

ANNUAL STATEMENT
For the Year Ended December 31, 2020
OF THE CONDITION AND AFFAIRS OF THE
BCS Insurance Company

NAIC Group Code	00023	00023	NAIC Company Code	38245	Employer's ID Number	36-6033921
	(Current Period)	(Prior Period)				
Organized under the Laws of	Ohio			State of Domicile or Port of Entry		Ohio
Country of Domicile	United States					
Incorporated/Organized	12/05/1950			Commenced Business		11/30/1952
Statutory Home Office	6740 North High Street			Worthington, OH, US 43085		
	(Street and Number)			(City or Town, State, Country and Zip Code)		
Main Administrative Office	2 Mid America Plaza, Suite 200			Oakbrook Terrace, IL, US 60181		630-472-7700
	(Street and Number)			(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)
Mail Address	2 Mid America Plaza, Suite 200			Oakbrook Terrace, IL, US 60181		
	(Street and Number or P.O. Box)			(City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	2 Mid America Plaza, Suite 200			Oakbrook Terrace, IL, US 60181		630-472-7700
	(Street and Number)			(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)
Internet Web Site Address	www.bcsins.com					
Statutory Statement Contact	David J. Burke			630-472-7815		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	DBurke@bcsf.com			630-472-7837		
	(E-Mail Address)			(Fax Number)		

OFFICERS

Name	Title	Name	Title
Peter Lorin Costello	Chairman, President & Chief Executive Officer	Terry Michael Hackett	General Counsel & Secretary
Susan Ann Pickar	Chief Financial Officer & Treasurer		

OTHER OFFICERS

Christopher Scott Bailey #	Senior Vice President Sales and Market Development	Susan Chylla Lindquist	Chief Human Resources Officer
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DIRECTORS OR TRUSTEES

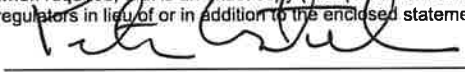

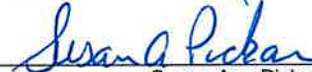
Peter Lorin Costello	Terry Michael Hackett	Christopher Scott Bailey #	Susan Chylla Lindquist
Susan Ann Pickar			

State of Illinois

SS

County of DuPage

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.

		
Peter Lorin Costello	Terry Michael Hackett	Susan Ann Pickar
Chairman, President & Chief Executive Officer	General Counsel & Secretary	Chief Financial Officer & Treasurer

Subscribed and sworn to before me
this 25th day of February, 2021

a. Is this an original filing? Yes [X] No []
b. If no:
1. State the amendment number 0
2. Date filed
3. Number of pages attached 0


Rochelle Roeske Rynes, Notary Public
December 10, 2024



ANNUAL STATEMENT FOR THE YEAR 2020 OF THE BCS Insurance Company

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	208,829,669		208,829,669	222,668,696
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	15,068,219		15,068,219	13,548,549
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$8,561,349 , Schedule E-Part 1), cash equivalents (\$15,376,017 , Schedule E-Part 2) and short-term investments (\$0 , Schedule DA).....	23,937,366		23,937,366	1,265,640
6. Contract loans (including \$ premium notes).....			0	0
7. Derivatives (Schedule DB).....	0		0	0
8. Other invested assets (Schedule BA)	11,157,380		11,157,380	11,378,444
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL).....			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	258,992,634	0	258,992,634	248,861,329
13. Title plants less \$ charged off (for Title insurers only).....			0	0
14. Investment income due and accrued	1,505,766		1,505,766	1,676,784
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	18,348,848	833,439	17,515,409	50,711,625
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums).....			0	130,000
15.3 Accrued retrospective premiums (\$4,887,243) and contracts subject to redetermination (\$)	4,887,243		4,887,243	3,211,593
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	9,533,996		9,533,996	9,546,514
16.2 Funds held by or deposited with reinsured companies	75,000		75,000	75,000
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset.....			0	1,175,964
19. Guaranty funds receivable or on deposit	1,090,729		1,090,729	1,204,077
20. Electronic data processing equipment and software.....			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates			0	5,130
24. Health care (\$) and other amounts receivable.....			0	0
25. Aggregate write-ins for other-than-invested assets	5,105,457	0	5,105,457	6,239,910
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	299,539,673	833,439	298,706,234	322,837,926
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	299,539,673	833,439	298,706,234	322,837,926
DETAILS OF WRITE-INS				
1101.			0	0
1102.			0	0
1103.			0	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. Unapplied Claim Payments.....	2,695,310		2,695,310	5,940,954
2502. State Income Tax & Premium Tax Recoverable.....	2,004,003		2,004,003	176,170
2503. Miscellaneous Accounts Receivable.....	406,144		406,144	122,786
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	5,105,457	0	5,105,457	6,239,910

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE BCS Insurance Company

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	27,299,909	23,304,687
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		0
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	4,251,640	3,450,303
4. Commissions payable, contingent commissions and other similar charges	662,891	782,648
5. Other expenses (excluding taxes, licenses and fees)	291,308	3,016,224
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	607,890	2,869,255
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	2,027,058	2,312,998
7.2 Net deferred tax liability	11,617	0
8. Borrowed money \$18,000,000 and interest thereon \$17,972	18,017,972	8,016,035
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$27,847,664 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	5,537,575	5,144,699
10. Advance premium		0
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	29,930,747	64,270,082
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)	46,337,213	51,021,811
14. Amounts withheld or retained by company for account of others		0
15. Remittances and items not allocated	9,826,040	1,187,875
16. Provision for reinsurance (including \$ certified) (Schedule F, Part 3, Column 78)	4,238,000	3,537,000
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates	1,767,961	4,388,295
20. Derivatives	0	0
21. Payable for securities		0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	1,490,341	1,818,421
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	152,298,162	175,120,333
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	152,298,162	175,120,333
29. Aggregate write-ins for special surplus funds	0	134,792
30. Common capital stock	3,000,000	3,000,000
31. Preferred capital stock		0
32. Aggregate write-ins for other-than-special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus	36,484,581	36,484,581
35. Unassigned funds (surplus)	106,923,491	108,098,220
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		0
36.2 shares preferred (value included in Line 31 \$)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	146,408,072	147,717,593
38. Totals (Page 2, Line 28, Col. 3)	298,706,234	322,837,926
DETAILS OF WRITE-INS		
2501. Allowance for Doubtful Accounts.....	1,346,778	1,653,619
2502. Retroactive Reinsurance Reserve Assumed.....	123,039	144,278
2503. Escheat Liabilities.....	20,524	20,524
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)	1,490,341	1,818,421
2901. Special Surplus for ACA Taxes.....	0	134,792
2902.		0
2903.		0
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	134,792
3201.		0
3202.		0
3203.		0
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

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE BCS Insurance Company

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	82,624,378	97,321,727
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	44,260,407	53,367,750
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	3,201,329	2,619,559
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	30,134,593	33,305,390
5. Aggregate write-ins for underwriting deductions	0	0
6. Total underwriting deductions (Lines 2 through 5)	77,596,329	89,292,699
7. Net income of protected cells		0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	5,028,049	8,029,028
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	6,857,725	9,626,234
10. Net realized capital gains (losses) less capital gains tax of \$265,386 (Exhibit of Capital Gains (Losses)).....	1,014,883	441,449
11. Net investment gain (loss) (Lines 9 + 10)	7,872,608	10,067,683
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)		0
13. Finance and service charges not included in premiums		0
14. Aggregate write-ins for miscellaneous income	(1,014,796)	(1,135,883)
15. Total other income (Lines 12 through 14)	(1,014,796)	(1,135,883)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	11,885,861	16,960,828
17. Dividends to policyholders		0
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)	11,885,861	16,960,828
19. Federal and foreign income taxes incurred	2,178,083	3,456,216
20. Net income (Line 18 minus Line 19) (to Line 22)	9,707,778	13,504,612
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	147,717,594	141,914,818
22. Net income (from Line 20)	9,707,778	13,504,612
23. Net transfers (to) from Protected Cell accounts		0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$274,332	1,032,009	2,711,180
25. Change in net unrealized foreign exchange capital gain (loss)		0
26. Change in net deferred income tax	(913,249)	(1,276,450)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	4,014,940	7,920,433
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	(701,000)	(3,057,000)
29. Change in surplus notes		0
30. Surplus (contributed to) withdrawn from protected cells		0
31. Cumulative effect of changes in accounting principles		0
32. Capital changes:		
32.1 Paid in		0
32.2 Transferred from surplus (Stock Dividend)		0
32.3 Transferred to surplus		0
33. Surplus adjustments:		
33.1 Paid in		0
33.2 Transferred to capital (Stock Dividend)		0
33.3 Transferred from capital		0
34. Net remittances from or (to) Home Office		0
35. Dividends to stockholders	(14,450,000)	(14,000,000)
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)	0	0
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)	(1,309,522)	5,802,775
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	146,408,072	147,717,594
DETAILS OF WRITE-INS		
0501.		0
0502.		0
0503.		0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0
1401. Miscellaneous Income.....	172,131	276,857
1402. Funds Held Interest Expense.....	(1,186,927)	(1,412,740)
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	(1,014,796)	(1,135,883)
3701.		0
3702.		0
3703.		0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	83,505,188	94,982,431
2. Net investment income	7,631,706	10,259,951
3. Miscellaneous income	(1,014,796)	(1,173,383)
4. Total (Lines 1 through 3)	90,122,098	104,068,999
5. Benefit and loss related payments	40,252,667	43,383,514
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	37,556,204	33,178,001
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	2,729,409	3,320,351
10. Total (Lines 5 through 9)	80,538,280	79,881,866
11. Net cash from operations (Line 4 minus Line 10)	9,583,818	24,187,133
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	52,310,595	47,548,912
12.2 Stocks	161,763	2,823,238
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	22,000,000
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	26,203	1,309
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	52,498,561	72,373,459
13. Cost of investments acquired (long-term only):		
13.1 Bonds	37,893,563	44,908,100
13.2 Stocks	52,000	6,700
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	2
13.7 Total investments acquired (Lines 13.1 to 13.6)	37,945,564	44,914,802
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	14,552,998	27,458,657
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	10,001,937	(22,047,465)
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	14,450,000	14,000,000
16.6 Other cash provided (applied)	2,982,973	(15,706,695)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(1,465,090)	(51,754,160)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	22,671,726	(108,370)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	1,265,640	1,374,010
19.2 End of year (Line 18 plus Line 19.1)	23,937,366	1,265,640

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	0	0	0	0
2.	Allied lines	0	0	0	0
3.	Farmowners multiple peril	0	0	0	0
4.	Homeowners multiple peril	0	0	0	0
5.	Commercial multiple peril	2,246,022	822,513	1,241,975	1,826,560
6.	Mortgage guaranty	0	0	0	0
8.	Ocean marine	0	0	0	0
9.	Inland marine	0	0	0	0
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	64,201,686	606,954	327,248	64,481,392
14.	Credit accident and health (group and individual)	0	0	0	0
15.	Other accident and health	10,473	0	1,596	8,877
16.	Workers' compensation	0	0	0	0
17.1	Other liability-occurrence	7,872,936	0	0	7,872,936
17.2	Other liability-claims-made	8,548,682	3,671,664	3,913,626	8,306,720
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	0	0	0	0
19.3,19.4	Commercial auto liability	0	0	0	0
21.	Auto physical damage	0	0	0	0
22.	Aircraft (all perils)	0	0	0	0
23.	Fidelity	0	0	0	0
24.	Surety	0	0	0	0
26.	Burglary and theft	0	0	0	0
27.	Boiler and machinery	0	0	0	0
28.	Credit	0	0	0	0
29.	International	0	0	0	0
30.	Warranty	0	0	0	0
31.	Reinsurance-nonproportional assumed property	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	137,455	43,568	53,130	127,893
35.	TOTALS	83,017,254	5,144,699	5,537,575	82,624,378
DETAILS OF WRITE-INS					
3401.	Special Risk.....	137,455	43,568	53,130	127,893
3402.	.....	0	0	0	0
3403.	.....			
3498.	Sum. 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)	137,455	43,568	53,130	127,893

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					0
2.	Allied lines					0
3.	Farmowners multiple peril					0
4.	Homeowners multiple peril					0
5.	Commercial multiple peril	1,220,829	21,146			1,241,975
6.	Mortgage guaranty					0
8.	Ocean marine					0
9.	Inland marine					0
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	327,248				327,248
14.	Credit accident and health (group and individual) ...					0
15.	Other accident and health	1,596				1,596
16.	Workers' compensation					0
17.1	Other liability-occurrence					0
17.2	Other liability-claims-made	3,861,202	52,424			3,913,626
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					0
19.3,19.4	Commercial auto liability					0
21.	Auto physical damage					0
22.	Aircraft (all perils)					0
23.	Fidelity					0
24.	Surety					0
26.	Burglary and theft					0
27.	Boiler and machinery					0
28.	Credit					0
29.	International					0
30.	Warranty					0
31.	Reinsurance-nonproportional assumed property					0
32.	Reinsurance-nonproportional assumed liability					0
33.	Reinsurance-nonproportional assumed financial lines					0
34.	Aggregate write-ins for other lines of business	50,559	2,571	0	0	53,130
35.	TOTALS	5,461,434	76,141	0	0	5,537,575
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					
38.	Balance (Sum of Lines 35 through 37)					5,537,575
DETAILS OF WRITE-INS						
3401.	Special Risk	50,559	2,571			53,130
3402.	.....					0
3403.	.....					0
3498.	Sum. 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)	50,559	2,571	0	0	53,130

