



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2021
OF THE CONDITION AND AFFAIRS OF THE
STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

NAIC Group Code	0175 (Current)	0175 (Prior)	NAIC Company Code	25135	Employer's ID Number	31-4316080
Organized under the Laws of	Ohio			State of Domicile or Port of Entry		OH
Country of Domicile	United States of America					
Incorporated/Organized	08/15/1921			Commenced Business		09/01/1921
Statutory Home Office	518 East Broad Street (Street and Number)			Columbus, OH, US 43215 (City or Town, State, Country and Zip Code)		
Main Administrative Office	518 East Broad Street (Street and Number)					
	Columbus, OH, US 43215 (City or Town, State, Country and Zip Code)			833-724-3577 (Area Code) (Telephone Number)		
Mail Address	518 East Broad Street (Street and Number or P.O. Box)			Columbus, OH, US 43215 (City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	518 East Broad Street (Street and Number)					
	Columbus, OH, US 43215 (City or Town, State, Country and Zip Code)			614-464-5000 (Area Code) (Telephone Number)		
Internet Website Address	www.stateauto.com					
Statutory Statement Contact	Zachary Skidmore (Name)			614-917-5995 (Area Code) (Telephone Number)		
	corporateaccounting@stateauto.com (E-mail Address)			317-715-4519 (FAX Number)		

OFFICERS

President	Michael Edward LaRocco	Treasurer	Matthew Robert Pollak
Secretary	Melissa Ann Centers		

OTHER

Jason Earl Berkey, Senior Vice President	Steven Eugene English, Senior Vice President	Kim Burton Garland, Senior Vice President
Elise deLanglade Spriggs, Senior Vice President	Paul Martin Stachura, Senior Vice President	Gregory Allan Tacchetti, Senior Vice President
Scott Alan Jones, Vice President	Matthew Stanley Mrozek, Vice President	

DIRECTORS OR TRUSTEES

Robert Ellison Baker	James Edward Kunk	Michelle Miller Lantow
Michael Edward LaRocco	Peter Browning Migliorato #	Marsha Pasquinely Ryan
James Robert Sappington	Dwight Eric Smith	Roger Philip Sugarman

State of Ohio SS
County of Franklin

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.

Michael Edward LaRocco President	Melissa Ann Centers Secretary	Matthew Robert Pollak Treasurer
Subscribed and sworn to before me this 23rd day of February 2022		a. Is this an original filing? b. If no, 1. State the amendment number..... 2. Date filed 3. Number of pages attached.....
		Yes [X] No []

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	409,348,997	0	409,348,997	437,133,657
2. Stocks (Schedule D):				
2.1 Preferred stocks	0	0	0	0
2.2 Common stocks	722,839,870	26,275,193	696,564,678	713,739,501
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	0	0	0	0
3.2 Other than first liens	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$0 encumbrances)	56,662,884	0	56,662,884	39,858,273
4.2 Properties held for the production of income (less \$0 encumbrances)	0	0	0	0
4.3 Properties held for sale (less \$0 encumbrances)	0	0	0	0
5. Cash (\$51,647,796 , Schedule E - Part 1), cash equivalents (\$15,024,325 , Schedule E - Part 2) and short-term investments (\$0 , Schedule DA)	66,672,121	0	66,672,121	69,556,905
6. Contract loans (including \$0 premium notes)	0	0	0	0
7. Derivatives (Schedule DB)	0	0	0	0
8. Other invested assets (Schedule BA)	46,745,329	0	46,745,329	55,771,213
9. Receivable for securities	3,132	0	3,132	13,000
10. Securities lending reinvested collateral assets (Schedule DL)	0	0	0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	1,302,272,334	26,275,193	1,275,997,142	1,316,072,549
13. Title plants less \$0 charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	2,019,234	0	2,019,234	2,810,387
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	168,582,618	1,318,593	167,264,024	164,670,443
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$444,346 earned but unbilled premiums)	637,951,556	44,434	637,907,122	575,455,859
15.3 Accrued retrospective premiums (\$0) and contracts subject to redetermination (\$0)	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	273,683,686	0	273,683,686	228,234,844
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	671,240	0	671,240	639,275
18.2 Net deferred tax asset	2	0	2	0
19. Guaranty funds receivable or on deposit	37,251	0	37,251	63,952
20. Electronic data processing equipment and software	64,549,734	64,356,154	193,579	412,613
21. Furniture and equipment, including health care delivery assets (\$0)	5,361,034	5,361,034	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates	109,145,950	4,262,420	104,883,530	69,444,561
24. Health care (\$0) and other amounts receivable	0	0	0	0
25. Aggregate write-ins for other than invested assets	13,147,426	6,187,252	6,960,174	3,925,339
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	2,577,422,063	107,805,080	2,469,616,983	2,361,729,822
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28. Total (Lines 26 and 27)	2,577,422,063	107,805,080	2,469,616,983	2,361,729,822
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Accounts receivable	3,614,393	234,588	3,379,805	2,730,356
2502. Equities and deposits in pools and associations	515,769	0	515,769	580,672
2503. MCCA refund receivable	2,974,000	0	2,974,000	0
2598. Summary of remaining write-ins for Line 25 from overflow page	6,043,264	5,952,664	90,600	614,311
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	13,147,426	6,187,252	6,960,174	3,925,339

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	456,773,011	433,231,345
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	314,874,018	271,166,591
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	113,645,504	113,774,699
4. Commissions payable, contingent commissions and other similar charges	16,950,009	28,763,920
5. Other expenses (excluding taxes, licenses and fees)	9,378,818	13,357,219
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	9,560,450	10,718,317
7.1 Current federal and foreign income taxes (including \$0 on realized capital gains (losses))	0	0
7.2 Net deferred tax liability	0	0
8. Borrowed money \$100,500,000 and interest thereon \$527,034	101,027,034	101,040,205
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$816,236,091 and including warranty reserves of \$0 and accrued accident and health experience rating refunds including \$0 for medical loss ratio rebate per the Public Health Service Act)	426,598,134	379,518,461
10. Advance premium	17,093,823	14,912,852
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	150,382,811	103,848,185
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)	17,205	4,634
14. Amounts withheld or retained by company for account of others	10,081,139	9,987,356
15. Remittances and items not allocated	629,722	815,065
16. Provision for reinsurance (including \$0 certified) (Schedule F, Part 3, Column 78)	552,000	0
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	6,310,608	7,436,255
19. Payable to parent, subsidiaries and affiliates	65,535,189	57,343,888
20. Derivatives	0	0
21. Payable for securities	0	0
22. Payable for securities lending	0	0
23. Liability for amounts held under uninsured plans	0	0
24. Capital notes \$0 and interest thereon \$0	0	0
25. Aggregate write-ins for liabilities	6,806,547	1,621,736
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	1,706,216,021	1,547,540,728
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	1,706,216,021	1,547,540,728
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	0	0
31. Preferred capital stock	0	0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes	0	0
34. Gross paid in and contributed surplus	0	0
35. Unassigned funds (surplus)	763,400,962	814,189,094
36. Less treasury stock, at cost:		
36.1 .....0 shares common (value included in Line 30 \$0)	0	0
36.2 .....0 shares preferred (value included in Line 31 \$0)	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	763,400,962	814,189,094
38. TOTALS (Page 2, Line 28, Col. 3)	2,469,616,983	2,361,729,822
DETAILS OF WRITE-INS		
2501. Escheated funds payable	5,536,651	3,566,831
2502. Equities and deposits in pools and associations	64,956	35,720
2503. MCCA policyholder refund payable	2,974,000	0
2598. Summary of remaining write-ins for Line 25 from overflow page	(1,769,060)	(1,980,815)
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	6,806,547	1,621,736
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	795,265,448	732,949,214
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	541,244,698	441,244,461
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	85,335,846	75,654,169
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	246,534,228	265,762,423
5. Aggregate write-ins for underwriting deductions	0	0
6. Total underwriting deductions (Lines 2 through 5)	873,114,772	782,661,053
7. Net income of protected cells	0	0
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	(77,849,325)	(49,711,839)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	19,171,926	20,798,318
10. Net realized capital gains or (losses) less capital gains tax of \$ 2,598,187 (Exhibit of Capital Gains (Losses))	15,619,797	(516,275)
11. Net investment gain (loss) (Lines 9 + 10)	34,791,723	20,282,043
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ 32,401 amount charged off \$ 2,673,308)	(2,640,907)	(4,304,159)
13. Finance and service charges not included in premiums	1,377,820	1,541,843
14. Aggregate write-ins for miscellaneous income	(4,846,879)	(3,470,953)
15. Total other income (Lines 12 through 14)	(6,109,966)	(6,233,269)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(49,167,568)	(35,663,065)
17. Dividends to policyholders	43,607	64,499
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)	(49,211,175)	(35,727,564)
19. Federal and foreign income taxes incurred	(3,308,952)	629,095
20. Net income (Line 18 minus Line 19)(to Line 22)	(45,902,223)	(36,356,659)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	814,189,094	853,640,687
22. Net income (from Line 20)	(45,902,223)	(36,356,659)
23. Net transfers (to) from Protected Cell accounts	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 709,124	2,151,065	(738,308)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0
26. Change in net deferred income tax	709,123	345,036
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	(8,032,553)	(1,120,938)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	(552,000)	10,000
29. Change in surplus notes	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0
31. Cumulative effect of changes in accounting principles	0	0
32. Capital changes:		
32.1 Paid in	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0
32.3 Transferred to surplus	0	0
33. Surplus adjustments:		
33.1 Paid in	0	0
33.2 Transferred to capital (Stock Dividend)	0	0
33.3 Transferred from capital	0	0
34. Net remittances from or (to) Home Office	0	0
35. Dividends to stockholders	0	0
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	838,457	(1,590,724)
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	(50,788,132)	(39,451,593)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	763,400,962	814,189,094
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above)	0	0
1401. Miscellaneous income (expense)	(3,864,964)	84,924
1402. Gain (loss) on sale of fixed assets	(967,852)	(3,536,164)
1403. Governmental fines and penalties	(14,063)	(19,713)
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	(4,846,879)	(3,470,953)
3701. Prior year correction	838,457	(1,590,724)
3702.	0	0
3703.	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above)	838,457	(1,590,724)

