0191335	
Hudson Management Group, Ltd.	VIR	66-0660039	
National Interstate Insurance Agency, Inc.	OH	34-1607396	
Commercial For Hire Transportation Purchasing Group @	SC	36-4670968	
National Interstate Insurance Company *	OH	34-1607395	32620
National Interstate Insurance Company of Hawaii, Inc. *	OH	99-0345306	11051
TransProtection Service Company	MO	43-1254631	
Triumphé Casualty Company *	OH	95-3623282	41106
Vanliner Insurance Company *	MO	86-0114294	21172
Safety Claims & Litigation Services, LLC	MT	20-5546054	
Safety, Claims and Litigation Services, LLC	OH	46-4570914	
Republic Indemnity Company of America *	CA	95-2801326	22179
Republic Indemnity Company of California *	CA	31-1054123	43753
Summit Consulting, LLC	FL	59-1683711	
Heritage Summit Healthcare, LLC	FL	59-3385208	
Summit Holding Southeast, Inc.	FL	59-3409855	
Bridgefield Employers Insurance Company*	FL	59-1835212	10701
Bridgefield Casualty Insurance Company*	FL	59-3269531	10335

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**Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group****Part 1 - Organizational Chart**

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

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