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

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						0
2. Allied lines						0
3. Farmowners multiple peril						0
4. Homeowners multiple peril						0
5. Commercial multiple peril	34,840,410				32,594,388	2,246,022
6. Mortgage guaranty						0
8. Ocean marine						0
9. Inland marine	78,296,486				78,296,486	0
10. Financial guaranty						0
11.1 Medical professional liability-occurrence						0
11.2 Medical professional liability-claims-made	123,740				123,740	0
12. Earthquake						0
13. Group accident and health	131,457,350	129,450,459	17,799,357	29,622,029	184,883,451	64,201,686
14. Credit accident and health (group and individual)						0
15. Other accident and health	10,473					10,473
16. Workers' compensation						0
17.1 Other liability-occurrence	17,320,883			7,869,281	1,578,666	7,872,936
17.2 Other liability-claims-made	20,238,655				11,689,973	8,548,682
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						0
19.3,19.4 Commercial auto liability						0
21. Auto physical damage						0
22. Aircraft (all perils)						0
23. Fidelity						0
24. Surety						0
26. Burglary and theft						0
27. Boiler and machinery						0
28. Credit						0
29. International						0
30. Warranty						0
31. Reinsurance-nonproportional assumed property	XXX					0
32. Reinsurance-nonproportional assumed liability	XXX					0
33. Reinsurance-nonproportional assumed financial lines	XXX					0
34. Aggregate write-ins for other lines of business	1,893,478	0	0	0	1,756,023	137,455
35. TOTALS	284,181,475	129,450,459	17,799,357	37,491,310	310,922,727	83,017,254
DETAILS OF WRITE-INS						
3401. Special Risk	1,765,417				1,627,962	137,455
3402. Miscellaneous Casualty	128,061				128,061	0
3403.						0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	1,893,478	0	0	0	1,756,023	137,455

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

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

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

	Line of Business	Losses Paid Less Salvage				5	6	7	8
		1	2	3	4				
		Direct Business	Reinsurance Assumed	Reinsurance Recovered	Net Payments (Cols. 1 + 2 - 3)	Net Losses Unpaid Current Year (Part 2A, Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred to Premiums Earned (Col. 7, Part 2) (Col. 4, Part 1)
1.	Fire				0	0	0	0	0.0
2.	Allied lines				0	0	0	0	0.0
3.	Farmowners multiple peril				0	0	0	0	0.0
4.	Homeowners multiple peril				0	0	0	0	0.0
5.	Commercial multiple peril	21,974,805		20,415,499	1,559,306	769,644	861,442	1,467,508	80.3
6.	Mortgage guaranty				0	0	0	0	0.0
8.	Ocean marine				0	0	0	0	0.0
9.	Inland marine	46,545,106		46,545,106	0	0	0	0	0.0
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				0	0	0	0	0.0
13.	Group accident and health	78,130,810	100,503,624	146,286,557	32,347,877	20,988,441	16,295,320	37,050,998	57.5
14.	Credit accident and health (group and individual)				0	0	0	0	0.0
15.	Other accident and health				0	3,725	0	3,725	42.0
16.	Workers' compensation				0	0	0	0	0.0
17.1	Other liability-occurrence	16,312,905		10,732,100	5,580,805	463,421	2,337,717	3,706,509	47.1
17.2	Other liability-claims-made	57,318,329		56,579,061	739,268	5,012,264	3,775,827	1,975,705	23.8
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				0	0	0	0	0.0
19.3,19.4	Commercial auto liability				0	0	0	0	0.0
21.	Auto physical damage				0	0	0	0	0.0
22.	Aircraft (all perils)	(29,490)			(29,490)	939	939	(29,490)	0.0
23.	Fidelity				0	0	0	0	0.0
24.	Surety				0	0	0	0	0.0
26.	Burglary and theft				0	0	0	0	0.0
27.	Boiler and machinery				0	0	0	0	0.0
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	3,169,455	0	3,102,036	67,419	51,475	33,442	85,452	66.8
35.	TOTALS	223,421,920	100,503,624	283,660,359	40,265,185	27,299,909	23,304,687	44,260,407	53.6
DETAILS OF WRITE-INS									
3401.	Special Risk	841,675		774,256	67,419	51,475	33,442	85,452	66.8
3402.	Miscellaneous Casualty	2,327,780		2,327,780	0	0	0	0	0.0
3403.					0	0	0	0	0.0
3498.	Sum. 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 + 3498) (Line 34 above)	3,169,455	0	3,102,036	67,419	51,475	33,442	85,452	66.8

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

Line of Business	Reported Losses				Incurred But Not Reported			8	9
	1	2	3	4	5	6	7		
	Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1. Fire									
2. Allied lines									
3. Farmowners multiple peril									
4. Homeowners multiple peril									
5. Commercial multiple peril	5,817,363		5,391,062	426,301	8,061,404		7,718,061	769,644	182,851
6. Mortgage guaranty									
7. Ocean marine									
8. Inland marine					5,165,396		5,165,396		
9. Financial guaranty									
10. Medical professional liability-occurrence									
11.1 Medical professional liability-claims-made									
11.2					175,000		175,000		
12. Earthquake									
13. Group accident and health	3,660	5,743,630	5,558,540	188,750	40,372,989	13,563,418	33,126,716	(a) 20,998,441	867,799
14. Credit accident and health (group and individual)									
15. Other accident and health					3,725			(a) 3,725	
16. Workers' compensation									
17.1 Other liability-occurrence					1,814,165		1,350,744	463,421	7,408
17.2 Other liability-claims-made	294,330,797		293,000,903	1,329,894	71,648,583		67,966,213	5,012,264	3,184,190
17.3 Excess workers' compensation									
18.1 Products liability-occurrence									
18.2 Products liability-claims-made									
19.1,19.2 Private passenger auto liability									
19.3,19.4 Commercial auto liability									
20. Auto physical damage									
21. Aircraft (all perils)									
22. Fidelity							44,490	939	116
23. Surety					45,429				
24. Burglary and theft									
26. Boiler and machinery									
27. Credit									
28. International									
29. Warranty									
30. Reinsurance-nonproportional assumed property	XXX				XXX				
31. Reinsurance-nonproportional assumed liability	XXX				XXX				
32. Reinsurance-nonproportional assumed financial lines	XXX				XXX				
33. Aggregate write-ins for other lines of business	347,550		319,671	27,879	337,353		313,757	51,475	9,276
34. TOTALS	300,499,370	5,743,630	304,270,176	1,972,824	127,624,044	13,563,418	115,860,377	27,299,909	4,251,640
DETAILS OF WRITE-INS									
3401. Special Risk	347,550		319,671	27,879	337,353		313,757	51,475	9,276
3402.									
3403.									
3498. Sum. of remaining write-ins for Line 34 from overflow page									
3499. Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	347,550	0	319,671	27,879	337,353	0	313,757	51,475	9,276

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

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	7,016,136			7,016,136
1.2 Reinsurance assumed				0
1.3 Reinsurance ceded	4,935,201			4,935,201
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	2,080,935	0	0	2,080,935
2. Commission and brokerage:				
2.1 Direct, excluding contingent		23,764,190		23,764,190
2.2 Reinsurance assumed, excluding contingent		15,282,267		15,282,267
2.3 Reinsurance ceded, excluding contingent		44,348,774		44,348,774
2.4 Contingent-direct		(19,799)		(19,799)
2.5 Contingent-reinsurance assumed		540,157		540,157
2.6 Contingent-reinsurance ceded		540,157		540,157
2.7 Policy and membership fees				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	(5,322,116)	0	(5,322,116)
3. Allowances to manager and agents				0
4. Advertising	9,128	155,249	3,001	167,378
5. Boards, bureaus and associations	439	6,198	173	6,810
6. Surveys and underwriting reports				0
7. Audit of assureds' records				0
8. Salary and related items:				
8.1 Salaries	693,616	9,730,125	295,785	10,719,526
8.2 Payroll taxes	39,521	577,231	17,160	633,912
9. Employee relations and welfare	141,366	2,020,630	56,172	2,218,168
10. Insurance				0
11. Directors' fees				0
12. Travel and travel items	14,268	159,526	4,101	177,895
13. Rent and rent items	38,176	548,155	16,482	602,813
14. Equipment	2,224	28,803	870	31,897
15. Cost or depreciation of EDP equipment and software	92,614	1,412,218	39,085	1,543,917
16. Printing and stationery	11,772	372,850	5,816	390,438
17. Postage, telephone and telegraph, exchange and express	2,249	28,248	56,727	87,224
18. Legal and auditing	73,360	1,369,527	415,031	1,857,918
19. Totals (Lines 3 to 18)	1,118,733	16,408,760	910,403	18,437,896
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$		5,790,952		5,790,952
20.2 Insurance department licenses and fees		736,536		736,536
20.3 Gross guaranty association assessments		16,095		16,095
20.4 All other (excluding federal and foreign income and real estate)		1,044,682		1,044,682
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	0	7,588,265	0	7,588,265
21. Real estate expenses				0
22. Real estate taxes				0
23. Reimbursements by uninsured plans				0
24. Aggregate write-ins for miscellaneous expenses	1,661	11,459,684	969	11,462,314
25. Total expenses incurred	3,201,329	30,134,593	911,372	(a) 34,247,294
26. Less unpaid expenses-current year	4,251,640	1,524,096	37,992	5,813,728
27. Add unpaid expenses-prior year	3,450,303	6,659,064	9,063	10,118,430
28. Amounts receivable relating to uninsured plans, prior year	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	2,399,992	35,269,561	882,443	38,551,996
DETAILS OF WRITE-INS				
2401. Donations.....	1,661	31,230	969	33,860
2402. Group Service Administration.....		11,428,454		11,428,454
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)	1,661	11,459,684	969	11,462,314

(a) Includes management fees of \$ 16,864,533 to affiliates and \$ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a).....522,191	.....516,531
1.1	Bonds exempt from U.S. tax	(a).....458,801	.....372,907
1.2	Other bonds (unaffiliated)	(a).....6,433,307	.....6,407,163
1.3	Bonds of affiliates	(a).....0	.....
2.1	Preferred stocks (unaffiliated)	(b).....0	.....
2.11	Preferred stocks of affiliates	(b).....0	.....
2.2	Common stocks (unaffiliated) .....	.....179,858	.....179,858
2.21	Common stocks of affiliates .....	.....0	.....
3.	Mortgage loans	(c).....	.....
4.	Real estate	(d).....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e).....113,405	.....86,087
7.	Derivative instruments	(f).....	.....
8.	Other invested assets .....	.....451,468	.....425,468
9.	Aggregate write-ins for investment income .....	.....0	.....0
10.	Total gross investment income	8,159,031	7,988,013
11.	Investment expenses		(g).....911,372
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g).....
13.	Interest expense		(h).....218,916
14.	Depreciation on real estate and other invested assets		(i).....
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total deductions (Lines 11 through 15) .....		.....1,130,288
17.	Net investment income (Line 10 minus Line 16)		6,857,725
DETAILS OF WRITE-INS			
0901.	.....	
0902.	.....	
0903.	.....	
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

(a) Includes \$224,229 accrual of discount less \$798,263 amortization of premium and less \$84,657 paid for accrued interest on purchases.
(b) Includes \$ accrual of discount less \$ 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 \$ paid for accrued interest on purchases.
(d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
(e) Includes \$406 accrual of discount less \$1,074 amortization of premium and less \$ paid for accrued interest on purchases.
(f) Includes \$ accrual of discount less \$ amortization of premium.
(g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$ interest on surplus notes and \$ interest on capital notes.
(i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	302,875		302,875		
1.1	Bonds exempt from U.S. tax	486,862		486,862		
1.2	Other bonds (unaffiliated)	301,143		301,143	61,159	
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	161,763	0	161,763	1,467,670	0
2.21	Common stocks of affiliates	0	0	0	0	0
3.	Mortgage loans	0	0	0	0	0
4.	Real estate	0	0	0		0
5.	Contract loans			0		
6.	Cash, cash equivalents and short-term investments	27,626		27,626	(1,423)	0
7.	Derivative instruments			0		
8.	Other invested assets	0	0	0	(221,064)	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	1,280,269	0	1,280,269	1,306,341	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	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	833,439	4,010,142	3,176,703
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
15.3 Accrued retrospective premiums and contracts subject to redetermination	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset.....	0	0	0
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	838,237	838,237
24. Health care and other amounts receivable.....	0	0	0
25. Aggregate write-ins for other-than-invested assets	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	833,439	4,848,379	4,014,940
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	833,439	4,848,379	4,014,940
DETAILS OF WRITE-INS			
1101.		0	0
1102.		0	0
1103.		0	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.		0	0
2502.		0	0
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices and Going Concern

The accompanying financial statements of the Company have been prepared on the basis of accounting procedures prescribed or permitted by the Ohio Insurance Department. The state of Ohio requires insurance companies domiciled in the state of Ohio to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual subject to any deviations prescribed or permitted by the Ohio Insurance Department.

	SSAP #	F/S Page	F/S Line #	2020	2019
Net Income					
(1) BCS Insurance Company State Basis (Page 4, Line 20, Columns 1 & 2)				\$ 9,707,778	\$ 13,504,612
State Prescribed Practices that increase/(decrease) NAIC					
(2) SAP:					
None				-	-
State Permitted Practices that increase/(decrease) NAIC					
(3) SAP:					
None				-	-
(4) NAIC SAP (1-2-3=4)				\$ 9,707,778	\$ 13,504,612
Surplus					
(5) BCS Insurance Company State Basis (Page 3, Line 37, Columns 1 & 2)				\$ 146,408,072	\$ 147,717,594
State Prescribed Practices that increase/(decrease) NAIC					
(6) SAP:					
None					
State Permitted Practices that increase/(decrease) NAIC					
(7) SAP:					
None				-	-
(8) NAIC SAP (5-6-7=8)				\$ 146,408,072	\$ 147,717,594

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

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

C. Accounting Policy

Premiums are earned over the terms of the related policies and reinsurance contracts. Unearned premium is established to cover the unexpired portion of premiums written. Such reserves are computed by the pro rata method. Expenses incurred in connection with acquiring new insurance business (acquisition costs) are charged to operations as incurred. Net investment income consists primarily of interest and dividends. Net realized capital gains (losses) are recognized on a specific identification basis when securities are sold, redeemed or otherwise disposed.