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	826,588,325	765,256,207
2. Net investment income	23,450,939	23,726,017
3. Miscellaneous income	(6,109,966)	(6,233,269)
4. Total (Lines 1 through 3)	843,929,297	782,748,955
5. Benefit and loss related payments	519,167,206	447,346,988
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	349,072,444	345,519,003
8. Dividends paid to policyholders	43,607	227,727
9. Federal and foreign income taxes paid (recovered) net of \$2,598,187 tax on capital gains (losses)	(678,797)	(686,780)
10. Total (Lines 5 through 9)	867,604,460	792,406,938
11. Net cash from operations (Line 4 minus Line 10)	(23,675,163)	(9,657,983)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	165,228,863	185,481,628
12.2 Stocks	32,381,165	58,838,553
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	19,669,287	11,058,814
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	9,868	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	217,289,182	255,378,995
13. Cost of investments acquired (long-term only):		
13.1 Bonds	137,094,850	169,128,504
13.2 Stocks	15,726,760	12,894,728
13.3 Mortgage loans	0	0
13.4 Real estate	19,730,875	19,520,573
13.5 Other invested assets	5,155,569	1,123,364
13.6 Miscellaneous applications	0	13,000
13.7 Total investments acquired (Lines 13.1 to 13.6)	177,708,054	202,680,169
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)	39,581,128	52,698,826
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	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	(18,790,750)	(20,824,912)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(18,790,750)	(20,824,912)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(2,884,784)	22,215,931
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	69,556,905	47,340,974
19.2 End of period (Line 18 plus Line 19.1)	66,672,121	69,556,905

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

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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	36,264,987	16,388,106	19,334,335	33,318,758
2.	Allied lines	58,962,972	25,933,235	33,677,384	51,218,823
3.	Farmowners multiple peril	34,823,186	14,092,759	17,835,851	31,080,094
4.	Homeowners multiple peril	233,831,504	114,959,699	132,051,005	216,740,198
5.	Commercial multiple peril	71,807,225	33,787,924	37,191,043	68,404,107
6.	Mortgage guaranty	0	0	0	0
8.	Ocean marine	16,771	7,200	9,342	14,629
9.	Inland marine	7,608,322	3,558,867	3,797,984	7,369,205
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	2,464,645	1,507,094	1,428,614	2,543,125
13.	Group accident and health	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0
15.	Other accident and health	326	349	258	417
16.	Workers' compensation	35,254,610	14,872,752	17,377,972	32,749,390
17.1	Other liability - occurrence	44,755,064	20,202,072	23,142,194	41,814,943
17.2	Other liability - claims-made	(179,666)	(65,949)	(50,812)	(194,803)
17.3	Excess workers' compensation	0	0	0	0
18.1	Products liability - occurrence	5,669,942	2,722,925	2,453,734	5,939,132
18.2	Products liability - claims-made	0	0	0	0
19.1, 19.2	Private passenger auto liability	99,962,709	46,366,268	41,268,595	105,060,382
19.3, 19.4	Commercial auto liability	85,383,363	31,979,178	41,934,156	75,428,385
21.	Auto physical damage	124,698,692	52,495,842	54,280,436	122,914,098
22.	Aircraft (all perils)	0	0	0	0
23.	Fidelity	526,941	308,084	264,531	570,494
24.	Surety	16,224	11,801	10,261	17,764
26.	Burglary and theft	114,701	36,397	61,077	90,021
27.	Boiler and machinery	179,286	92,829	85,830	186,285
28.	Credit	0	0	0	0
29.	International	0	0	0	0
30.	Warranty	0	0	0	0
31.	Reinsurance - nonproportional assumed property	0	0	0	0
32.	Reinsurance - nonproportional assumed liability	0	0	0	0
33.	Reinsurance - nonproportional assumed financial lines	0	0	0	0
34.	Aggregate write-ins for other lines of business	0	0	0	0
35.	TOTALS	842,161,805	379,257,432	426,153,789	795,265,448
DETAILS OF WRITE-INS					
3401.	.....			
3402.	.....			
3403.	.....			
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