In addition, the Company uses the following accounting policies:

- Short-term investments are stated at cost, which approximates market.
- Long-term bonds are generally stated at their amortized value using the scientific interest method. Non-investment grade securities with NAIC designations of 3 through 6 are stated at the lower of amortized value or fair value, with any unrealized losses recorded as a reduction to surplus. If a security is deemed to be other than temporarily impaired, it is written down to its fair value through a charge to earnings.
- Common Stocks, other than investments in stocks of subsidiaries and affiliates, are stated at fair value.
- Preferred Stocks - Not applicable
- Mortgage Loans - Not applicable
- Loan-backed and structured securities related to U.S. government agencies are reported at amortized cost. Other loan-backed and structured securities that are modeled by an NAIC vendor are reported at either amortized cost or fair value, depending on the relationship of amortized cost to the values generated by the modeling vendor. The remaining loan-backed and structured securities are reported on based upon credit rating; loan-backed and structured securities with NAIC designations of 1 and 2 are reported at amortized cost, while loan-backed and structured securities with NAIC designations of 3 through 6 are reported at the lower of amortized cost or fair value. The Company applies the retrospective scientific method to value loan-backed and structured securities.
- Subsidiaries, Controlled and Affiliated Companies are on an equity basis.
- Joint ventures, Partnerships and Limited Liability Companies are stated at fair value.
- Derivatives - Not applicable
- Anticipated investment income is a factor for premium deficiency reserves.

NOTES TO FINANCIAL STATEMENTS

11.

Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is reasonable, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
12.

Capitalization Policy - Not applicable
13.

Pharmaceutical Rebate Receivables – Not applicable

D. Going Concern

Not Applicable

2. Accounting Changes and Corrections of Errors

None

3. Business Combinations and Goodwill

A. Statutory Purchase Method

None

B. Statutory Merger

None

C. Impairment Loss

None

4. Discontinued Operations

Not Applicable

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

None

B. Debt Restructuring

None

C. Reverse Mortgages

None

D. Loan-Backed Securities

1.

Anticipated prepayments for loan-backed and structured securities are used to determine the effective yield of an issue at purchase. Changes in the estimated cash flows of the issue are incorporated when determining the statement value at the end of each quarter and year-end. For fixed-rate agency mortgage-backed securities, the Company calculates prepayment speeds utilizing Mortgage Industry Advisory Corporation (MIAC) Mortgage Industry Medians (MIMs). MIMs are derived from a semi-monthly dealer-consensus survey of long-term prepayment projections. For other mortgage-backed, loan-backed, and structured securities, the Company utilizes prepayment assumptions from Moody's Analytics. Moody's applies a flat economic credit model and utilizes a vector of multiple monthly speeds as opposed to a single speed for more robust projections. In instances where Moody's projections are not available, the Company uses data from Reuters, which utilizes the median prepayment speed from contributors' models. These assumptions are consistent with the current interest rate and economic environment. The retrospective scientific method is used to value most loan-backed and structured securities. For structured securities deemed to be high-risk, meaning the Company might not recover substantially all of its recorded investment due to unanticipated prepayment events, changes in investment yields due to changes in estimated future cash flows are accounted for on a prospective basis.
2.

The following table summarizes by quarter other-than-temporary impairments (OTTI) for loan-backed securities recorded during the year because the Company had either the intent to sell the securities or the inability or lack of intent to retain as cited in the table:

None
3.

The following table summarizes other-than-temporary impairments (OTTI) for loan-backed and structured securities held at the end of the year recorded based on the fact that the present value of projected cash flows expected to be collected was less than the amortized cost of the securities:

None

NOTES TO FINANCIAL STATEMENTS

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

a. The aggregate amount of unrealized losses:

1. Less than 12 months	\$183,346
2. 12 Months or Longer	\$9,070

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

1. Less than 12 months	\$8,668,541
2. 12 Months or Longer	\$147,538

5. The Company periodically reviews its bonds on a case by case basis to determine whether any decline in fair value below amortized cost is other than temporary. Factors considered when determining whether a decline is other than temporary include the length of time a security has been in an unrealized loss position, reasons for the decline in value, expectations for the amount and timing of a recovery in fair value, and whether or not the Company has the intent and ability to hold the security. When the Company intends to sell an impaired security or has the intent and ability to sell an impaired security before recovery of its amortized cost basis, an other than temporary impairment is recognized in the statutory statements of operations as the difference between the amortized cost basis of the security and fair value. For structured securities, a credit loss also exists when an estimate of the present value of cash flows expected to be collected on the security is less than its amortized cost basis. For other bonds, a credit loss exists when the fair value of the security is less than the amortized cost basis and based on analysis, the decrease in value is thought to be other than temporary. Credit losses are recognized in the statutory statements of operations.

Generally, securities with fair values that are less than 80% of cost, other securities the Company determines are underperforming, or potential problem securities are subject to regular impairment review. To facilitate the review, securities with significant declines in value, or where objective criteria evidencing credit deterioration have been met, are included on a watch list. Among the criteria for securities to be included on a watch list are: credit deterioration, which has led to a significant decline in value of the security; rating downgrades, a significant covenant related to the security has been breached; and an issuer has filed or indicated a possibility of filing for bankruptcy, has missed or announced it intends to miss a scheduled interest or principal payment, or has experienced a specific material adverse change that may impair its creditworthiness.

When performing these reviews, the Company considers the relevant facts and circumstances relating to each investment and exercises considerable judgment in determining whether a security is other than temporarily impaired. Assessment factors include judgments about an obligor's current and projected financial position, an issuer's current and projected ability to service and repay its debt obligations, the existence of, and realizable value of, any collateral backing the obligations, the macro economic outlook, and the micro economic outlook for specific industries and issuers. Assessing the duration of asset backed securities can also involve assumptions regarding underlying collateral, such as prepayment rates, default and recovery rates, and third party servicing capabilities.

Among the factors considered is whether the decline in fair value results from a change in the quality of the security itself, or from a downward movement in the market as a whole, the likelihood of recovering the carrying value based on the current and short term prospects of the issuer and the Company's ability and intent to sell the security before such a recovery may occur. Unrealized losses that are considered to be primarily the result of market conditions, such as increasing interest rates, unusual market volatility, or industry related events, and where the Company also believes there exists a reasonable expectation for recovery and, furthermore, has the intent and ability to hold the investment until maturity or the market recovery, are usually determined to be temporary. To the extent factors contributing to recognized other than temporary impairment losses affected other investments, such investments were reviewed for other than temporary impairment and losses were recorded when appropriate.

In addition to the review procedures described above, investments in structured securities where market prices are depressed are subject to a review of their future estimated cash flows, including expected and stress case scenarios, to identify potential shortfalls with regards to full recovery of amortized cost. Even in the case of severely depressed market values on structured securities, the Company places significant importance on the results of its cash flow testing and its intent to sell these securities prior to full recovery of amortized cost until their fair values recover when reaching other than temporary impairment conclusions. If amortized cost of the security is less than the present value of estimated cash flows, an other than temporary impairment is recognized in the statutory statements of operations.

If the Company does not expect to recover the amortized cost of nonstructured securities, an impairment loss is recognized as the difference between amortized cost and fair value under SSAP No. 26, Bonds, Excluding Loan Backed and Structured Securities. If the Company intends to sell an impaired loan backed or structured security or has the intent and ability to sell such a security before a period of time sufficient for recovery of the amortized cost basis, an other than temporary impairment has occurred and an impairment loss is recognized as the difference between amortized cost and fair value of the loan backed or structured security. If the Company does not expect to recover the amortized cost basis of loan backed or structured securities even if the entity has no intent to sell and the entity has the intent and ability to hold, an impairment loss is recognized as the difference between the amortized cost basis and the present value of cash flows expected to be collected. Impairment losses are recognized in the statutory statements of operations.

There are inherent uncertainties in assessing the fair values assigned to the Company's investments and in determining whether a decline in fair value is other than temporary. The Company's review of fair value involves several criteria including economic conditions, credit loss experience, other issuer specific developments, and future cash flows. These assessments are based on the best available information at the time. Factors such as market liquidity, the widening of bid/ask spreads, and a change in the cash flow assumptions can contribute to fair

NOTES TO FINANCIAL STATEMENTS

value volatility and uncertainty with regards to other than temporary impairment. If actual experience differs negatively from the assumptions and other considerations, realized losses may be recognized in the statutory statements of operations in future periods.

As of December 31, 2020, the Company does not intend to sell securities with unrealized losses not considered other than temporary prior to full recovery of amortized cost. However, if the specific facts and circumstances surrounding a security or the outlook for its industry sector change, the Company may sell the security and realize a loss in the period in which the decision to sell was made.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

None

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

None

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

None

H. Repurchase Agreements Transactions Accounted for as a Sale

None

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

None

J. Writedowns for Impairments of Real Estate, Real Estate Sales, Retail Land Sales Operations and Real Estate with Participating Mortgage Loan Features

None

K. Low Income Housing Tax Credits

None

L. Restricted Assets

1. Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted							Current Year			
	Current Year					6	7	8	9	Percentage	
	1	2	3	4	5					10	11
	Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A 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 arrangements	-	-	-	-	-	-	-	-	-	-	-
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	-	-	-
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-	-
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	-	-	-
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-	-
g. Placed under option contracts	-	-	-	-	-	-	-	-	-	-	-
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	-	-	-	-	-	-	-	-	-	-	-
i. FHLB capital stock	990,700	-	-	-	990,700	938,700	52,000	-	990,700	0.3%	0.3%
j. On deposit with states	4,777,963	-	-	-	4,777,963	4,801,113	(23,150)	-	4,777,963	1.6%	1.6%
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-	-	-	-	-
l. Pledged as collateral to FHLB (including assets backing funding agreements)	20,491,160	-	-	-	20,491,160	16,676,461	3,814,699	-	20,491,160	6.9%	6.9%
m. Pledged as collateral not captured in other categories	-	-	-	-	-	-	-	-	-	-	-
n. Other restricted assets	-	-	-	-	-	-	-	-	-	-	-
o. Total restricted assets	\$ 26,259,823	\$ -	\$ -	\$ -	\$ 26,259,823	\$ 22,416,274	\$ 3,843,549	\$ -	\$ 26,259,823	8.8%	8.8%

(a) Subset of column 1
(b) Subset of column 2
(c) Column 5 divided by Asset Page, Column 1, Line 28
(d) Column 9 divided by Asset Page, Column 3, Line 28

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

None

NOTES TO FINANCIAL STATEMENTS

3. Detail of Other Restricted Assets

None

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

None

M. Working Capital Finance Investments

1. Aggregate Working Capital Finance Investments (WCFI) Book/Adjusted Carrying Value by NAIC designation:

None

2. Aggregate Maturity Distribution the Underlying Working Capital Finance Programs:

None

3. Events of Default of Working Capital Finance Investments During the Reporting Period

None

N. Offsetting and Netting of Assets and Liabilities

None

O. 5GI Securities

None

P. Short Sales

None

Q. Prepayment Penalty and Acceleration Fees

The company had four bonds called during the year, which included a prepayment penalty of \$10,488.

	General Account	Protected Cell
(1) Number of CUSIPs	1	
(2) Aggregate Amount of Investment Income	10,488	

6. Joint Ventures, Partnerships and Limited Liability Companies

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

Not Applicable

B. Write-downs for Impairments

Not Applicable

7. Investment Income

A. Due and accrued income was excluded from surplus on the following bases:

The Company non-admits investment income due and accrued if amounts are over 90 days past due.

B. Amounts Non-admitted

The total amount excluded was \$0.

8. Derivative Instruments

Not Applicable

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

A. The components of the net deferred tax asset/(liability) are as follows:

1. The change between years by tax character (ordinary and capital) for the year 2020 and 2019:

12/31/2020		
(1)	(2)	(3)
Ordinary	Capital	(Col 1+2) Total
(a) Gross Deferred Tax Assets	\$ 993,208	\$ 95,487 \$ 1,088,695
(b) Statutory Valuation Allowance Adjustments	-	- -
(c) Adjusted Gross Deferred Tax Assets (1a-1b)	993,208	95,487 1,088,695
(d) Deferred Tax Assets Nonadmitted	-	- -
(e) Subtotal Net Admitted Deferred Tax Asset (1c-1d)	993,208	95,487 1,088,695
(f) Deferred Tax Liabilities	70,388	1,029,924 1,100,312
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e-1f)	\$ 922,820	\$ (934,437) \$ (11,617)

12/31/2019		
(4)	(5)	(6)
Ordinary	Capital	(Col 4+5) Total
(a) Gross Deferred Tax Assets	\$ 1,889,153	\$ 93,214 \$ 1,982,367
(b) Statutory Valuation Allowance Adjustments	-	- -
(c) Adjusted Gross Deferred Tax Assets (1a-1b)	1,889,153	93,214 1,982,367
(d) Deferred Tax Assets Nonadmitted	-	- -
(e) Subtotal Net Admitted Deferred Tax Asset (1c-1d)	1,889,153	93,214 1,982,367
(f) Deferred Tax Liabilities	97,234	709,169 806,403
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e-1f)	\$ 1,791,919	\$ (615,955) \$ 1,175,964

Change		
(7)	(8)	(9)
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
(a) Gross Deferred Tax Assets	\$ (895,945)	\$ 2,273 \$ (893,672)
(b) Statutory Valuation Allowance Adjustments	-	- -
(c) Adjusted Gross Deferred Tax Assets (1a-1b)	(895,945)	2,273 (893,672)
(d) Deferred Tax Assets Nonadmitted	-	- -
(e) Subtotal Net Admitted Deferred Tax Asset (1c-1d)	(895,945)	2,273 (893,672)
(f) Deferred Tax Liabilities	(26,846)	320,755 293,909
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e-1f)	\$ (869,099)	\$ (318,482) \$ (1,187,581)

NOTES TO FINANCIAL STATEMENTS

2. The amount of admitted adjusted gross deferred tax assets admitted under each component of SSAP 101:

12/31/2020			
(1)	(2)	(3)	
Ordinary	Capital	(Col 1+2) Total	
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ 625,745	\$ 1,789	\$ 627,534
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding the Amount of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation (The Lesser of 2(b)1 and 2(b)2 below)			
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	12,123	-	12,123
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	12,123	-	12,123
(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	XXX	XXX	21,961,211
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No. 101 Total (2(a) + 2(b) + 2(c))	355,340	93,698	449,038
	<u>\$ 993,208</u>	<u>\$ 95,487</u>	<u>\$ 1,088,695</u>
12/31/2019			
(4)	(5)	(6)	
Ordinary	Capital	(Col 4+5) Total	
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ 1,447,414	\$ 12,080	\$ 1,459,494
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding the Amount of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation (The Lesser of 2(b)1 and 2(b)2 below)			
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	6,877	-	6,877
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	6,877	-	6,877
(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	XXX	XXX	21,981,244
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No. 101 Total (2(a) + 2(b) + 2(c))	434,862	81,134	515,996
	<u>\$ 1,889,153</u>	<u>\$ 93,214</u>	<u>\$ 1,982,367</u>
Change			
(7)	(8)	(9)	
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total	
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ (821,669)	\$ (10,291)	\$ (831,960)
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding the Amount of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation (The Lesser of 2(b)1 and 2(b)2 below)			
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	5,246	-	5,246
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	5,246	-	5,246
(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	XXX	XXX	(20,033)
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No. 101 Total (2(a) + 2(b) + 2(c))	(79,522)	12,564	(66,958)
	<u>\$ (895,945)</u>	<u>\$ 2,273</u>	<u>\$ (893,672)</u>

3. The ratio used to determine applicable period used in 9A(2)b1 for determining the amount of adjusted gross DTAs:

	2020	2019
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	1029%	863%
(b) Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 Above	\$ 146,408,072	\$ 146,541,629

NOTES TO FINANCIAL STATEMENTS

4. Disclose the impact of tax-planning strategies:

12/31/2020		
	(1) Ordinary Percent	(2) Capital Percent
(a) Determination Of Adjusted Gross Deferred TaxAssets and Net Admitted Deferred Tax Assets, By Tax Character as a Percentage.		
1. Adjusted Gross DTAs Amount from Note 9A1(c)	993,208	95,487
2. Percentage of Adjusted Gross DTAs By Tax Character Attributable to the Impact of Tax Planning Strategies	0%	0%
3. Net Admitted Adjusted Gross DTAs Amount from Note 9A1(e)	993,208	95,487
4. Percentage of Net Admitted Percentage of Adjusted Gross DTAs by Tax Character Admitted because of the Impact of Tax Planning Strategies	0%	0%
12/31/2019		
	(3) Ordinary Percent	(4) Capital Percent
(a) Determination Of Adjusted Gross Deferred TaxAssets and Net Admitted Deferred Tax Assets, By Tax Character as a Percentage.		
1. Adjusted Gross DTAs Amount from Note 9A1(c)	1,889,153	93,214
2. Percentage of Adjusted Gross DTAs By Tax Character Attributable to the Impact of Tax Planning Strategies	0%	0%
3. Net Admitted Adjusted Gross DTAs Amount from Note 9A1(e)	1,889,153	93,214
4. Percentage of Net Admitted Percentage of Adjusted Gross DTAs by Tax Character Admitted because of the Impact of Tax Planning Strategies	0%	0%
Change		
	(5) (Col 1-3) Ordinary Percent	(6) (Col 2-4) Capital Percent
(a) Determination Of Adjusted Gross Deferred TaxAssets and Net Admitted Deferred Tax Assets, By Tax Character as a Percentage.		
1. Adjusted Gross DTAs Amount from Note 9A1(c)	(895,945)	2,273
2. Percentage of Adjusted Gross DTAs By Tax Character Attributable to the Impact of Tax Planning Strategies	0%	0%
3. Net Admitted Adjusted Gross DTAs Amount from Note 9A1(e)	(895,945)	2,273
4. Percentage of Net Admitted Percentage of Adjusted Gross DTAs by Tax Character Admitted because of the Impact of Tax Planning Strategies	0%	0%
(b) Does the Company's tax-planning strategies include the use of reinsurance?	Yes___	No_X_

B. Unrecognized Deferred Tax Liabilities

Not Applicable

NOTES TO FINANCIAL STATEMENTS

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

	(1) 12/31/2020	(2) 12/31/2019	(3) (Col 1-2) Change
1. Current Income Tax			
(a) Federal	\$ 2,178,083	\$ 3,456,216	\$ (1,278,133)
(b) Foreign	-	-	-
(c) Subtotal	2,178,083	3,456,216	(1,278,133)
(d) Federal income tax on net capital gains	265,386	58,904	206,482
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	<u>\$ 2,443,469</u>	<u>\$ 3,515,120</u>	<u>\$ (1,071,651)</u>
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 242,459	\$ 241,997	\$ 462
(2) Unearned premium reserve	232,511	216,077	16,434
(3) Policyholder reserves	-	-	-
(4) Investments	60,393	65,660	(5,267)
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	-	-	-
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	457,845	1,365,419	(907,574)
(11) Net operating loss carry-forward	-	-	-
(12) Tax credit carry-forward	-	-	-
(13) Other (including items <5% of total ordinary tax assets)	-	-	-
(99) Subtotal	993,208	1,889,153	(895,945)
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	-	-	-
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	993,208	1,889,153	(895,945)
(e) Capital:			
(1) Investments	95,487	93,214	2,273
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other (including items <5% of total capital tax assets)	-	-	-
(99) Subtotal	95,487	93,214	2,273
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99 -2f -2g)	95,487	93,214	2,273
(i) Admitted deferred tax assets (2d + 2h)	<u>1,088,695</u>	<u>1,982,367</u>	<u>(893,672)</u>
3. Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	-	-	-
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Other (including items <5% of total ordinary tax liabilities)	-	-	-
(99) Subtotal	-	-	-
(b) Capital			
(1) Investments	1,100,312	806,403	293,909
(2) Real estate	-	-	-
(3) Other (including items <5% of total ordinary tax liabilities)	-	-	-
(99) Subtotal	1,100,312	806,403	293,909
(c) Deferred tax liabilities (3a99 + 3b99)	1,100,312	806,403	293,909
4. Net deferred tax assets/liabilities (2i - 3c)	<u>\$ (11,617)</u>	<u>\$ 1,175,964</u>	<u>\$ (1,187,581)</u>

NOTES TO FINANCIAL STATEMENTS

D. Among the more significant book to tax adjustments were the following:

	December 31, 2020	Effective Tax Rate
Provision computed at statutory rate	\$ 2,551,761	21%
Nondeductible expense for meals, lobbying and penalties	3,210	0%
Nondeductible Health insurers tax	28,027	0%
Tax exempt interest	(58,706)	0%
Change in nonadmitted balances	843,137	7%
Other Adjustments	-	0%
Provision to actual adjustment	(10,711)	0%
Rate differential	-	0%
Total income tax reported	<u>\$ 3,356,718</u>	<u>28%</u>
Federal and foreign income taxes incurred	\$ 2,178,083	18%
Realized capital gains (losses) tax	265,386	2%
Change in net deferred income taxes	913,249	8%
Total income tax	<u>\$ 3,356,718</u>	<u>28%</u>

E. Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits

1. As of December 31, 20120 and December 31, 2019, the Company did not have any unused operating loss carry forwards available to offset against future taxable income.
2. The income tax expense of \$2,500,127 from 2020 and \$3,448,313 from 2019 is available for recoupment in the event of future net losses.
3. The reporting entity has a total of \$0 protective deposits which are on deposit with the Internal Revenue Service under Section 6603 of the Internal Revenue Service Code.

F. Consolidated Federal Income Tax Return

1. The Company's federal income tax return is consolidated with its parent, BCS Financial Corporation (BCSF).
2. The method of allocation between companies is subject to written agreement, approved by the Board of Directors. Intercompany tax balances are settled annually. Allocation is based upon separate return calculations, with credit for net losses being obtained when utilized.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

H. Repatriation Transition Tax (RTT)

Not Applicable

I. Alternative Minimum Tax (AMT) Credit

Not Applicable

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

A. Nature of Relationships

The Company is owned 100% by BCS Financial Corporation ("BCSF"). The Company has a management service agreement with BCSF. It shares common management, staff and facilities provided by BCSF with its other affiliates. Expenses identified as specific to a company are charged directly; all other expenses are charged in accordance with the service agreement.

A surplus note was acquired as of December 31, 2017 from Plans' Liability Insurance Company ("PLIC") for the principal sum of \$22,000,000 borrowed and approved by the Insurance Director of Ohio for the purpose of providing additional surplus funds in cash. Interest was paid semi-annually in arrears on June 15 and December 15 in each year commencing June 15, 2018 at an annual rate of 6.50%. No payments of principal or interest on this note were repaid without the prior approval of the Director. On February 28, 2019, the Company received repayment of \$20,000,000 of principal and \$1,469,722 of interest. On July 15, 2019, PLIC repaid the remaining \$2,000,000 of principal and \$49,472 of interest on the surplus note.

On July 12, 2019, BCSF acquired 100% of the outstanding shares of PLIC from the Company and unaffiliated parties pursuant to a Stock Purchase Agreement dated May 17, 2019. At the time of the transaction, the Company had a statutory carrying value of \$270,865 and accumulated unrealized losses of \$1,356,635 related to its investment in PLIC. The Company recorded the transaction at the fair value of the PLIC shares as of July 12, 2019, which was \$838,237,

NOTES TO FINANCIAL STATEMENTS

and resulted in a recognized loss of \$789,263. In December 2019, BCSF sold all of PLIC's outstanding shares to an unaffiliated third party.

B. Significant Transactions and Changes in Terms of Intercompany Arrangements

The Company paid cash dividends to BCSF of \$14,450,000 and \$14,500,000 in 2020 and 2019, respectively.

C. Transactions with related party who are not reported on Schedule Y

Not Applicable

D. Amounts Due to or from Related Parties

At December 31, 2020, the Company reported \$1,767,961 due to affiliates and no receivables from affiliates. This is comprised of \$887,560, \$600,003, \$274,296 and \$6,102 payable to BCSF, BCS Insurance Agency Inc., BCS Re Inc. and 4 Ever Life Insurance Company, respectively.

E. Management or Service Contracts and Cost Sharing Arrangements

The Company has a management service agreement with BCSF whereby BCSF provides all insurance management, administrative and advisory services as well as investment management and general office administrative services. Expenses identified as specific to a company are charged directly; all other expenses are charged in accordance with the service agreement. There has been no change in the management service agreement in 2020.

F. Guarantees or Contingencies for Related Parties

Not applicable

G. Nature of Control Relationship

All outstanding common shares are owned by BCSF, an insurance holding company domiciled in the state of Delaware.

H. Amount Deducted for Investment in Upstream Company

Not Applicable

I. Investments in SCA Entities Disclosures

Not Applicable

J. Investments in Impaired SCA Entities Disclosures

Not Applicable

K. Foreign Insurance Subsidiary

Not Applicable

L. Downstream Noninsurance Company

Not Applicable

M. All SCA Investments

Not Applicable

N. Investment in Insurance SCAs

Not Applicable

O. SCA and SSAP No. 48 Entity Loss Tracking

Not Applicable

11. Debt

A. Debt & Holding Company Obligations

Not Applicable

NOTES TO FINANCIAL STATEMENTS

B. Federal Home Loan Bank (FHLB) Agreements

1. The Company is a member of Federal Home Loan Bank (FHLB) of Cincinnati. Through its membership, the Company has conducted business activity (borrowings) with the FHLB. It is part of the Company’s strategy to utilize these funds for general operations. The Company has determined the actual/estimated maximum borrowing capacity as \$21,075,617. The Company calculated this amount in accordance with its investment in FHLB capital stock and pledged collateral.
2. FHLB Capital Stock
- a. Aggregate Totals

	1 Total 2+3	2 General Account	3 Separate Account
1. Current Year			
(a) Membership Stock - Class A	-	-	-
(b) Membership Stock - Class B	516,541	516,541	-
(c) Activity Stock	474,159	474,159	-
(d) Excess Stock	-	-	-
(e) Aggregate Total (a+b+c)	990,700	990,700	-
(f) Actual or estimated Borrowing Capacity as Determined by the Insurer	21,075,617	XXX	XXX
2. Prior Year-end Year			
(a) Membership Stock - Class A	-	-	-
(b) Membership Stock - Class B	538,640	538,640	-
(c) Activity Stock	400,060	400,060	-
(d) Excess Stock	-	-	-
(e) Aggregate Total (a+b+c)	938,700	938,700	-
(f) Actual or estimated Borrowing Capacity as Determined by the Insurer	16,339,676	XXX	XXX

11B(2)a1(f) should be equal to or greater than 11B(4)a1(d)
11B(2)a2(f) should be equal to or greater than 11B(4)a2(d)

b. Membership Stock (Class A and B) Eligible for Redemption

	1	2	Eligible for Redemption			
Membership Stock	Current Year Total (2+3+4+5+6)	Not Eligible for Redemption	3 Less than 6 Months	4 6 Months to Less than 1 Year	5 1 to Less than 3 Years	6 3 to 5 Years
1. Class A	-	-	-	-	-	-
2. Class B	516,541	516,541	-	-	-	-

11B(2)b1 Current Year Total (Column 1) should equal 11B(2)a1(a) Total (Column 1)
11B(2)b2 Current Year Total (Column 1) should equal 11B(2)a1(b) Total (Column 1)

3. Collateral Pledged to FHLB

a. Amount Pledged as of Reporting Date

	1 Fair Value	2 Carrying Value	3 Aggregate Total Borrowing
1. Current Year Total General and Separate Accounts Total Collateral Pledged (Lines 2+3)	22,329,601	20,491,160	18,000,000
2. Current Year General Account Total Collateral Pledged	22,329,601	20,491,160	18,000,000
3. Current Year Protected Cell Accounts Total Collateral Pledged	-	-	-
4. Prior Year-end Total General and Separate Accounts Total Collateral Pledged	17,115,783	16,676,461	8,000,000

11B(3)a1 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b1 (Columns 1, 2 and 3 respectively)
11B(3)a2 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b2 (Columns 1, 2 and 3 respectively)
11B(3)a3 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b3 (Columns 1, 2 and 3 respectively)
11B(3)a4 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b4 (Columns 1, 2 and 3 respectively)

NOTES TO FINANCIAL STATEMENTS

b. Maximum Amount Pledged During Reporting Period

	1	2	3
	Fair Value	Carrying Value	Amount Borrowed at Time of Maximum Collateral
1. Current Year Total General and Separate Accounts Maximum Collateral Pledged (Lines 2+3)	25,917,206	23,952,614	22,600,000
2. Current Year General Account Maximum Collateral Pledged	25,917,206	23,952,614	22,600,000
3. Current Year Separate Accounts Maximum Collateral Pledged	-	-	-
4. Prior year-end Total General and Separate Accounts Maximum Collateral Pledged	32,788,947	32,853,863	30,000,000