		1	2	3	4	5
Line of Business		Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire	19,331,797	2,538	0	0	19,334,335
2.	Allied lines	33,673,126	4,258	0	0	33,677,384
3.	Farmowners multiple peril	17,835,851	0	0	0	17,835,851
4.	Homeowners multiple peril	132,051,005	0	0	0	132,051,005
5.	Commercial multiple peril	37,203,826	0	(12,783)	0	37,191,043
6.	Mortgage guaranty	0	0	0	0	0
8.	Ocean marine	9,342	0	0	0	9,342
9.	Inland marine	3,735,011	62,973	0	0	3,797,984
10.	Financial guaranty	0	0	0	0	0
11.1	Medical professional liability - occurrence	0	0	0	0	0
11.2	Medical professional liability - claims-made	0	0	0	0	0
12.	Earthquake	1,428,614	0	0	0	1,428,614
13.	Group accident and health	0	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0	0
15.	Other accident and health	258	0	0	0	258
16.	Workers' compensation	17,698,481	0	(320,509)	0	17,377,972
17.1	Other liability - occurrence	23,137,665	5,589	(1,060)	0	23,142,194
17.2	Other liability - claims-made	(50,919)	107	0	0	(50,812)
17.3	Excess workers' compensation	0	0	0	0	0
18.1	Products liability - occurrence	2,563,727	0	(109,993)	0	2,453,734
18.2	Products liability - claims-made	0	0	0	0	0
19.1, 19.2	Private passenger auto liability	41,268,595	0	0	0	41,268,595
19.3, 19.4	Commercial auto liability	41,934,150	6	0	0	41,934,156
21.	Auto physical damage	54,280,436	0	0	0	54,280,436
22.	Aircraft (all perils)	0	0	0	0	0
23.	Fidelity	243,327	21,204	0	0	264,531
24.	Surety	8,027	2,234	0	0	10,261
26.	Burglary and theft	60,642	435	0	0	61,077
27.	Boiler and machinery	85,755	75	0	0	85,830
28.	Credit	0	0	0	0	0
29.	International	0	0	0	0	0
30.	Warranty	0	0	0	0	0
31.	Reinsurance - nonproportional assumed property	0	0	0	0	0
32.	Reinsurance - nonproportional assumed liability	0	0	0	0	0
33.	Reinsurance - nonproportional assumed financial lines	0	0	0	0	0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0
35.	TOTALS	426,498,716	99,419	(444,346)	0	426,153,789
36.	Accrued retrospective premiums based on experience					0
37.	Earned but unbilled premiums					444,346
38.	Balance (Sum of Line 35 through 37)					426,598,135
DETAILS OF WRITE-INS						
3401.	.....				
3402.	.....				
3403.	.....				
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN						
Line of Business	1	Reinsurance Assumed		Reinsurance Ceded		6
	Direct Business (a)	2	3	4	5	Net Premiums Written Cols. 1+2+3-4-5
1. Fire	35,286,850	71,216,280	37,282	68,850,917	1,424,508	36,264,987
2. Allied lines	42,687,008	134,374,346	84,426	111,944,193	6,238,615	58,962,972
3. Farmowners multiple peril	99,800,739	2,856,453	.0	66,113,585	1,720,421	34,823,186
4. Homeowners multiple peril	74,929,264	604,733,649	344,014	443,940,970	2,234,452	233,831,504
5. Commercial multiple peril	113,152,495	100,777,110	.0	136,329,660	5,792,720	71,807,225
6. Mortgage guaranty	0	0	.0	.0	0	0
8. Ocean marine	1,917	46,696	.0	31,841	0	16,771
9. Inland marine	7,814,683	14,276,210	.0	14,444,785	37,785	7,608,322
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	2,363,238	5,007,969	.0	4,679,253	227,310	2,464,645
13. Group accident and health	0	0	.0	.0	0	0
14. Credit accident and health (group and individual)	0	0	.0	.0	0	0
15. Other accident and health	1,401	0	.0	620	455	326
16. Workers' compensation	19,982,076	82,156,583	465,208	66,932,665	416,593	35,254,610
17.1 Other liability - occurrence	64,635,483	69,394,382	341	84,969,760	4,305,383	44,755,064
17.2 Other liability - claims-made	1,383,325	(453,600)	.0	(341,106)	1,450,498	(179,666)
17.3 Excess workers' compensation	0	0	.0	.0	0	0
18.1 Products liability - occurrence	5,425,871	11,078,202	.0	10,764,672	69,459	5,669,942
18.2 Products liability - claims-made	0	0	.0	.0	0	0
19.1, 19.2 Private passenger auto liability	29,764,641	259,949,403	.0	189,784,275	(32,940)	99,962,709
19.3, 19.4 Commercial auto liability	178,300,193	69,280,594	610,714	162,104,645	703,492	85,383,363
21. Auto physical damage	96,622,659	264,824,906	4,695	236,746,792	6,777	124,698,692
22. Aircraft (all perils)	0	0	.0	.0	0	0
23. Fidelity	528,642	998,724	.0	1,000,425	0	526,941
24. Surety	61,421	0	.0	30,803	14,394	16,224
26. Burglary and theft	222,816	111,195	69	217,765	1,614	114,701
27. Boiler and machinery	2,971,134	13,997	.0	340,384	2,465,461	179,286
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
32. Reinsurance - nonproportional assumed liability	XXX	0	.0	.0	0	0
33. Reinsurance - nonproportional assumed financial lines	XXX	0	.0	.0	0	0
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0
35. TOTALS	775,935,857	1,690,643,100	1,546,749	1,598,886,905	27,076,996	842,161,805
DETAILS OF WRITE-INS						
3401.						
3402.						
3403.						
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	.0	.0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0	0	0	0	0

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

		Losses Paid Less Salvage				5	6	7	8
		1	2	3	4				
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Recovered	Net Payments (Cols. 1 + 2 -3)	Net Losses Unpaid Current Year (Part 2A , Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire	21,130,155	46,231,955	44,329,257	23,032,854	13,146,098	14,615,908	21,563,044	64.7
2.	Allied lines	24,125,478	102,927,599	84,470,533	42,582,544	17,524,814	18,464,498	41,642,860	81.3
3.	Farmowners multiple peril	41,048,959	564,719	27,615,295	13,998,383	13,605,274	5,155,264	22,448,394	72.2
4.	Homeowners multiple peril	38,081,197	442,557,004	314,895,666	165,742,535	55,283,098	40,056,999	180,968,634	83.5
5.	Commercial multiple peril	62,780,045	55,621,315	78,704,985	39,696,375	40,685,790	39,958,412	40,423,753	59.1
6.	Mortgage guaranty	0	0	0	0	0	0	0	0.0
8.	Ocean marine	0	120,231	78,751	41,480	26,279	11	67,748	463.1
9.	Inland marine	1,541,561	3,079,617	3,032,183	1,588,995	1,177,398	443,020	2,323,374	31.5
10.	Financial guaranty	0	0	0	0	0	0	0	0.0
11.1	Medical professional liability - occurrence	0	0	0	0	4,910	5,782	(872)	0.0
11.2	Medical professional liability - claims-made	0	3,238,908	2,121,485	1,117,423	2,597,551	3,652,306	62,668	0.0
12.	Earthquake	5,605	0	3,671	1,934	102,838	17,250	87,522	3.4
13.	Group accident and health	0	0	0	0	0	0	0	0.0
14.	Credit accident and health (group and individual)	0	0	0	0	0	0	0	0.0
15.	Other accident and health	10,098	0	7,715	2,382	2,065	4,433	15	3.5
16.	Workers' compensation	7,292,813	52,111,788	39,429,156	19,975,445	62,337,995	77,621,565	4,691,875	14.3
17.1	Other liability - occurrence	20,455,413	49,403,158	45,524,895	24,333,676	80,811,812	94,330,282	10,815,206	25.9
17.2	Other liability - claims-made	10,021	1,728,895	1,147,857	591,060	1,172,935	1,447,398	316,596	(162.5)
17.3	Excess workers' compensation	0	0	0	0	0	0	0	0.0
18.1	Products liability - occurrence	677,203	2,044,636	1,782,805	939,034	3,963,554	4,994,694	(92,105)	(1.6)
18.2	Products liability - claims-made	0	0	0	0	0	0	0	0.0
19.1, 19.2	Private passenger auto liability	20,751,716	187,944,369	137,503,634	71,192,451	83,649,217	74,141,016	80,700,652	76.8
19.3, 19.4	Commercial auto liability	50,083,367	52,116,764	66,962,450	35,237,681	74,180,274	53,519,255	55,898,700	74.1
21.	Auto physical damage	53,318,209	172,001,066	147,590,967	77,728,309	5,515,601	3,856,778	79,387,132	64.6
22.	Aircraft (all perils)	0	0	0	0	0	0	0	0.0
23.	Fidelity	50,205	(2,018)	31,562	16,624	14,435	97,808	(66,748)	(11.7)
24.	Surety	(460,550)	0	(309,262)	(151,288)	240,263	237,667	(148,692)	(837.0)
26.	Burglary and theft	27,500	15,948	28,458	14,989	15,693	2,540	28,143	31.3
27.	Boiler and machinery	766,999	0	766,999	0	137,273	206,987	(69,714)	(37.4)
28.	Credit	0	0	0	0	0	0	0	0.0
29.	International	0	0	0	0	0	0	0	0.0
30.	Warranty	0	0	0	0	0	0	0	0.0
31.	Reinsurance - nonproportional assumed property	XXX	0	0	0	0	0	0	0.0
32.	Reinsurance - nonproportional assumed liability	XXX	58,392	38,247	20,145	577,840	401,471	196,514	0.0
33.	Reinsurance - nonproportional assumed financial lines	XXX	0	0	0	0	0	0	0.0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0.0
35.	TOTALS	341,695,993	1,171,764,346	995,757,307	517,703,032	456,773,010	433,231,344	541,244,697	68.1
DETAILS OF WRITE-INS									
3401.	.....							
3402.	.....							
3403.	.....							
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0.0
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0	0	0	0	0	0	0.0