4. Borrowing from FHLB

a. Amounts as of the Reporting Date

	1 Total 2+3	2 General Account	3 Separate Account	4 Funding Agreements Reserves Established
1. Current Year				
(a) Debt	18,000,000	18,000,000	-	XXX
(b) Funding	-	-	-	-
(c) Other	-	-	-	-
(d) Aggregate Total (a+b+c)	18,000,000	18,000,000	-	XXX
2. Prior Year-end				
(a) Debt	-	-	-	XXX
(b) Funding	-	-	-	-
(c) Other	8,000,000	8,000,000	-	-
(d) Aggregate Total (a+b+c)	8,000,000	8,000,000	-	XXX

b. Maximum Amount during Reporting Period (Current Year)

	1 Total 2+3	2 General Account	3 Separate Account
1. Debt	22,600,000	22,600,000	-
2. Funding	-	-	-
3. Other	-	-	-
4. Aggregate Total (Lines 1+2+3)	22,600,000	22,600,000	-

11B(4)b4 (Columns 1, 2 and 3) should be equal to or greater than 11B(4)a1(d) (Columns 1, 2 and 3 respectively)

c. FHLB – Prepayments Obligations

	Does the company have prepayment obligations under the following arrangements (YES/NO)?
1. Debt	YES
2. Funding Agreements	NO
3. Other	NO

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

A. Defined Benefit Plan

None

B. Investment Policies & Strategies

None

C. Fair Value of Each Class of Plan Assets

None

NOTES TO FINANCIAL STATEMENTS

D. Basis Used to Determine the Overall Expected Long-Term Rate-of-Return-on-Assets

None

E. Defined Contribution Plans

None

F. Multiemployer Plans

None

G. Consolidated/Holding Company Plans

BCSF sponsors a defined benefit pension plan, a postretirement healthcare benefit plan and a 401(k) Plan covering substantially all of its employees as well as a deferred compensation plan for select employees. The expenses of these plans are charged in accordance with the management service agreement. In 2020, the Company incurred expenses of \$1,682,919 relating to these plans. The Company has no legal obligation for benefits under these plans. An amendment to the Pension Plan was made during 2019 and a notice was distributed to all employees on December 17, 2019, communicating changes to the Pension Plan. As of June 30, 2020, the Pension Plan was frozen to all participants. No additional benefits will be eligible to be accrued under the Pension Plan after June 30, 2020.

H. Postemployment Benefits and Compensated Absences

None

I. Impact of Medicare Modernization Act on Postretirement Benefits

Not Applicable

13. Capital and Surplus, Shareholders' Dividend Restrictions, and Quasi-Reorganizations

A. Outstanding Shares

The Company has 300,000 shares of \$10 par value common stock authorized, issued and outstanding. The Company has no preferred stock authorized, issued, or outstanding.

B. Dividend Rate of Preferred Stock

Not Applicable

C., D. & E. Dividend Restrictions and Dividends Paid

All dividends require notification to the Director of the Ohio Department of Insurance. The amount of dividends that can be paid by insurance companies domiciled in Ohio without prior approval of the Director of the Ohio Department of Insurance is subject to restriction and cannot exceed the greater of ten percent of prior year end surplus or the prior year's net income. The amount of dividends that could be paid in 2020 without prior approval was \$14,771,759. The Company paid dividends totaling \$14,450,000 to its stockholders during 2020.

F. Surplus Restriction

None

G. Mutual Surplus Advances

None

H. Company Stock Held for Special Purposes

None

I. Changes in Special Surplus Funds

The annual Health Insurance Providers fee under section 9010 of the Federal Affordable Care Act (ACA) was repealed for calendar years beginning after December 31, 2020. As a result, there is no amount reflected in the write-in for special surplus on Page 3 of this statement.

J. Changes in Unassigned Funds

The portion of unassigned funds represented or increased by net unrealized gains is \$3,217,603 at December 31, 2020.

K. Surplus Notes

None

NOTES TO FINANCIAL STATEMENTS

L. & M. Quasi Reorganizations

None

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

None

B. Assessments

1. The Company is subject to guaranty fund assessments by the states in which it writes business. Guaranty fund assessments are accrued at the time of insolvency. The Company has accrued a liability for guaranty fund assessments of \$463,829 at December 31, 2020. The amount represents management’s best estimates based on information received from the states in which the Company writes business and may change due to many factors including the Company’s share of the ultimate cost of current insolvencies.

2. Guaranty Fund & Other Assessments with Liabilities Recognized Under SSAP No. 35R:

Assets recognized from paid and accrued premium tax offsets	
a. and policy surcharges prior year-end	\$ 1,204,077
b. Decrease current year:	
Policy surcharges collected	\$ -
Policy surcharges charged off	\$ -
Premium tax offset applied	\$ -
c. Increases current year:	
Policy surcharges collected	\$ -
Policy surcharges charged off	\$ -
Premium tax offset applied	\$ (113,348)
Assets recognized from paid and accrued premium tax offsets	
d. and policy surcharges current year-end	\$ 1,090,729

C. Gain Contingencies

None

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

The Company paid the following amounts in the reporting period to settle claims related to extra contractual obligations or bad faith claims stemming from lawsuits.

	Direct
Claims related to ECO and bad faith losses paid during the reporting period	\$ -

Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period.

(a)	(b)	(c)	(d)	(e)
0-25 Claims	26-50 Claims	51-100 Claims	101-500 Claims	More than 500 Claims
X				

Indicate whether claim count information is disclosed per claim or per claimant.

(f) Per Claim [x] (g) Per Claimant []

E. Product Warranties

None

F. Joint and Several Liabilities

None

G. All Other Contingencies

None

15. Leases

None

NOTES TO FINANCIAL STATEMENTS

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

None

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

A. Transfer of Receivables Reported as Sales

Not Applicable

B. Transfer and Servicing of Financial Assets

Not Applicable

C. Wash Sales

- 1. The Company has not sold and reacquired any security within a 30 day period of its original sale.
- 2. The details by NAIC designation 3 or below of securities sold during the year ended December 31, 2020 are reacquired within 30 days of the sale date are:

None

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 Similarly Structured Cost Based Reimbursement Contracts

Not Applicable

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

Name and Address of Managing General Agent or Third Party Administration	FEIN Number	Exclusive Contract	Types of Business Written	Types of Authority Granted	Total Direct Premium Written/Produced By
AGA Service Company 2805 North Parham Road Richmond, VA 23294	54-1545622	N	Group Travel	C, CA, P, U, B	\$ 81,659,768
Planned Administrators, Inc. 8906 Two Notch Road, Suite 200 Columbia, SC 29223	57-0718839	N	Accident & Health Dental, AD & D Disability	C, CA, P	72,614,831
Risk Placement Services, Inc. 2850 Golf Road, 5th Floor Rolling Meadows, IL 60008	36-3110841	N	Other Liability	P, U, B	35,620,024
All Other TPA Premium Total					<u>7,556,874</u> <u>\$ 197,451,497</u>

20. Fair Value Measurements

A. Input used for assets measured and reported at Fair Value

- 1. Items measured and reported at Fair Value by Levels 1, 2, and 3

Statutory accounting principles define the fair value of a financial instrument as the amount at which that asset could be bought or sold in a current transaction between willing parties that is other than in a forced or liquidation sale. The fair value of a liability is the amount at which that liability could be incurred or settled in a current transaction between willing parties. Certain financial instruments and all nonfinancial instruments are excluded from statutory disclosure requirements. Therefore, the aggregate fair value amounts presented below do not represent the underlying fair value of the Company.

Fair values are based on quoted market prices when available. When market prices are not available, fair value is generally estimated using discounted cash flow analyses, incorporation of current market inputs for similar financial instruments with comparable terms and credit quality (matrix pricing). In instances where there is little or no market activity for the same or similar instruments, the Company estimates fair value using methods, models, and assumptions that management believes market participants would use to determine a current transaction price. These valuation techniques involve some level of management estimation and judgment, which becomes significant with increasingly complex instruments or pricing models. Where appropriate, adjustments are included to reflect the risk inherent in a particular methodology model or input used.

NOTES TO FINANCIAL STATEMENTS

The Company’s financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy as defined by SSAP No. 100, Fair Value Measurements. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset’s or liability’s classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3).

The levels of the fair value hierarchy are as follows:

Level 1 – Management’s valuations are unadjusted quoted prices for identical, unrestricted assets and liabilities in active markets accessible at the measurement date. Since valuations are based on quoted prices that are readily available in an active market, valuation of these assets does not involve any meaningful degree of judgment. An active market is defined as a market where transactions for the financial instrument occur with sufficient frequency and volume to provide pricing information on an ongoing basis. Level 1 financial assets and liabilities generally include common stocks and U.S. government debt securities, where management’s valuations are based on quoted market prices.

Level 2 – Management’s valuations are based on quoted prices where such markets are not deemed to be sufficiently “active.” In such circumstances, additional valuations metrics will be used, which involve direct or indirect observable market inputs. Level 2 financial assets and liabilities generally include debt securities other than debt issued by the U.S. government. Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads, and yield curves.

Level 3 – Management’s valuations are based on inputs that are unobservable (supported by little or no market activity) and significant to the fair value measurement. Valuations under Level 3 generally involve a significant degree of judgment on the part of management.

Assets Measured at Fair Value

Certain financial assets are measured at fair value, such as certain bonds valued at the lower of cost or fair value, or investments that are impaired during the reporting period and recorded at fair value on the balance sheet at December 31, 2020. The following table summarizes assets measured at fair value:

Description of each class of assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	(Total)
Assets at fair value					
Bonds					
U.S. Treasury	\$ -	\$ -	\$ -	\$ -	\$ -
U.S. Government agency	-	-	-	-	-
States, territories, and possessions	-	-	-	-	-
Mortgage-backed	-	123,020	-	-	123,020
Asset-backed	-	-	-	-	-
Corporate	-	1,436,509	-	-	1,436,509
Total bonds	-	1,559,529	-	-	1,559,529
Common stock					
Vanguard	8,739,686	-	-	-	8,739,686
Artisan	5,337,833	-	-	-	5,337,833
Federal Home Loan Bank	-	990,700	-	-	990,700
Total common stock	14,077,519	990,700	-	-	15,068,219
Other invested assets					
Barings U.S.	-	-	-	5,240,513	5,240,513
Eaton Vance	-	-	-	5,916,867	5,916,867
Total other invested assets	-	-	-	11,157,380	11,157,380
Cash equivalents	-	-	-	14,446,106	14,446,106
Total assets measured at fair value/NAV	\$ 14,077,519	\$ 2,550,229	\$ -	\$ 25,603,486	\$ 42,231,234

Bonds measured at fair value are those bonds that were determined to be other-than-temporarily impaired at December 31, 2020 and bonds valued at the lower of cost or fair value at December 31, 2020. NAIC 3 – 6 rated bonds are valued at the lower of cost or market. The Company does not have any investment commitments at December 31, 2020.

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

None

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 into or out of Level 3. During the current year, no transfers into or out of Level 3 were required.

NOTES TO FINANCIAL STATEMENTS

4. Inputs and techniques used for level 2 and level 3 Fair Values

Bonds carried at fair value categorized as Level 2 were valued using a market approach. These valuations were determined to be Level 2 valuations as quoted markets prices for similar instruments in an active market were utilized. This was accomplished by the use of matrix pricing. Matrix pricing takes quoted prices of bonds with similar features and applies analytic methods to determine the fair value of bonds held. Features that are inputs into the analysis include duration, credit quality, tax status and call and sinking fund features.

Investments categorized as Level 3 had key unobservable inputs. Also, the investments are less liquid, and there is limited trading activity. The use of independent non-binding broker quotations to value investments generally indicates there is a lack of liquidity or the general lack of transparency in the process to develop the valuation estimates generally causing these investments to be classified in Level 3.

5. Derivative Fair Values

Not applicable

B. Other Fair Value Disclosures

Not applicable

C. Fair Value for all financial instruments by levels 1, 2, and 3

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds							
U.S. Treasury	\$ 21,723,044	\$ 19,440,222	\$ -	\$ 21,723,044	\$ -	\$ -	\$ -
States, territories, and possessions	32,971,489	29,115,012	-	32,971,489	-	-	-
Mortgage-backed	65,405,834	61,999,006	-	65,405,834	-	-	-
Asset-backed	12,009,265	11,710,146	-	12,009,265	-	-	-
Corporate	95,906,298	86,565,283	-	95,906,298	-	-	-
Total bonds	228,015,930	208,829,669	-	228,015,930	-	-	-
Common stock							
Vanguard	8,739,686	8,739,686	8,739,686	-	-	-	-
Artisan	5,337,833	5,337,833	5,337,833	-	-	-	-
Federal Home Loan Bank	990,700	990,700	-	990,700	-	-	-
Total common stock	15,068,219	15,068,219	14,077,519	990,700	-	-	-
Other invested assets							
Barings U.S.	5,240,513	5,240,513	-	-	-	5,240,513	-
Eaton Vance	5,916,867	5,916,867	-	-	-	5,916,867	-
Total other invested assets	11,157,380	11,157,380	-	-	-	11,157,380	-
Cash , cash equivalents and short-term investments							
	23,937,372	23,937,366	8,561,349	929,917	-	14,446,106	-
Total assets	\$ 278,178,901	\$ 258,992,634	\$ 22,638,868	\$ 229,936,547	\$ -	\$ 25,603,486	\$ -

D. Financial instruments for which not practicable to Estimate Fair Value

Not applicable

E. Instruments Measured at Net Asset Value (NAV)

The company uses NAV to value its money market and other invested assets because it is the readily available value for these funds. NAV is the value of each fund’s assets minus liabilities.