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

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	11,195,026	22,399,578	22,004,480	11,590,125	1,500,955	3,019,471	2,964,452	13,146,098	2,479,118
2.	Allied lines	5,815,078	28,581,977	26,014,947	8,382,108	5,757,497	22,449,433	19,064,224	17,524,814	2,796,311
3.	Farmowners multiple peril	16,738,208	244,046	11,125,013	5,857,242	22,502,720	75,600	14,830,288	13,605,274	1,239,662
4.	Homeowners multiple peril	8,209,353	65,864,611	48,761,376	25,312,587	8,902,490	78,080,698	57,012,678	55,283,098	9,608,760
5.	Commercial multiple peril	33,260,120	41,945,198	49,965,854	25,239,465	22,486,923	22,767,938	29,808,536	40,685,790	16,565,574
6.	Mortgage guaranty	0	0	0	0	0	0	0	0	0
8.	Ocean marine	0	40,000	26,200	13,800	2	36,169	23,692	26,279	2,937
9.	Inland marine	133,779	1,015,984	753,095	396,668	126,832	2,136,153	1,482,255	1,177,398	129,767
10.	Financial guaranty	0	0	0	0	0	0	0	0	0
11.1	Medical professional liability - occurrence	0	0	0	0	0	14,233	9,323	4,910	3,225
11.2	Medical professional liability - claims-made	0	5,684,949	3,723,642	1,961,307	0	1,844,183	1,207,940	2,597,551	859,131
12.	Earthquake	0	50,001	32,751	17,250	51,569	196,512	162,493	102,838	29,206
13.	Group accident and health	0	0	0	0	0	0	0	(a) 0	0
14.	Credit accident and health (group and individual)	0	0	0	0	0	0	0	0	0
15.	Other accident and health	5,986	0	3,921	2,065	0	0	0	(a) 2,065	0
16.	Workers' compensation	32,319,493	79,655,281	78,456,802	33,517,972	15,205,177	68,635,658	55,020,812	62,337,995	14,434,833
17.1	Other liability - occurrence	43,681,133	82,268,493	84,796,421	41,153,205	34,446,282	81,344,218	76,131,892	80,811,812	29,094,454
17.2	Other liability - claims-made	110,691	1,986,924	1,475,951	621,664	0	1,598,000	1,046,729	1,172,935	537,296
17.3	Excess workers' compensation	0	0	0	0	0	0	0	0	0
18.1	Products liability - occurrence	1,877,424	3,052,163	3,224,068	1,705,519	2,913,304	3,631,726	4,286,995	3,963,554	2,068,725
18.2	Products liability - claims-made	0	0	0	0	0	0	0	0	0
19.1, 19.2	Private passenger auto liability	55,254,543	143,035,583	143,005,058	55,285,068	9,142,375	73,072,549	53,850,775	83,649,217	17,034,525
19.3, 19.4	Commercial auto liability	89,905,455	65,991,916	103,498,507	52,398,864	36,021,052	27,628,178	41,867,821	74,180,274	13,414,228
21.	Auto physical damage	6,931,575	14,913,681	14,308,643	7,536,613	26,196	(5,882,716)	(3,835,508)	5,515,601	3,156,623
22.	Aircraft (all perils)	0	0	0	0	0	0	0	0	0
23.	Fidelity	0	0	0	0	6,527	35,319	27,411	14,435	13,935
24.	Surety	615,867	0	403,393	212,474	80,547	0	52,758	240,263	97,820
26.	Burglary and theft	0	9,494	6,185	3,309	647	35,251	23,514	15,693	13,362
27.	Boiler and machinery	10,000	0	10,000	0	119,735	278,163	260,624	137,273	66,013
28.	Credit	0	0	0	0	0	0	0	0	0
29.	International	0	0	0	0	0	0	0	0	0
30.	Warranty	0	0	0	0	0	0	0	0	0
31.	Reinsurance - nonproportional assumed property	XXX	0	0	0	XXX	0	0	0	0
32.	Reinsurance - nonproportional assumed liability	XXX	588,450	385,435	203,015	XXX	1,086,448	711,624	577,840	0
33.	Reinsurance - nonproportional assumed financial lines	XXX	0	0	0	XXX	0	0	0	0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0
35.	TOTALS	306,063,731	557,328,331	591,981,741	271,410,320	159,290,829	382,083,186	356,011,326	456,773,010	113,645,504
DETAILS OF WRITE-INS										
3401.	.....								
3402.	.....								
3403.	.....								
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0	0	0	0	0	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct	51,084,644	0	0	51,084,644
1.2 Reinsurance assumed	81,511,984	0	0	81,511,984
1.3 Reinsurance ceded	89,221,918	0	0	89,221,918
1.4 Net claim adjustment service (1.1 + 1.2 - 1.3)	43,374,710	0	0	43,374,710
2. Commission and brokerage:				
2.1 Direct excluding contingent	0	111,523,252	0	111,523,252
2.2 Reinsurance assumed, excluding contingent	0	225,863,221	0	225,863,221
2.3 Reinsurance ceded, excluding contingent	0	222,805,500	0	222,805,500
2.4 Contingent - direct	0	8,551,494	0	8,551,494
2.5 Contingent - reinsurance assumed	0	8,458,749	0	8,458,749
2.6 Contingent - reinsurance ceded	0	11,001,939	0	11,001,939
2.7 Policy and membership fees	0	0	0	0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	120,589,277	0	120,589,277
3. Allowances to managers and agents	0	1,659,249	0	1,659,249
4. Advertising	5,104	207,378	0	212,482
5. Boards, bureaus and associations	431,884	2,652,739	0	3,084,622
6. Surveys and underwriting reports	0	12,032,586	0	12,032,586
7. Audit of assureds' records	0	310,834	0	310,834
8. Salary and related items:				
8.1 Salaries	22,307,467	36,275,741	(9,813)	58,573,395
8.2 Payroll taxes	1,777,942	2,833,305	3,739	4,614,987
9. Employee relations and welfare	4,978,509	6,914,777	10,804	11,904,090
10. Insurance	319,752	468,034	679	788,465
11. Directors' fees	0	2,379,594	0	2,379,594
12. Travel and travel items	574,105	643,933	468	1,218,506
13. Rent and rent items	1,068,961	1,886,814	3,770	2,959,545
14. Equipment	224,927	413,981	855	639,762
15. Cost or depreciation of EDP equipment and software	6,349,416	19,284,900	19,105	25,653,420
16. Printing and stationery	24,518	131,800	273	156,591
17. Postage, telephone and telegraph, exchange and express	891,313	4,836,345	2,793	5,730,450
18. Legal and auditing	127,597	936,791	1,755,108	2,819,496
19. Totals (Lines 3 to 18)	39,081,495	93,868,800	1,787,781	134,738,076
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$12,213	0	19,291,401	0	19,291,401
20.2 Insurance department licenses and fees	0	1,536,484	0	1,536,484
20.3 Gross guaranty association assessments	0	(78,002)	0	(78,002)
20.4 All other (excluding federal and foreign income and real estate)	0	28,267	0	28,267
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	0	20,778,150	0	20,778,150
21. Real estate expenses	0	0	2,858,328	2,858,328
22. Real estate taxes	0	0	414,604	414,604
23. Reimbursements by uninsured plans	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses	2,879,642	11,298,001	25,093	14,202,736
25. Total expenses incurred	85,335,846	246,534,228	5,085,806 (a)	336,955,880
26. Less unpaid expenses - current year	113,645,504	33,304,689	681,666	147,631,859
27. Add unpaid expenses - prior year	113,774,699	46,827,760	734,782	161,337,241
28. Amounts receivable relating to uninsured plans, prior year	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year	0	0	0	0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	85,465,041	260,057,299	5,138,922	350,661,262
DETAILS OF WRITE-INS				
2401. Professional Consultants	2,864,930	11,010,918	9,667	13,885,515
2402. Miscellaneous	14,712	287,083	15,426	317,221
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)	2,879,642	11,298,001	25,093	14,202,736

(a) Includes management fees of \$1,277,107 to affiliates and \$365,455 to non-affiliates.

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) .....2,045,058	.....1,963,083
1.1	Bonds exempt from U.S. tax	(a) .....1,394,532	.....1,038,305
1.2	Other bonds (unaffiliated)	(a) .....8,618,138	.....8,265,112
1.3	Bonds of affiliates	(a) .....0	.....0
2.1	Preferred stocks (unaffiliated)	(b) .....0	.....0
2.11	Preferred stocks of affiliates	(b) .....0	.....0
2.2	Common stocks (unaffiliated) .....	.....1,087,670	.....1,091,700
2.21	Common stocks of affiliates .....	.....10,378,869	.....10,378,869
3.	Mortgage loans	(c) .....0	.....0
4.	Real estate	(d) .....5,213,894	.....5,213,894
5	Contract loans .....	.....0	.....0
6	Cash, cash equivalents and short-term investments	(e) .....21,338	.....21,339
7	Derivative instruments	(f) .....0	.....0
8.	Other invested assets .....	.....1,791,247	.....1,791,247
9.	Aggregate write-ins for investment income .....	.....15,836	.....15,836
10.	Total gross investment income	30,566,583	29,779,384
11.	Investment expenses		(g) .....5,085,806
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) .....0
13.	Interest expense		(h) .....3,580,695
14.	Depreciation on real estate and other invested assets		(i) .....1,940,957
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total deductions (Lines 11 through 15) .....		.....10,607,458
17.	Net investment income (Line 10 minus Line 16)		19,171,926
DETAILS OF WRITE-INS			
0901.	Miscellaneous Income .....	.....15,836	.....15,836
0902.	.....	
0903.	.....	
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	15,836	15,836
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$1,022,057 accrual of discount less \$2,623,246 amortization of premium and less \$490,621 paid for accrued interest on purchases.
- (b) Includes \$0 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued dividends on purchases.
- (c) Includes \$0 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued interest on purchases.
- (d) Includes \$0 for company's occupancy of its own buildings; and excludes \$0 interest on encumbrances.
- (e) Includes \$21,335 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued interest on purchases.
- (f) Includes \$0 accrual of discount less \$0 amortization of premium.
- (g) Includes \$0 investment expenses and \$0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$0 interest on surplus notes and \$0 interest on capital notes.
- (i) Includes \$1,940,957 depreciation on real estate and \$0 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	(28,093)	0	(28,093)	1,369,832	0
1.1	Bonds exempt from U.S. tax	0	0	0	0	0
1.2	Other bonds (unaffiliated)	608,805	0	608,805	0	0
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)	11,320,891	0	11,320,891	3,757,516	0
2.21	Common stocks of affiliates	63,260	0	63,260	(516,592)	0
3.	Mortgage loans	0	0	0	0	0
4.	Real estate	(985,307)	0	(985,307)	0	0
5.	Contract loans	0	0	0	0	0
6.	Cash, cash equivalents and short-term investments	0	0	0	0	0
7.	Derivative instruments	0	0	0	0	0
8.	Other invested assets	7,238,428	0	7,238,428	(1,750,594)	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	18,217,984	0	18,217,984	2,860,162	0
DETAILS OF WRITE-INS						
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

EXHIBIT OF NON-ADMITTED 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	26,275,193	11,129,699	(15,145,494)
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)	26,275,193	11,129,699	(15,145,494)
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	1,318,593	1,926,256	607,663
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	44,434	9,222	(35,212)
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	64,356,154	74,015,752	9,659,598
21. Furniture and equipment, including health care delivery assets	5,361,034	5,881,345	520,311
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	4,262,420	0	(4,262,420)
24. Health care and other amounts receivable	0	0	0
25. Aggregate write-ins for other than invested assets	6,187,252	6,810,251	622,999
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	107,805,080	99,772,525	(8,032,555)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
28. Total (Lines 26 and 27)	107,805,080	99,772,525	(8,032,555)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501. Accounts receivable	234,588	198,446	(36,142)
2502. Prepaid expenses	5,950,978	6,540,845	589,867
2503. Advances	1,686	2,603	917
2598. Summary of remaining write-ins for Line 25 from overflow page	0	68,357	68,357
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	6,187,252	6,810,251	622,999

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

A. Accounting Practices:

The accompanying financial statements of State Automobile Mutual Insurance Company (the "Company" or "State Auto Mutual") are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance, which has adopted the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual (NAIC SAP).

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

	SSAP #	F/S Page	F/S Line #	Amount (\$)	
				2021	2020
NET INCOME					
(1) State Auto Mutual state basis (Page 4, Line 20, Columns 1 & 2)				(45,902,223)	(36,356,659)
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:				—	—
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP:				—	—
(4) NAIC SAP (1 - 2 - 3 = 4)				(45,902,223)	(36,356,659)
SURPLUS					
(5) State Auto Mutual state basis (Page 3, Line 37, Columns 1 & 2)				763,400,962	814,189,094
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:				—	—
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP:				—	—
(8) NAIC SAP (5 - 6 - 7 = 8)				763,400,962	814,189,094

The Company is a member of the State Auto Holding Company System ("State Auto Group") that is defined at Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group. See Schedule Y Part 1 - Organizational Chart. The following member companies of the State Auto Group referred to throughout these notes are defined as follows: State Automobile Mutual Insurance Company ("State Auto Mutual"), State Auto Insurance Company of Wisconsin ("SA Wisconsin"), State Auto Financial Corporation ("State Auto Financial"), State Auto Property & Casualty Insurance Company ("State Auto P&C"), Stateco Financial Services, Inc. ("Stateco"), Milbank Insurance Company ("Milbank"), State Auto Insurance Company of Ohio ("SA Ohio"), Meridian Security Insurance Company ("Meridian Security"), Patrons Mutual Insurance Company of Connecticut ("Patrons Mutual"), Rockhill Holding Company ("RHC"), Rockhill Insurance Company ("Rockhill"), Plaza Insurance Company ("Plaza"), American Compensation Insurance Company ("American Compensation"), Bloomington Compensation Insurance Company ("Bloomington Compensation"), Rockhill Underwriting Management, LLC ("RUM"), Network E&S Insurance Brokers, LLC ("Network"), Facilitators, Inc. ("Facilitators"), and State Auto Labs Corp. ("SA Labs").

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

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

C. Accounting Policy:

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business and are based on reports received from ceding companies for reinsurance assumed.

Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

Real estate investments are classified in the balance sheet as properties occupied by the company and carried at depreciated cost.

In addition, the Company uses the following accounting policies:

- Short-term investments: Not applicable.
- Bonds not backed by other loans are stated at amortized cost using the scientific interest method.
- 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 securities are valued at amortized cost using the scientific interest method. The retrospective adjustment method is used to determine the fair value of all loan-backed securities.
- Investments in subsidiaries and affiliated companies: Insurance subsidiary SA Wisconsin is stated at statutory equity value. Holding company subsidiaries, State Auto Holdings, stated at unaudited GAAP equity value, and RHC, stated at audited U.S. GAAP equity value, are admitted to the extent allowed by SSAP No. 97 - *Investments in Subsidiary, Controlled and Affiliated Entities, A Replacement of SSAP No.88*. A 58.0% publicly owned holding company subsidiary, State Auto Financial, is stated at audited U.S. GAAP equity value. Noninsurance subsidiaries, Facilitators and Network, are stated at unaudited GAAP equity value and admitted to the extent allowed by SSAP No. 97. At both December 31, 2021 and 2020, there was no unamortized goodwill.
- The Company has minor ownership interests in partnerships and a trust. The Company carries these interests at the underlying equity of the investee, and for affiliated interests, to the extent allowed by SSAP No. 97 - *Investments in Subsidiary, Controlled and Affiliated Entities, A Replacement of SSAP No.88*.
- Derivatives: Not applicable.
- The Company anticipates investment income as a factor in the premium deficiency calculation, except accident and health business, in accordance with SSAP No. 53 - *Property-Casualty Contracts - Premiums*.
- Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates, and, while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed, and any adjustments are reflected in the period determined.
- The Company has not materially modified its capitalization policy from the prior period.
- Pharmaceutical rebate receivables: Not applicable.

D. Going Concern:

Management continuously monitors the Company's financial results and compliance with regulatory requirements. There are currently no circumstances that could call into question the Company's ability to continue as a going concern.

2. Accounting Changes and Corrections of Errors: Not applicable.

3. Business Combinations and Goodwill: Not applicable.

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

4. Discontinued Operations: Not applicable.

5. Investments:

- A. Mortgage Loans: Not applicable.
- B. Debt Restructuring: Not applicable.
- C. Reverse Mortgages: Not applicable.
- D. Loan-Backed Securities:

1. Prepayment assumptions for mortgage-backed securities, asset-backed securities and collateralized mortgage obligations were generated using a purchased prepayment model. The prepayment model uses a number of factors to estimate prepayment activity including the time of year (seasonality), current levels of interest rates (refinancing incentive), economic activity (including housing turnover) and term and age of the underlying collateral (burnout, seasoning).

2. The Company has not recognized any other than temporary impairments on its loan-backed securities.

3. The Company has not recognized any other than temporary impairments on its loan-backed securities.

4. The Company has loan-backed securities in which the fair value is less than cost or amortized cost for which an other than temporary impairment has not been recognized.

	Amount (\$)
a. The aggregate amount of unrealized losses	
1. Less than 12 Months	(2,106,500)
2. 12 Months or Longer	(1,125,212)
b. The aggregate related fair value of securities with unrealized losses	
1. Less than 12 Months	80,490,005
2. 12 Months or Longer	24,501,551

5. The Company regularly reviews its investment portfolio for factors that may indicate that a decline in fair value of an investment is other than temporary. The Company considers various factors, such as the duration and extent the security has been below cost, underlying credit rating of the issuer, receipt of scheduled principal and interest cash flows, and the Company's ability and intent to hold the security until recovery.
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions: Not applicable.
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing: Not applicable.
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing: Not applicable.
- H. Repurchase Agreements Transactions Accounted for as a Sale: Not applicable.
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale: Not applicable.
- J. Real Estate: Not applicable.
- K. Low-Income Housing Tax Credits (LIHTC): Not applicable.