21. Other Items

A. Unusual or Infrequent Items

None

B. Troubled Debt Restructuring: Debtors

None

C. Other Disclosures

None

D. Business Interruption Insurance Recoveries

None

E. State Transferable and Non-transferable Tax Credits

None

NOTES TO FINANCIAL STATEMENTS

F. Subprime-Mortgage-Related Risk Exposure

1. The Company has identified securities with the following characteristics as having subprime mortgage risk:

a. First lien mortgages where borrowers have a FICO scores less than 650

b. First lien mortgages with loan-to-value ratios greater than 95%

c. Second lien mortgages where borrowers have FICO scores less than 675

d. Borrowers with less than conventional documentation of their income and/or net assets and FICO scores less than 650
2. Direct Exposure through investments in subprime mortgage loans
- None

3. The following summarizes the Company's investments in securities with underlying subprime exposure at December 31, 2020:

Investment Type	Actual Cost	Book Adjusted Carrying Value (excluding interest)	Fair Value	Other-than-Temporary Impairment Losses Recognized
a. Residential mortgage backed securities	\$ 821,059	\$ 816,521	\$ 818,407	
b. Commercial mortgage backed securities	-	-	-	-
c. Collateralized debt obligations	-	-	-	-
d. Structured securities	-	-	-	-
e. Equity investments in SCAs	-	-	-	-
f. Other assets	-	-	-	-
g. Total	\$ 821,059	\$ 816,521	\$ 818,407	\$ -

4. Underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage
- None

G. Insurance-Linked Securities (ILS) Contracts

None

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

None

22. Events Subsequent

Type I – Recognized Subsequent Events:

Subsequent events have been considered through February 25, 2021 for the statutory statement issued on March 1, 2021.

Type II – Nonrecognized Subsequent Events:

Subsequent events have been considered through February 25, 2021 for the statutory statement issued on March 1, 2021.

The Company was subject to an annual fee under section 9010 of the Federal Affordable Care Act (ACA). This annual fee was allocated to individual health insurers based on the ratio of the amount of the entity's net premiums written during the preceding calendar year to the amount of health insurance for any U.S. health risk that is written during the preceding calendar year. A health insurance entity's portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for calendar year beginning on or after January 1, of the year the fee is due. The fee was repealed for calendar years beginning after December 31, 2020.

NOTES TO FINANCIAL STATEMENTS

	Current Year	Prior Year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the federal Affordable Care Act (YES/NO)?	YES	
B. ACA fee assessment payable for the upcoming year	\$ -	\$ 134,792
C. ACA fee assessment paid	\$ 133,462	\$ -
D. Premium written subject to ACA 9010 assessment	\$ -	\$ 22,266,491
E. Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 28)	\$ 146,408,072	
F. Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 28 minus 22B above)	\$ 146,408,072	
G. Authorized Control Level (Five-Year Historical Line 29)	\$ 14,228,585	
H. Would reporting the ACA assessment as of December 31, 2020 have triggered an RBC action level (YES/NO)?	NO	

23. Reinsurance

A. Unsecured Reinsurance Recoverable

The Company has outlined below unsecured aggregate recoverable for losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premium with any individual reinsurers, authorized, unauthorized or certified that exceed 3% of policyholders' surplus.

Individual Reinsurers Who Are Not Members of a Group:

FEIN	Reinsurer	Unsecured Amount
AA-1120337	ASPEN INS UK LTD	\$ 38,666,000
AA-1340125	HANNOVER RUECK SE	35,213,000
AA-1126006	LLOYD'S SYNDICATE NUMBER 4472	25,193,000
AA-1128003	LLOYD'S SYNDICATE NUMBER 2003	22,933,000
13-2918573	TOA RE INS CO OF AMER	21,075,000
AA-1128001	LLOYD'S SYNDICATE NUMBER 2001	21,014,000
AA-3194130	ENDURANCE SPECIALTY INS LTD.	19,731,000
AA-1126435	LLOYD'S SYNDICATE NUMBER 435	18,525,000
AA-1120156	LLOYD'S SYNDICATE NUMBER 1686	16,770,000
AA-1128791	LLOYD'S SYNDICATE NUMBER 2791	14,898,000
AA-1128987	LLOYD'S SYNDICATE NUMBER 2987	13,140,000
AA-1120075	LLOYD'S SYNDICATE NUMBER 4020	11,772,000
AA-1127084	LLOYD'S SYNDICATE NUMBER 1084	10,597,000
CR-1340125	HANNOVER RUECK SE	7,908,000
AA-1120102	LLOYD'S SYNDICATE NUMBER 1458	6,580,000
AA-1120071	LLOYD'S SYNDICATE NUMBER 2007	5,321,000
AA-1126727	LLOYD'S SYNDICATE NUMBER 727	5,142,000

Individual Reinsurers Who Are Members of a Group:

Group Code	FEIN	Reinsurer	Unsecured Amount
00023	36-2149353	4 EVER LIFE INS CO	\$ 16,758,000
00796	23-1641984	QBE REINS CORP	12,236,000
00501	13-5616275	TRANSATLANTIC REINS CO	8,079,000
00031	13-2673100	GENERAL REINS CORP	6,022,000

All Members of the Groups Shown above with Unsecured Reinsurance Recoverable:

Group Code	FEIN	Reinsurer	Unsecured Amount
00023	36-2149353	4 EVER LIFE INS CO	\$ 16,758,000
Total 00023			16,758,000
00796	23-1641984	QBE REINS CORP	12,236,000
Total 00796			12,236,000
00501	13-5616275	TRANSATLANTIC REINS CO	8,079,000
Total 00501			8,079,000
00031	13-2673100	GENERAL REINS CORP	6,022,000
Total 00031			6,022,000

NOTES TO FINANCIAL STATEMENTS

B. Reinsurance Recoverable in Dispute

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

C. Reinsurance Assumed and Ceded

1. The following table summarizes ceded and assumed unearned premiums and the related commission equity at December 31, 2020:

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. All Other	25,313	-	27,847,664	5,753,391	(27,822,351)	(5,753,391)
c. Total	\$ 25,313	\$ -	\$ 27,847,664	\$ 5,753,391	\$ (27,822,351)	\$ (5,753,391)

d. Direct Unearned Premium Reserves \$ 33,359,926

Line (c.) of Ceded Reinsurance Premium Reserve Column must equal Page 3, Line 9, first inside amount.

2. The additional or return commission, predicted on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements is accrued as follows:

REINSURANCE

	Direct	Assumed	Ceded	Net
a. Contingent Commission	\$ -	\$ -	\$ -	\$ -
b. Sliding Scale Adjustments	-	-	-	-
c. Other Profit Commission	122,734	540,157	540,157	122,734
d. Total	\$ 122,734	\$ 540,157	\$ 540,157	\$ 122,734

3. Types of risk attributed to each of the Company's protected cells

None

D. Uncollectible Reinsurance

None

E. Commutation of Ceded Reinsurance

None

F. Retroactive Reinsurance

1. Reported Company

As: December 31, 2020

	Assumed	Ceded
a. Reserves Transferred:		
1. Initial Reserves	\$ (316,695)	\$ -
2. Adjustments - Prior Year(s)	172,417	-
3. Adjustments - Current Year	21,239	-
4. Current Total	(123,039)	-
b. Consideration (Paid) or Received:		
1. Initial Consideration	316,695	-
2. Adjustments - Prior Year(s)	10,219	-
3. Adjustments - Current Year	-	-
4. Current Total	326,914	-
c. Paid Losses (Reimbursed) or Recovered:		
1. Prior Year(s)	(1,048,000)	-
2. Current Year	(29,000)	-
3. Current Total	(1,077,000)	-
d. Special Surplus from Retroactive Reinsurance:		
1. Initial Surplus Gain or Loss	-	-
2. Adjustments - Prior Year(s)	(214,362)	-
3. Adjustments - Current Year	-	-
4. Current Year Restricted Surplus	(214,362)	-
5. Cumulative Total Transferred to Unassigned Funds	\$ (873,125)	\$ -

NOTES TO FINANCIAL STATEMENTS

e. All cedents and reinsurers involved in all transactions included in summary totals above:

Company	Assumed Amount	Ceded Amount
Allianz Life Insurance Company of North America	\$ (123,039)	\$ -
Total	\$ (123,039)	\$ -

f. Total Paid Loss/LAE amounts recoverable (for authorized, unauthorized and certified reinsurers), any amounts more that 90 days overdue (for authorized, unauthorized and certified reinsurers), and for amounts recoverable the collateral held (for authorized, unauthorized and certified reinsurers) as respects amounts recoverable from unauthorized reinsurers:

1. Authorized Reinsurers:

Company	Total Paid/Loss/LAE Recoverable	Amount Over 90 Days Overdue	Collateral Held
Travelers Casualty & Surety Company of America	\$ 6,000	\$ 6,000	\$ -
Total	\$ 6,000	\$ 6,000	\$ -

2. Unauthorized Reinsurers:

Company	Total Paid/Loss/LAE Recoverable	Amount Over 90 Days Overdue	Collateral Held
Lumbermens Mutual Casualty Company	\$ 149,000	\$ 149,000	\$ -
Total	\$ 149,000	\$ 149,000	\$ -

3. Certified Reinsurers:

None

G. Reinsurance Accounted for as a Deposit

Not Applicable

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

Not Applicable

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

None

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

None

K. Reinsurance Credit on Contracts Covering Health Business

Not Applicable

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

A. Methods Used to Estimate

The Company estimates accrued retrospective premium adjustments through the review of each individual retrospectively rated risk, comparing case basis loss and IBNR activity 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 as an adjustment to written premium.

C. Amount and Percent of Net Retrospective Premiums

None

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

None

E. Calculation of Non-Admitted Retrospective Premiums

None

NOTES TO FINANCIAL STATEMENTS

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

1. Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO)?

NO
2. Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year

Not Applicable
3. Roll-Forward of Prior Year ACA Risk-Sharing Provisions

Not Applicable
4. Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year

Not Applicable
5. ACA Risk Corridors Receivable as of Reporting Date

Not Applicable

25. Changes in Incurred Losses and Loss Adjustment Expenses

The estimated savings on loss and loss adjustment expenses attributable to insured events of prior years is \$7.1 million for the twelve months ending December 31, 2020, as shown in the chart below. This is -26.7% of unpaid losses and loss adjustment expenses of \$26.7 million as of December 31, 2019. The decrease occurred predominantly in the Accident and Health and Other Liability lines of business as a result of favorable claim experience in accident years 2018 and 2019.

Line of Business	2020 Calendar Year Losses and LAE Incurred (\$000's)	2020 Loss Year Losses and LAE Incurred Schedule P, Part 1 (\$000's)	Total Shortage (Redundancy) (\$000's)	Loss and DCC Shortage (Redundancy) Schedule P, Part 2 (\$000's)	Impact of AO on Total Shortage (Redundancy) (\$000's)
Group Accident and Health	\$ 38,218	\$ 43,436	\$ (5,218)	\$ (4,598)	\$ (620)
Commercial Multi-Peril	1,792	1,485	307	177	130
Medical Malpractice-Claims Made	-	-	-	-	-
Other Liability-Occurrence	3,717	5,013	(1,296)	(1,257)	(39)
Other Liability-Claims Made	3,698	4,612	(914)	(971)	57
Fidelity	(29)	-	(29)	(27)	(2)
Inland Marine/Other	66	49	17	-	17
Total	\$ 47,462	\$ 54,595	\$ (7,133)	\$ (6,676)	\$ (457)

26. Intercompany Pooling Arrangements

Not Applicable

27. Structured Settlements

A. Reserves Released due to Purchase of Annuities

In 2003, the Company purchased annuities that have a remaining balance of \$137,550 through New York Life Insurance Company under which the claimant is the payee.

Loss Reserves Eliminated by Annuities	Unrecorded Loss Contingencies
\$ 137,550	\$ -

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

Not Applicable

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

None

B. Risk Sharing Receivables

None

29. Participating Policies

Not Applicable

NOTES TO FINANCIAL STATEMENTS

30. Premium Deficiency Reserves

The Company evaluated the need to record a premium deficiency reserve as of the end of the current year and determined a reserve was not necessary. This evaluation was completed on March 18, 2020. The Company does anticipate investment income when evaluating the need for a premium deficiency reserve.

1. Liability carried for premium deficiency reserves

\$ -
2. Date of the most recent evaluation of this liability

3/18/2020
3. Was anticipated investment income utilized in the calculation?

Yes X No

31. High Deductibles

Not Applicable

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

A. Tabular Basis

Not Applicable

B. Non-Tabular Basis

Not Applicable

C. Changes in Discount Assumptions

Not Applicable

33. Asbestos/ Environmental Reserves

Not Applicable

34. Subscriber Savings Accounts

Not Applicable

35. Multiple Peril Crop Insurance

None

36. Financial Guaranty Insurance

Not Applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes [X] No []
- If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2

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

Yes [X] No [] N/A []
- 1.3

State Regulating? Ohio.....
- 1.4

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

Yes [] No [X]
- 1.5

If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 2.1

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

Yes [] No [X]
- 2.2

If yes, date of change:
- 3.1

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

.....12/31/2018
- 3.2

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

.....12/31/2018
- 3.3

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

.....10/28/2020
- 3.4

By what department or departments? Ohio.....
- 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 [X] No [] N/A []
- 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 [] No [X]
- 4.12 renewals?

Yes [] No [X]
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 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 yes, complete and file the merger history data file with the NAIC.
- 5.2

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

1 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

.....0.0 %

1 Nationality	2 Type of Entity
.....
.....
.....

GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]

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

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

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

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
KPMG LLP, 200 E. Randolph Drive, Suite 5500, Chicago, IL 60601.....

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

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

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

10.4 If the response to 10.3 is yes, provide information related to this exemption:
On 11/10/2020 the Ohio Department of Insurance granted a request from BCS Insurance Company (BCSI) for Exemption from Filing Management's Report of Internal Control over Financial Reporting as of 12/21/2019 under OAC 3019-1-50(R)(5).....

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []

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

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Charles C. Emma, EVP Advisors Inc., 115 Campbell Street, Suite 100C, Geneva, IL 60134.....

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 involved0

12.13 Total book/adjusted carrying value \$.....

12.2 If yes, provide explanation

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

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

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []

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).

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?
- Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate 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):
- 20.11 To directors or other officers \$.....
- 20.12 To stockholders not officers \$.....
- 20.13 Trustees, supreme or grand (Fraternal only) \$.....
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers \$.....
- 20.22 To stockholders not officers \$.....
- 20.23 Trustees, supreme or grand (Fraternal only) \$.....
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?
- Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$.....
- 21.22 Borrowed from others \$.....
- 21.23 Leased from others \$.....
- 21.24 Other \$.....
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?
- Yes [X] No []
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$.....0
- 22.22 Amount paid as expenses \$.....293,291
- 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:
- \$.....

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03)
- Yes [] No [X]
- 24.02 If no, give full and complete information, relating thereto
- The Company has securities on deposit with Federal Home Loan Bank to secure a line of credit.....
- 24.03 For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions.
- \$.....0
- 24.05 For the reporting entity's securities lending program, report amount of collateral for other programs.
- \$.....0
- 24.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?
- Yes [] No [] NA [X]
- 24.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?
- Yes [] No [] NA [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 [] NA [X]

GENERAL INTERROGATORIES

- 24.09 For the reporting entity's securities lending program, state the amount of the following as of December 31 of the current year:

24.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

24.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

24.093 Total payable for securities lending reported on the liability page

\$.....0

\$.....0

\$.....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 currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03).

Yes [X] No []
- 25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements

25.22 Subject to reverse repurchase agreements

25.23 Subject to dollar repurchase agreements

25.24 Subject to reverse dollar repurchase agreements

25.25 Placed under option agreements

25.26 Letter stock or securities restricted as to sale – excluding FHLB Capital Stock

25.27 FHLB Capital Stock

25.28 On deposit with states

25.29 On deposit with other regulatory bodies

25.30 Pledged as collateral – excluding collateral pledged to an FHLB

25.31 Pledged as collateral to FHLB – including assets backing funding agreements

25.32 Other

\$.....

\$.....

\$.....

\$.....

\$.....

\$.....990,700

\$.....4,777,963

\$.....

\$.....

\$.....20,491,160

\$.....

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....

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

Yes [] No [X]
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement.

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

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

- 26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result 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

26.42 Permitted accounting practice

26.43 Other accounting guidance

Yes [] No []

Yes [] No []

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

Yes [] No []

The reporting entity has obtained explicit approval from the domiciliary state.

Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.

Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.

Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.
- 27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes [] No [X]
- 27.2 If yes, state the amount thereof at December 31 of the current year.

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

Yes [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
Federal Home Loan Bank of Cincinnati.....	221 East Fourth Street, Suite 600 Cincinnati, OH 45202.....
U.S.Bank National Association.....	800 Nicollet Mall, Minneapolis, MN 55402-7014.....

GENERAL INTERROGATORIES

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

1 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 [X] No []

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
State Street Bank & Trust Company Boston.....	U.S. Bank National Association.....	..07/28/2020..	Service Quality.....

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
Asset Allocation & Management Company, LLC.....	U.....
Wellington Management Company, LLP.....	U.....

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

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

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
109875.....	Asset Allocation & Management Company, LLC.....		Securities Exchange Commission.....	NO.....
106595.....	Wellington Management Company, LLP.....	549300YHP12TEZNL CX41.....	Securities Exchange Commission.....	NO.....

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

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
.....
.....
.....
29.2999 TOTAL		0

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
.....
.....
.....

GENERAL INTERROGATORIES

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	209,759,579	228,945,847	19,186,268
30.2 Preferred Stocks.....	0		0
30.3 Totals	209,759,579	228,945,847	19,186,268

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

See Attachment.....

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

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

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

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

32.2 If no, list exceptions:

33. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:
a.Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
b.Issuer or obligor is current on all contracted interest and principal payments.
c.The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities?

Yes [] No [X]

34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:
a. The security was purchased prior to January 1, 2018.
b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as 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 nonaffiliated 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 [X] No [] NA []

OTHER

37.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$68,445

37.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations, and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
AM BEST RATING SERVICES, INC.....	\$.....37,900
BITSIGHT TECHNOLOGIES, INC.....	\$.....22,500

GENERAL INTERROGATORIES

- 38.1 Amount of payments for legal expenses, if any?

\$113,165
- 38.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
MENDES & MOUNT, LLP.....	\$.....51,910
STEPTOE & JOHNSON, LLP.....	\$.....50,010

- 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.

1 Name	2 Amount Paid

30.4 For most security types, the company uses Refinitiv for pricing. Refinitiv utilizes both market and model valuation methods, and the asset classes covered include corporate and government debt, mortgage and asset-backed securities, and US agency and municipal securities. In the absence of a price from Refinitiv, the company uses pricing from its investment managers and custodial bank.

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?

\$

1.31

Reason for excluding

1.4

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

\$

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

\$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	2	
	Current Year	Prior Year	
2.1	Premium Numerator	\$36,646,297	\$46,801,391
2.2	Premium Denominator	\$82,624,378	\$97,321,727
2.3	Premium Ratio (2.1/2.2)	0.444	0.481
2.4	Reserve Numerator	\$22,198,809	\$17,877,814
2.5	Reserve Denominator	\$37,089,124	\$31,899,689
2.6	Reserve Ratio (2.4/2.5)	0.599	0.560

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 no-participating policies during the calendar year:

3.21

Participating policies

\$0

3.22

Non-participating policies

\$0

4.

For Mutual reporting entities and Reciprocal Exchanges only:

4.1

Does the reporting entity issue assessable policies?

Yes [] No []

4.2

Does the reporting entity issue non-assessable policies?

Yes [] No []

4.3

If assessable policies are issued, what is the extent of the contingent liability of the policyholders?

0.0 %

4.4

Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.

\$0

5.

For Reciprocal Exchanges Only:

5.1

Does the exchange appoint local agents?

Yes [] No []

5.2

If yes, is the commission paid:

5.21

Out of Attorney's-in-fact compensation

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

5.22

As a direct expense of the exchange

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

5.3

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

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

16

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

6.1

What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:
No workers' compensation contracts were written.....

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:
N/A.....

6.3

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

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?.....

6.5

If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss
The Company is provided protection through excess of loss reinsurance and primarily writes Accident & Health policies.....

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)?.....

7.2

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

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)?.....

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?.....

8.2

If yes, give full information

9.1

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

(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;

(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;

(c) Aggregate stop loss reinsurance coverage;

(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;

(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or

(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity.....

9.2

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

(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or

(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.

9.3

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

(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;

(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and

(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4

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

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

(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

9.5

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

9.6

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

(a) The entity does not utilize reinsurance; or,

(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or

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

10.

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

Yes

[]

No

[X]

16.1

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

11.1

Has the reporting entity guaranteed policies issued by any other entity and now in force:

Yes [] No [X]

11.2

If yes, give full information

12.1

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

12.11

Unpaid losses.

\$ 12,656,895

12.12

Unpaid underwriting expenses (including loss adjustment expenses).

\$ 0

12.2

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

\$ 4,887,243

12.3

If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?

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

12.4

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

12.41

From

0.0 %

12.42

To

0.0 %

12.5

Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?

Yes [] No [X]

12.6

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

12.61

Letters of Credit

\$ 0

12.62

Collateral and other funds.

\$ 0

13.1

Largest net aggregate amount insured in any one risk (excluding workers' compensation):

\$ 1,250,000

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.

6

14.1

Is the reporting entity a cedant in a multiple cedant reinsurance contract?

Yes [] No [X]

14.2

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

14.3

If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?

Yes [] No []

14.4

If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?

Yes [] No []

14.5

If the answer to 14.4 is no, please explain:

15.1

Has the reporting entity guaranteed any financed premium accounts?

Yes [] No [X]

15.2

If yes, give full information

16.1

Does the reporting entity write any warranty business?

Yes [] No [X]

If yes, disclose the following information for each of the following types of warranty coverage:

	1	2	3	4	5
	Direct Losses Incurred	Direct Losses Unpaid	Direct Written Premium	Direct Premium Unearned	Direct Premium Earned
16.11 Home	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
16.12 Products	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
16.13 Automobile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
16.14 Other*	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

* Disclose type of coverage:

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F – Part 3 that is exempt from the statutory provision for unauthorized reinsurance? Yes [] No [X]

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from the statutory provision for unauthorized reinsurance. Provide the following information for this exemption:

17.11	Gross amount of unauthorized reinsurance in Schedule F – Part 3 exempt from the statutory provision for unauthorized reinsurance.....	\$.....0
17.12	Unfunded portion of Interrogatory 17.11.....	\$.....0
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11	\$.....0
17.14	Case reserves portion of Interrogatory 17.11.....	\$.....0
17.15	Incurred but not reported portion of Interrogatory 17.11.....	\$.....0
17.16	Unearned premium portion of Interrogatory 17.11.....	\$.....0
17.17	Contingent commission portion of Interrogatory 17.11.....	\$.....0

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

18.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$.....0

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

18.4 If yes, please provide the balance of the funds administered as of the reporting date. \$.....0

19. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two 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 []

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE BCS Insurance Company

FIVE-YEAR HISTORICAL DATA

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

	1 2020	2 2019	3 2018	4 2017	5 2016
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	37,683,278	35,622,497	47,610,203	47,524,461	48,076,013
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	78,296,486	197,695,778	111,308,284	83,960,487	72,539,712
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	34,840,410	32,750,113	31,478,245	33,298,957	27,648,605
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	280,611,117	397,850,429	282,007,600	193,595,399	215,495,079
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
6. Total (Line 35)	431,431,291	663,918,817	472,404,332	358,379,304	363,759,409
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	16,421,618	15,306,088	13,452,818	16,088,833	17,343,129
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	2,246,022	1,108,719	1,589,152	64,739	440,171
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	64,349,614	76,141,597	82,542,468	82,468,936	84,025,116
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
12. Total (Line 35)	83,017,254	92,556,404	97,584,438	98,622,508	101,808,416
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	5,028,049	8,029,028	7,148,137	13,190,691	9,573,733
14. Net investment gain (loss) (Line 11)	7,872,608	10,067,683	6,817,538	6,583,885	6,962,496
15. Total other income (Line 15)	(1,014,796)	(1,135,883)	(12,765)	143,186	(41,301)
16. Dividends to policyholders (Line 17)	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19)	2,178,083	3,456,216	2,700,089	5,980,508	5,100,565
18. Net income (Line 20)	9,707,778	13,504,612	11,252,821	13,937,254	11,394,363
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	298,706,234	322,837,926	336,649,851	276,644,989	269,416,276
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	17,515,409	50,711,625	38,071,635	21,180,480	21,207,828
20.2 Deferred and not yet due (Line 15.2)	0	130,000	566,667	0	0
20.3 Accrued retrospective premiums (Line 15.3)	4,887,243	3,211,593	7,833,485	7,686,772	2,688,696
21. Total liabilities excluding protected cell business (Page 3, Line 26)	152,298,162	175,120,333	194,735,033	129,672,575	114,263,113
22. Losses (Page 3, Line 1)	27,299,909	23,304,687	19,082,874	24,941,067	31,884,891
23. Loss adjustment expenses (Page 3, Line 3)	4,251,640	3,450,303	3,838,828	4,626,444	5,369,431
24. Unearned premiums (Page 3, Line 9)	5,537,575	5,144,699	9,910,022	8,685,809	9,995,502
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)	146,408,072	147,717,593	141,914,818	146,972,414	155,153,163
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	9,583,818	24,187,133	3,419,189	5,391,230	(8,695,571)
Risk-Based Capital Analysis					
28. Total adjusted capital	146,408,072	147,717,593	141,914,818	146,972,414	155,153,163
29. Authorized control level risk-based capital	14,228,585	16,973,653	13,817,939	17,601,338	11,892,271
Percentage Distribution of Cash, Cash Equivalents and Invested Assets					
(Page 2, Col. 3)(Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	80.6	89.5	84.3	80.4	83.1
31. Stocks (Lines 2.1 & 2.2)	5.8	5.4	4.9	6.6	10.8
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3)	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5)	9.2	0.5	0.5	0.4	0.4
35. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7)	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8)	4.3	4.6	10.3	12.6	5.7
38. Receivables for securities (Line 9)	0.0	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10)	0.0	0.0	0.0	0.0	0.0
40. Aggregate write-ins for invested assets (Line 11)	0.0	0.0	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	0	0	351,670	674,972	2,152,518
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
46. Affiliated mortgage loans on real estate	0	0	0	0	0
47. All other affiliated	0	0	22,000,000	22,000,000	0
48. Total of above Lines 42 to 47	0	0	22,351,670	22,674,972	2,152,518
49. Total Investment in parent included in Lines 42 to 47 above		0	0	0	0
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	0.0	0.0	15.8	15.4	1.4

FIVE-YEAR HISTORICAL DATA

(Continued)					
	1 2020	2 2019	3 2018	4 2017	5 2016
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	1,032,009	2,711,180	(2,040,005)	655,773	773,439
52. Dividends to stockholders (Line 35)	(14,450,000)	(14,000,000)	(14,500,000)	(15,500,000)	(16,000,000)
53. Change in surplus as regards policyholders for the year (Line 38)	(1,309,522)	5,802,775	(5,057,595)	(8,180,749)	(6,163,161)
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	73,631,234	41,736,645	56,614,585	58,416,996	53,531,165
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	46,545,106	53,461,929	40,691,421	32,654,612	28,400,002
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	21,974,805	6,187,586	1,595,856	0	0
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	181,774,399	239,231,431	165,810,651	137,243,179	151,907,258
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
59. Total (Line 35)	323,925,544	340,617,591	264,712,513	228,314,787	233,838,425
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	6,320,073	4,207,095	6,589,817	7,061,004	11,839,083
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	3,245
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,559,306	50,042	0	0	0
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	32,385,806	44,888,800	53,025,366	54,596,400	61,140,604
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
65. Total (Line 35)	40,265,185	49,145,937	59,615,183	61,657,404	72,982,932
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	53.6	54.8	55.8	54.8	63.4
68. Loss expenses incurred (Line 3)	3.9	2.7	2.3	3.2	1.4
69. Other underwriting expenses incurred (Line 4)	36.5	34.2	34.5	27.9	25.7
70. Net underwriting gain (loss) (Line 8)	6.1	8.2	7.4	13.2	9.4
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	37.5	37.2	34.1	29.1	25.7
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	57.4	57.5	58.1	57.9	64.9
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)	56.7	62.7	68.8	67.1	65.6
One Year Loss Development (\$000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	(6,676)	(4,267)	(7,220)	(11,072)	(8,965)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0)	(4.5)	(3.0)	(4.9)	(7.1)	(5.6)
Two Year Loss Development (\$000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(5,362)	(7,891)	(14,010)	(11,872)	(17,199)
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)	(3.8)	(5.4)	(9.0)	(7.4)	(10.9)

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

If no, please explain

.....