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

5. Investments (continued):

L. Restricted Assets:

1. Restricted assets (including pledged) summarized by restricted asset category:

	Amount (\$)									Percentage (%)	
	Gross (Admitted & Nonadmitted) Restricted							8	9		
	Current Year					6	7				
	1	2	3	4	5						
	Total General Account (G/A)	G/A Supporting S/A Restricted Assets (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	6,600,700	—	—	—	6,600,700	8,282,700	(1,682,000)	—	6,600,700	0.26 %	0.27 %
j. On deposit with state	6,629,012	—	—	—	6,629,012	6,376,386	252,626	—	6,629,012	0.26 %	0.27 %
k. On deposit with other regulatory bodies	—	—	—	—	—	—	—	—	—	—	—
l. Pledged as collateral to FHLB (including assets backing funding agreements)	55,994,404	—	—	—	55,994,404	32,668,855	23,325,549	—	55,994,404	2.17 %	2.27 %
m. Pledged as collateral not captured in other categories	23,468,514	—	—	—	23,468,514	39,975,207	(16,506,693)	—	23,468,514	0.91 %	0.95 %
n. Other restricted assets	—	—	—	—	—	—	—	—	—	—	—
o. Total restricted assets	92,692,630	—	—	—	92,692,630	87,303,148	5,389,482	—	92,692,630	3.60 %	3.76 %

2. Detail of assets pledged as collateral not captured in other categories (reported on line m above):

	Amount (\$)								Percentage (%)	
	Gross (Admitted & Nonadmitted) Restricted							8		
	Current Year					6	7			
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting S/A Restricted Assets (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 Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets
Reinsurance	23,468,514	—	—	—	23,468,514	39,975,207	(16,506,693)	23,468,514	0.91 %	0.95 %
Total (c)	23,468,514	—	—	—	23,468,514	39,975,207	(16,506,693)	23,468,514	0.91 %	0.95 %

3. Detail of other restricted assets: Not applicable.
4. Collateral received and reflected as assets: Not applicable.

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

5. Investments (continued):

- M. Working Capital Finance Investments: Not applicable.
- N. Offsetting and Netting of Assets and Liabilities: Not applicable.
- O. 5GI Securities: Not applicable.
- P. Short Sales: Not applicable.
- Q. Prepayment Penalty and Acceleration Fees: Not applicable.

	General Account	Protected Cell
(1) Number Of CUSIPs	2	—
(2) Aggregate Amount of Investment Income	562,555	—

6. Joint Ventures, Partnerships and Limited Liability Companies:

- A. The Company has no investments in Joint Ventures, Partnerships and Limited Liability Companies that exceed 10% of its Admitted Assets.
- B. Impairments: Not applicable.

7. Investment Income:

- A. Accrued Investment Income:

The Company nonadmits investment income due and accrued if amounts are over 90 days past due.
- B. Amounts Nonadmitted: Not applicable.

8. Derivative Instruments: Not applicable.

9. Income Taxes:

- A. The components of the net deferred tax asset/(liability) at December 31, 2021 and 2020 are as follows:

1.	Amount (\$)								
	2021			2020			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
a. Gross deferred tax assets	90,537,438	6,233,889	96,771,327	80,198,802	5,905,426	86,104,228	10,338,636	328,463	10,667,099
b. Statutory valuation allowance adjustment	74,317,769	6,233,889	80,551,658	66,374,814	5,905,426	72,280,240	7,942,955	328,463	8,271,418
c. Adjusted gross deferred tax assets	16,219,668	—	16,219,668	13,823,988	—	13,823,988	2,395,680	—	2,395,680
d. Deferred tax assets nonadmitted	—	—	—	—	—	—	—	—	—
e. Subtotal net admitted deferred tax asset	16,219,668	—	16,219,668	13,823,988	—	13,823,988	2,395,680	—	2,395,680
f. Deferred tax liabilities	5,111,381	11,108,287	16,219,668	3,424,825	10,399,163	13,823,988	1,686,556	709,124	2,395,680
g. Net admitted deferred tax assets/(liability)	11,108,287	(11,108,287)	—	10,399,163	(10,399,163)	—	709,124	(709,124)	—

2.	Amount (\$)								
	2021			2020			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission calculation components SSAP No. 101									
a. Recovered through loss carrybacks	—	—	—	—	—	—	—	—	—
b. The lesser of 2(b)1 and 2(b)2 below:	—	—	—	—	—	—	—	—	—
1. Adjusted gross DTA's expected to be realized within one or three years	—	—	—	—	—	—	—	—	—
2. Adjusted DTA's allowed per limitation threshold	NA	NA	113,627,123	NA	NA	126,168,460	NA	NA	(12,541,337)
c. Adjusted gross DTA's offset by gross DTLs	10,408,524	5,811,144	16,219,668	7,918,561	5,905,426	13,823,987	2,489,963	(94,282)	2,395,681
d. Total DTA's admitted	10,408,524	5,811,144	16,219,668	7,918,561	5,905,426	13,823,987	2,489,963	(94,282)	2,395,681

3.	2021	2020
a. Ratio percentage used to determine recovery period and threshold limitation	404%	417%
b. Amount of adjusted capital & surplus used to determine recovery period and threshold limitation in 2(b)2 above	757,514,155	841,123,066

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

9. Income Taxes (continued):

4.	2021		2020		Change	
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
a. Impact of tax planning strategies:						
1. Adjusted gross DTAs	16,219,668	—	13,823,988	—	2,395,680	—
2. Percentage of total adjusted gross DTAs by tax character attributable to planning	0.0 %	100.0 %	0.0 %	100.0 %	0.0 %	0.0 %
3. Net admitted adjusted gross DTAs	16,219,668	—	13,823,988	—	2,395,680	—
4. Percentage of net admitted gross DTAs attributable to planning	0.0 %	100.0 %	0.0 %	100.0 %	0.0 %	0.0 %

b. Does the Company's tax-planning strategies include the use of reinsurance? Yes _____ No X

- B. Unrecognized Deferred Tax Liabilities: None.
- C. Current income taxes incurred consist of the following major components:

	Amount (\$)		
	2021	2020	Change
1. Current income tax:			
a. Federal	(3,308,854)	629,095	(3,937,949)
b. Foreign	—	—	—
c. Subtotal	(3,308,854)	629,095	(3,937,949)
d. Federal Income tax on net capital gains	2,598,187	(1,265,601)	3,863,788
e. Utilization of capital loss carry-forwards			—
f. Other			—
g. Federal and foreign income taxes incurred	(710,667)	(636,506)	(74,161)

	Amount (\$)		
	2021	2020	Change
2. Deferred tax assets:			
a. Ordinary			
1. Discounting of unpaid losses	8,230,463	8,663,938	(433,475)
2. Unearned premium reserve	17,917,122	15,939,776	1,977,346
3. Policyholder reserves	—	—	—
4. Investments	—	—	—
5. Deferred acquisition costs	—	—	—
6. Policyholder dividends accrual	—	—	—
7. Fixed Assets	—	459,715	(459,715)
8. Compensation & benefits accrual	4,782,938	6,101,214	(1,318,276)
9. Pension accrual	—	—	—
10. Receivables - nonadmitted	335,499	462,479	(126,980)
11. Net operating loss carry-forward	53,038,425	42,845,163	10,193,262
12. Tax credit carry-forward	1,174,740	962,983	211,757
13. Other	5,058,250	4,763,534	294,716
Subtotal	90,537,437	80,198,802	10,338,635
b. Statutory valuation allowance adjustment	74,317,769	66,374,814	7,942,955
c. Nonadmitted			—
d. Admitted ordinary deferred tax assets	16,219,668	13,823,988	2,395,680
e. Capital			
1. Investments	6,018,401	4,520,975	1,497,426
2. Net capital loss carry-forward	215,488	1,384,451	(1,168,963)
3. Real estate			—
4. Other			—
Subtotal	6,233,889	5,905,426	328,463
f. Statutory valuation allowance adjustment	6,233,889	5,905,426	328,463
g. Nonadmitted			—
h. Admitted capital deferred tax assets			—
i. Admitted deferred tax assets	16,219,668	13,823,988	2,395,680