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
	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)	Number of Claims Reported Direct and Assumed
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	533	562	30	30	0	0	29	(29)	XXX
2. 2011	263,133	153,017	110,116	143,945	78,694	4,839	981	3,016	753	0	71,373	XXX
3. 2012	295,879	186,915	108,964	311,723	247,299	14,247	7,433	6,424	1,756	0	75,906	XXX
4. 2013	344,207	218,075	126,132	204,861	131,206	5,317	891	4,701	1,677	0	81,105	XXX
5. 2014	370,533	237,682	132,851	183,311	114,051	7,009	1,337	4,131	1,295	0	77,768	XXX
6. 2015	325,508	219,565	105,943	169,940	105,705	4,323	2,587	3,398	1,130	0	68,239	XXX
7. 2016	362,232	260,611	101,621	205,482	142,323	893	331	2,743	778	0	65,686	XXX
8. 2017	355,722	255,790	99,932	203,668	143,373	2,688	1,904	4,230	2,103	0	63,206	XXX
9. 2018	454,333	357,973	96,360	249,957	194,648	3,036	2,151	3,268	1,098	0	58,364	XXX
10. 2019	650,911	553,589	97,322	325,317	277,048	826	256	2,168	531	0	50,476	XXX
11. 2020	459,228	376,603	82,625	187,435	159,823	280	84	1,806	579	14	29,035	XXX
12. Totals	XXX	XXX	XXX	2,186,172	1,594,732	43,488	17,985	35,885	11,700	43	641,129	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	14	15	16	17	18	19	20					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded			
1.	700	700	5,766	5,766	17	17	431	431	0	0	0	0	XXX
2.	0	0	3,774	3,774	0	0	827	827	33	33	0	0	XXX
3.	269,786	269,761	6,497	6,497	160	144	768	768	148	148	0	41	XXX
4.	948	940	12,452	12,302	44	0	233	233	58	58	0	202	XXX
5.	120	120	6,187	5,887	76	76	331	331	82	82	0	300	XXX
6.	17,654	17,604	13,572	13,272	125	36	655	655	44	40	0	443	XXX
7.	269	239	9,002	8,852	44	0	733	733	344	344	0	224	XXX
8.	2,396	2,255	6,941	6,940	576	437	969	969	168	168	0	281	XXX
9.	908	809	4,870	4,566	1,553	1,403	931	692	218	218	0	792	XXX
10.	5,352	4,543	10,129	8,050	345	55	956	493	168	100	0	3,709	XXX
11.	8,110	7,299	61,997	39,953	455	210	3,326	1,782	2,088	1,171	0	25,561	XXX
12.	306,243	304,270	141,187	115,859	3,395	2,378	10,160	7,914	3,351	2,362	0	31,553	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	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	0	0
2.	156,435	85,062	71,373	59.5	55.6	64.8	0	0		0	0
3.	609,753	533,806	75,947	206.1	285.6	69.7	0	0		25	16
4.	228,614	147,307	81,307	66.4	67.5	64.5	0	0		158	44
5.	201,247	123,179	78,068	54.3	51.8	58.8	0	0		300	0
6.	209,711	141,029	68,682	64.4	64.2	64.8	0	0		350	93
7.	219,510	153,600	65,910	60.6	58.9	64.9	0	0		180	44
8.	221,636	158,149	63,487	62.3	61.8	63.5	0	0		142	139
9.	264,741	205,585	59,156	58.3	57.4	61.4	0	0		403	389
10.	345,261	291,076	54,185	53.0	52.6	55.7	0	0		2,888	821
11.	265,497	210,901	54,596	57.8	56.0	66.1	0	0		22,855	2,706
12.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	27,301	4,252

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.

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE BCS Insurance Company

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	One Year	Two Year
1. Prior	3,006	3,644	3,810	4,519	4,519	4,276	4,247	4,093	4,050	4,001	(49)	(92)
2. 2011	73,840	70,023	70,085	69,347	69,136	69,114	69,112	69,113	69,111	69,110	(1)	(3)
3. 2012	XXX	68,889	70,957	73,200	71,868	71,458	71,558	71,405	71,405	71,279	(126)	(126)
4. 2013	XXX	XXX	83,344	80,101	78,783	78,041	78,287	78,286	78,236	78,283	47	(3)
5. 2014	XXX	XXX	XXX	90,024	81,100	77,103	75,301	75,251	75,275	75,232	(43)	(19)
6. 2015	XXX	XXX	XXX	XXX	71,628	68,077	66,657	66,433	66,431	66,410	(21)	(23)
7. 2016	XXX	XXX	XXX	XXX	XXX	74,448	66,283	63,926	64,021	63,945	(76)	19
8. 2017	XXX	XXX	XXX	XXX	XXX	XXX	66,695	62,413	61,720	61,360	(360)	(1,053)
9. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	61,048	57,452	56,986	(466)	(4,062)
10. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	58,061	52,480	(5,581)	XXX
11. 2020	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	52,452	XXX	XXX
12. Totals											(6,676)	(5,362)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
1. Prior	000	2,511	3,548	3,877	4,119	4,110	4,082	4,063	4,030	4,001	XXX	XXX
2. 2011	46,734	66,465	68,530	68,985	69,116	69,114	69,112	69,113	69,111	69,110	XXX	XXX
3. 2012	XXX	42,054	65,151	69,496	70,521	71,039	71,155	71,202	71,215	71,238	XXX	XXX
4. 2013	XXX	XXX	50,179	74,597	76,421	77,117	77,806	78,038	78,056	78,081	XXX	XXX
5. 2014	XXX	XXX	XXX	50,036	69,867	73,534	74,484	74,791	74,973	74,932	XXX	XXX
6. 2015	XXX	XXX	XXX	XXX	40,575	63,749	64,898	65,993	65,988	65,971	XXX	XXX
7. 2016	XXX	XXX	XXX	XXX	XXX	47,648	63,330	63,589	63,751	63,721	XXX	XXX
8. 2017	XXX	XXX	XXX	XXX	XXX	XXX	44,714	60,874	61,076	61,079	XXX	XXX
9. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	42,335	55,789	56,194	XXX	XXX
10. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	36,034	48,839	XXX	XXX
11. 2020	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	27,808	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 2011	2 2012	3 2013	4 2014	5 2015	6 2016	7 2017	8 2018	9 2019	10 2020
1. Prior	1,292	305	127	62	50	50	50	0	0	0
2. 2011	24,615	1,676	525	26	0	0	0	0	0	0
3. 2012	XXX	23,187	1,434	260	0	0	0	0	0	0
4. 2013	XXX	XXX	29,225	2,807	730	150	150	150	150	150
5. 2014	XXX	XXX	XXX	30,763	5,260	1,779	300	300	300	300
6. 2015	XXX	XXX	XXX	XXX	29,267	2,953	668	300	304	300
7. 2016	XXX	XXX	XXX	XXX	XXX	26,163	2,596	168	158	150
8. 2017	XXX	XXX	XXX	XXX	XXX	XXX	21,230	1,270	354	1
9. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	18,181	1,084	543
10. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	21,063	2,542
11. 2020	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	23,588

ANNUAL STATEMENT FOR THE YEAR 2020 OF THE BCS Insurance Company

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated By States And Territories									
States, etc.	1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		2	3						
	Active Status (a)	Direct Premiums Written	Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges Not Included in Premiums	Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
1. Alabama	AL L	21,588,621	21,598,479	0	12,411,881	13,352,736	21,828,670	0	
2. Alaska	AK L	96,628	89,666	0	17,899	(20,034)	13,862	0	
3. Arizona	AZ L	2,293,877	2,250,471	0	1,678,199	275,236	509,425	0	
4. Arkansas	AR L	2,571,786	2,510,946	0	508,946	296,652	22,538,486	0	
5. California	CA L	53,181,690	52,644,566	0	19,727,116	14,703,607	38,010,674	0	
6. Colorado	CO L	3,253,705	3,247,714	0	1,392,028	1,272,965	986,948	0	
7. Connecticut	CT L	1,235,268	1,692,184	0	1,087,590	934,473	375,814	0	
8. Delaware	DE L	894,691	752,570	0	213,859	164,868	72,181	0	
9. Dist. Columbia	DC L	464,815	370,940	0	143,068	(2,851)	66,244	0	
10. Florida	FL L	3,841,376	3,728,609	0	7,801,255	4,112,054	854,846	0	
11. Georgia	GA L	6,593,250	6,502,420	0	1,758,249	1,777,946	1,513,753	0	
12. Hawaii	HI L	153,374	139,975	0	133,898	29,761	17,944	0	
13. Idaho	ID L	686,086	628,176	0	212,184	626,445	560,885	0	
14. Illinois	IL L	13,869,915	13,201,262	0	12,924,202	13,526,225	25,257,743	0	
15. Indiana	IN L	5,499,054	5,366,943	0	15,989,605	16,522,056	22,466,929	0	
16. Iowa	IA L	1,971,360	1,763,117	0	1,495,024	1,397,477	746,065	0	
17. Kansas	KS L	1,663,543	1,654,613	0	1,297,804	1,069,546	512,895	0	
18. Kentucky	KY L	1,780,186	1,477,051	0	1,186,107	785,766	423,925	0	
19. Louisiana	LA L	15,299,660	15,191,919	0	8,897,252	7,282,889	10,671,563	0	
20. Maine	ME L	691,426	667,995	0	796,094	416,452	184,270	0	
21. Maryland	MD L	2,062,664	2,832,816	0	1,096,216	(1,981,606)	18,291,608	0	
22. Massachusetts	MA L	1,763,811	1,566,215	0	1,373,295	319,798	17,322,641	0	
23. Michigan	MI L	10,040,961	10,470,028	0	6,495,385	354,272	11,839,210	0	
24. Minnesota	MN L	4,594,640	4,445,429	0	28,952,368	(20,521)	5,693,788	0	
25. Mississippi	MS L	2,597,526	2,575,844	0	585,299	1,704,699	1,889,970	0	
26. Missouri	MO L	4,665,237	4,346,468	0	3,703,801	2,957,646	21,887,337	0	
27. Montana	MT L	184,999	173,648	0	89,423	60,195	26,432	0	
28. Nebraska	NE L	4,322,184	4,334,846	0	5,474,783	4,935,178	12,029,356	0	
29. Nevada	NV L	845,409	811,649	0	385,170	398,458	166,815	0	
30. New Hampshire	NH L	408,962	385,455	0	489,475	331,525	106,674	0	
31. New Jersey	NJ L	4,112,277	4,539,291	0	3,114,784	3,147,444	8,522,839	0	
32. New Mexico	NM L	1,814,052	1,778,895	0	1,670,784	1,255,497	158,458	0	
33. New York	NY L	27,240,308	27,154,344	0	20,118,793	17,376,812	30,540,836	0	
34. No.Carolina	NC L	6,658,587	6,601,967	0	3,724,109	3,239,941	53,617,936	0	
35. No.Dakota	ND L	81,214	85,250	0	48,919	1,105,738	1,680,954	0	
36. Ohio	OH L	6,216,271	7,045,806	0	3,747,334	3,075,103	874,638	0	
37. Oklahoma	OK L	2,910,494	2,840,894	0	1,598,133	1,395,568	1,274,838	0	
38. Oregon	OR L	1,395,367	1,368,570	0	830,557	2,268,235	1,902,039	0	
39. Pennsylvania	PA L	11,680,533	11,780,264	0	13,890,511	5,805,628	25,645,317	0	
40. Rhode Island	RI L	1,121,390	1,094,814	0	628,941	(3,888,255)	1,999,252	0	
41. So. Carolina	SC L	6,270,581	6,225,433	0	4,228,249	4,193,614	23,353,453	0	
42. So. Dakota	SD L	539,617	532,555	0	142,656	75,650	201,754	0	
43. Tennessee	TN L	7,161,449	7,107,520	0	3,043,833	5,177,127	4,063,707	0	
44. Texas	TX L	22,010,999	21,660,018	0	16,148,955	13,479,110	6,790,722	0	
45. Utah	UT L	1,634,125	1,626,066	0	866,212	853,152	347,364	0	
46. Vermont	VT L	1,567,763	1,567,977	0	2,131,916	2,124,943	9,126,380	0	
47. Virginia	VA L	5,310,898	6,058,843	0	2,357,217	(10,642,818)	1,522,313	0	
48. Washington	WA L	2,582,255	2,515,803	0	2,993,628	1,313,969	18,331,426	0	
49. West Virginia	WV L	503,762	487,697	0	416,160	362,768	57,363	0	
50. Wisconsin	WI L	2,670,455	2,538,722	0	1,715,226	1,337,227	666,587	0	
51. Wyoming	WY L	925,807	922,470	0	1,469,637	1,453,070	479,625	0	
52. American Samoa	AS N	0	0	0	0	0	0	0	
53. Guam	GU N	0	0	0	0	0	0	0	
54. Puerto Rico	PR L	656,566	656,565	0	217,891	1,220	98,659	0	
55. U.S. Virgin Islands	VI N	0	0	0	0	0	0	0	
56. Northern Mariana Islands	MP N	0	0	0	0	0	0	0	
57. Canada	CAN N	0	0	0	0	0	0	0	
58. Aggregate other alien	OT XXX	0	0	0	0	0	0	0	0
59. Totals	XXX	284,181,474	283,611,778	0	223,421,920	142,094,656	428,123,413	0	0
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Sum. of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 + 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 52 R – Registered – Non-domiciled RRGs 0
E – Eligible – Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSLI) 0 Q – Qualified – Qualified or accredited reinsurer 0
D – Domestic Surplus Lines Insurer (DSLII) – Reporting entities authorized to write surplus lines in the state of domicile 0 N – None of the above – Not allowed to write business in the state 5

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

See below footnote for allocation explanation.

For group accident and health business, BCS Insurance Company allocates premium by either the group situs state or by the insured member state depending upon the specific type of accident and health business. The group entity, usually an employer, that the policy is issued to and the insured member is the participant, usually an employee, to whom a certificate is issued to. For travel accident business, the premium is allocated by state based upon the insured state of residence. The insured is the individual that purchases the travel accident coverage through a particular entity. For professional liability business the premium is allocated by the group situs state. The group is a corporate entity that purchases the policy.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 – ORGANIZATIONAL CHART