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

9. Income Taxes (continued):

	Amount (\$)		
	2021	2020	Change
3. Deferred tax liabilities:			
a. Ordinary			
1. Investments	2,983	2,137	846
2. Fixed assets	360,458	—	360,458
3. Deferred and uncollected premium	—	—	—
4. Policyholder reserves	2,375,520	2,969,400	(593,880)
5. Other	2,372,420	453,287	1,919,133
Subtotal	5,111,381	3,424,824	1,686,557
b. Capital			
1. Investments	11,108,287	10,399,163	709,124
2. Real estate			—
3. Other			—
Subtotal	11,108,287	10,399,163	709,124
c. Deferred tax liabilities	16,219,668	13,823,987	2,395,681
4. Net deferred tax asset/(liabilities):	—	—	—

D. The significant book to tax adjustments were as follows:

	Amount (\$) Tax Effect @ 21%	Effective Tax Rate
Tax Reconciliation by Effective Rate:		
Income before tax	(9,788,897)	21.0 %
Tax exempt interest and dividends received income deduction	(1,328,702)	2.9 %
Permanent difference on nonadmitted taxable assets	(821,586)	1.7 %
STAT unrecognized pension liability	—	— %
Unrecognized postretirement	—	— %
Change in valuation allowance	8,271,418	(17.7)%
Other	2,247,978	(4.9)%
Rate change	—	— %
Total	(1,419,790)	3.0 %
Tax Reconciliation by Statement of Income:		
Federal & foreign tax, excluding taxes on realized gains	(3,308,854)	7.1 %
Current taxes on realized gains	2,598,187	(5.6)%
Change in net deferred income taxes	(709,123)	1.5 %
Total	(1,419,790)	3.0 %

E. Operating Loss and Tax Credit Carry-forward:

- At December 31, 2021, the Company had \$252,563,930 of operating loss carry-forwards beginning in 2002 through 2021, which expire, if unused, beginning in 2022 through 2041. The Company generated a capital loss carryover of \$2,397,288 in 2020. Of this amount, \$1,371,154 was carried back to a previous tax year. The remaining capital loss carryover of \$1,026,134 will be carried forward for 5 years from its initial creation in 2020 before expiration. The Company had foreign tax credits of \$1,174,740 originating in 2012 through 2021 which expire, if unused beginning in 2022 through 2031.
- For 2021 and 2020, there is no income tax expense that is available for recoupment in the event of future net losses.
- The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return:

- The Company's federal income tax return is consolidated with the following entities:
 - State Auto Mutual
 - SA Wisconsin
 - Facilitators
 - Meridian Security
 - State Auto Holding
 - Eagle Development Corporation
 - Rockhill
 - Plaza
 - American Compensation
 - Bloomington Compensation
 - RHC
 - RTW, Inc.
 - SA Labs
- The method of allocation among the companies is subject to a written agreement, approved by the Board of Directors, whereby allocation is made primarily on a separate return basis with current credit for any net operating losses or other items utilized in the consolidated tax return.

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):

No RTT is owed under the TCJA.

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9. Income Taxes (continued):

I. Alternative Minimum Tax (AMT) Credit:

1. Gross AMT Credit Recognized as:	Amount (\$)
a. Current year recoverable	—
b. Deferred tax asset (DTA)	—
2. Beginning Balance of AMT Credit Carryforward	—
3. Amounts Recovered	—
4. Adjustments	—
5. Ending Balance of AMT Credit Carryforward (5=2-3-4)	—
6. Reduction for Sequestration	—
7. Nonadmitted by Reporting Entity prior to SSAP 101 limitations	—
8. Reporting Entity Ending Balance (8=5-6-7)	—

10. Information Concerning Parent, Subsidiaries and Affiliates:

A. Nature of the Relationships:

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

B. Details of Transactions Greater than ½% of Admitted Assets:

On November 12, 2021, the Board of Directors of RHC declared a \$400,000 ordinary stockholders dividend to be paid to the Company. This dividend was paid in cash on December 30, 2021.

C. Transactions with Related Parties Not Reported on Schedule Y: Not applicable.

D. Amounts Due to or from Related Parties:

The terms of settlement require that these amounts settle within 60 days after the end of each calendar quarter:

	Amount (\$)			
	December 31, 2021		December 31, 2020	
	Due To:	Due From:	Due To:	Due From:
State Auto P&C	—	65,203,727	—	33,240,432
Milbank	—	7,436,695	—	3,850,328
SA Wisconsin	459,123	—	946,437	—
SA Ohio	2,346,099	—	3,486,267	—
Meridian Security	57,740,031	—	50,205,975	—
Patrons Mutual	2,633,234	—	1,040,562	—
Plaza	—	2,417,095	—	9,193,278
Rockhill	—	32,638,798	—	21,587,118
American Compensation	454,270	—	822,799	—
Bloomington Compensation	1,598,468	—	—	651,614
RUM	—	2,027	759	—
RTW, Inc.	—	92,045	—	304,130
State Auto Financial	—	789,434	394,219	—
Stateco	300,666	—	341,782	—
Rockhill Holding Company	—	21,255	14,038	—
Other Affiliates	—	541,576	—	526,612

E. Management, Service Contracts, Cost Sharing Agreements:

Through contractual agreements with affiliated companies within the State Auto Group, State Auto P&C provides employees, while State Auto Mutual provides data processing and certain other data equipment and facilities as needed.

During 2021 and 2020, the following management and/or cost sharing agreements were effective:

- the “2015 Management and Operations Agreement” to which State Auto Mutual, State Auto P&C, Milbank, SA Ohio, Meridian Security, Patrons Mutual, State Auto Financial, Stateco, 518 Property Management and Leasing LLC, State Auto Holdings, Facilitators, Network, and SA Labs are parties;
- the “Midwest Management Agreement” to which State Auto Mutual, State Auto P&C, and SA Wisconsin are parties;
- the “RTW Consulting Services Agreement” to which State Auto Mutual, State Auto P&C, Meridian Security, and Milbank entered into an agreement with RTW, Inc., an affiliate for overall claims case management for the workers’ compensation program;
- the “Rockhill Management & Operations Agreement” to which State Auto Mutual, State Auto P&C, Rockhill, Plaza, American Compensation, Bloomington Compensation, RHC, NECC, RTW, Inc., Rockhill Insurance Services, LLC., and RUM are parties;
- the “Rockhill-RUM Administrative Services Agreement” to which Rockhill and RUM are parties;
- the “Rockhill-RIS Surplus Lines Broker Agreement” to which Rockhill and Rockhill Insurance Services, LLC. are parties;
- the “Rockhill Cost Sharing Agreement” to which Rockhill, RHC, and RUM are parties;
- the “RTW-ACI Intercompany Management Agreement” to which American Compensation and RTW, Inc. are parties;
- the “RTW-BCI Intercompany Management Agreement” to which Bloomington Compensation and RTW, Inc. are parties;
- the “RUM Administrative Services Agreement” to which State Auto Mutual and RUM are parties;
- the “Stateco Investment Management Agreement” to which Stateco, a wholly owned subsidiary of State Auto Financial, provides investment management services to the Company for a fee based on the average fair value of the investment portfolio of the Company;
- the “RUM-ACI Administrative Services Agreement” to which RUM and American Compensation are parties;
- the “RUM Underwriting Services Agreement” to which RUM and Plaza are parties; and
- the “RTW Administrative Services Agreement” to which RTW, Inc. and Plaza are parties;

Each of the foregoing management and/or cost sharing agreements apportions or apportioned among the parties the actual costs of the services provided. With the exception of the “2015 Management & Operations Agreement”, the “RTW Consulting Services Agreement”, the “Rockhill Management & Operations Agreement”, the “Rockhill Cost Sharing Agreement”, the “RTW Administrative Services Agreement”, the “RTW-ACI Intercompany Management Agreement”, and the “RTW-BCI Intercompany Management Agreement”, the above agreements provide for a management fee for services provided.

F. Guarantees or Contingencies for Related Parties: Not applicable.

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10. Information Concerning Parent, Subsidiaries and Affiliates (continued):

G. Nature of Relationships that Could Affect Operations:

The Company is a member of the State Auto Group that is defined in Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group. See Schedule Y Part 1 - Organizational Chart.

H. Amount Deducted for Investment in Upstream Company: Not applicable.

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

At December 31, 2021, the Company owned 58.0% of the common stock outstanding of State Auto Financial. The aggregate value of the Company's ownership in State Auto Financial, based on the quoted market price at December 31, 2021 of \$51.69 was \$1,341,111,276. The Company's investment in State Auto Financial has been reflected in the accompanying statutory financial statements at an audited U.S. GAAP equity value at December 31, 2021 of \$472,964,796. At December 31, 2021, based on available financial information of State Auto Financial, the Company's share of the underlying equity in net assets of State Auto Financial was \$551,848,947.

At December 31, 2020, the Company owned 59.1% of the common stock outstanding of State Auto Financial. The aggregate value of the Company's ownership in State Auto Financial, based on the quoted market price at December 31, 2020 of \$17.74 was \$460,336,481. The Company's investment in State Auto Financial has been reflected in the accompanying statutory financial statements at an audited U.S. GAAP equity value at December 31, 2020 of \$484,217,583. At December 31, 2020, based on publicly available financial information of State Auto Financial, the Company's share of the underlying equity in net assets of State Auto Financial was \$596,935,063.

Based on available financial information for State Auto Financial, the following provides summarized financial information for the twelve month period ending December 31, 2021 and 2020, respectively:

Description	Amount (\$)	
	December 31, 2021	December 31, 2020
Total assets	3,103,992,245	3,102,521,115
Total liabilities	2,126,807,464	2,092,478,734
Stockholders' equity	977,184,781	1,010,042,381
Net (loss) income	(4,097,104)	81,789,561

J. Write-down for Impairments of Investments in Subsidiary, Controlled or Affiliated Companies: Not applicable.

K. Investments in Foreign Insurance Subsidiary: Not applicable.

L. Investments in Downstream Noninsurance Holding Company:

The Company utilizes the look-through approach for the valuation of its downstream holding company, State Auto Holdings, as provided under SSAP 97 - *Investments in Subsidiary, Controlled, and Affiliated Entities, A Replacement of SSAP No. 88*. The Company's carrying value at December 31, 2021 and 2020 was \$78,993,824 and \$77,611,606, respectively. The Company has limited the value of its investment in State Auto Holdings to the value of entities having audited financial statements including adjustments required by SSAP 97. All liabilities, commitments, contingencies, guarantees or obligations of the downstream holding company, which are required to be recorded as liabilities, commitments, contingencies, guarantees, or obligation under applicable accounting guidance, are reflected in the Company's determination of the carrying value of State Auto Holdings, if not already recorded in the financial statements. At December 31, 2021 and 2020, the Company's investment in State Auto Holdings was held at an admitted value of \$78,948,730 and \$77,566,518, respectively, after nonadmitting \$45,094 and \$45,088, respectively.

M. All SCA Investments:

1. Balance Sheet Value (Admitted and Nonadmitted) All SCAs (Except 8bi Entities):

SCA Entity	Percentage of SCA Ownership (%)	Gross Amount (\$)	Admitted Amount (\$)	Nonadmitted Amount (\$)
a. SSAP No. 97 8a Entities		—	—	—
b. SSAP No. 97 8b(ii) Entities		—	—	—
c. SSAP No. 97 8b(iii) Entities				
State Auto Financial	58.0	472,964,796	472,964,796	—
State Auto Holdings	100	79,038,918	78,993,824	45,094
RHC	100	58,578,937	58,578,937	—
Facilitators	100	9,833	—	9,833
Network	100	(1,568)	(2,370)	802
State Auto Labs	100	26,219,464	—	26,219,464
Total SSAP No. 97 8b(iii) Entities		636,810,380	610,535,187	26,275,193
d. SSAP No. 97 8b(iv) Entities		—	—	—
e. Total SSAP No. 97 8b Entities (except 8bi entities) (b+c+d)	—	636,810,380	610,535,187	26,275,193
f. Aggregate Total (a+e)	—	636,810,380	610,535,187	26,275,193

2. NAIC Filing Response Information:

SCA Entity	Type of NAIC Filing	Date of Filing to the NAIC	NAIC Valuation Amount (\$)	NAIC Response Received Y/N	NAIC Disallowed Entities Valuation Method, Resubmission Required Y/N	Code
a. SSAP No. 97 8a Entities			—			
b. SSAP No. 97 8b(ii) Entities			—			
c. SSAP No. 97 8b(iii) Entities						
State Auto Financial	S2	08/20/2021	484,217,583	Yes	No	N/A
RHC	S2	08/31/2021	59,536,449	Yes	No	N/A
Facilitators	S2	08/19/2021	N/A	Yes	No	N/A
Network	N/A	N/A	N/A	N/A	N/A	N/A
State Auto Labs	S1	08/19/2021	N/A	Yes	No	N/A
Total SSAP No. 97 8b(iii) Entities			543,754,032			
d. SSAP No. 97 8b(iv) Entities			—			
e. Total SSAP No. 97 8b Entities (except 8bi entities) (b+c+d)			543,754,032			
f. Aggregate Total (a+e)			543,754,032			

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10. Information Concerning Parent, Subsidiaries and Affiliates (continued):

- N. Investment in Insurance SCAs: Not applicable.
- O. SCA Loss Tracking: Not applicable.

11. Debt:

- A. On September 12, 2020, the Company entered into a Cash Management Advance Agreement (the "CMA") with the Federal Home Loan Bank of Cincinnati ("FHLB"). The CMA provides the Company with a \$50.0 million one-year line of credit available for general corporate purposes. Draws under the CMA are to be funded at the Company's option of a daily variable rate advance for 90 days or a fixed rate for a term up to 30 days. All advances under the CMA are to be fully secured by a pledge of specific investment securities of the Company. No advances had been made under the CMA when it expired on September 11, 2021.

On September 12, 2020, the Company entered into a REPO Based Advance Agreement (the "REPO") with the FHLB. The REPO provides the Company with a \$50.0 million one-year line of credit available for general corporate purposes. Draws under the REPO are to be funded at a fixed rate for a term from one day to one year. All advances under the REPO are to be fully secured by a pledge of specific investment securities of the Company. No advances had been made under the REPO when it expired on September 11, 2021.

On March 19, 2020, the Company received a 180-day loan, known as a repurchase agreement ("REPO loan"), in the amount of \$40.0 million from the FHLB at a fixed rate of 0.25%. The REPO loan was intended to provide additional liquidity. All principal and interest is due at maturity of such advances and is not pre-payable. On September 22, 2020, the REPO loan was renewed for an additional 180 days. On December 21, 2020, the REPO loan was retired. Total loan interest incurred through December 21, 2020 was \$30,284.

In May 2009, the Company borrowed money in the amounts of \$50,000,000 and \$20,000,000 from State Auto P&C and Milbank, respectively. The principal amount was due in May 2019. The company refinanced these loans with State Auto P&C and Milbank in May 2019. The principal amount is due in May 2029. At the option of the Company, early repayment may be made. Interest is due semi-annually at a fixed annual interest rate of 4.05%. The total loan interest incurred through December 31, 2021 and 2020 was \$2,842,767 and \$2,840,175, respectively.

B. FHLB (Federal Home Loan Bank) Agreements

- 1. On January 22, 2019, the Company refinanced its \$19,000,000 loan with the FHLB for a period of five years at a fixed rate of 3.16% with a maturity date of January 22, 2024. This is an interest-only loan with principal due at the maturity date. This loan is collateralized by treasury bonds and mortgage-backed securities on deposit with FHLB. The total loan interest incurred through December 31, 2021 and 2020 was \$600,400 and \$600,539, respectively.

On September 2, 2016, the Company borrowed \$11,500,000 from the FHLB for a period of five years at a fixed rate of 1.73%. On September 2, 2021 this loan was refinanced for one year at a fixed rate of 0.23%. This is an interest-only loan with interest payments due monthly and principal due in full at the maturity date of September 2, 2022. The loan is not redeemable prior to September 2, 2022. The total loan interest incurred through December 31, 2021 and 2020 was \$141,280 and \$198,950, respectively.

The tables below indicates the amount of the FHLB capital stock purchased, collateral pledged and assets and liabilities related to the agreements with the FHLB.

2. FHLB Capital Stock

a. Aggregate Totals

	Amount (\$)	
	December 31, 2021	December 31, 2020
Membership stock - Class A	—	—
Membership stock - Class B	2,361,730	3,749,110
Activity stock	4,238,970	4,533,590
Excess stock	—	—
Aggregate total	6,600,700	8,282,700
Actual or estimated borrowing capacity as determined by the Company	53,946,351	74,232,043

The borrowing capacity for each security pledged is provided by FHLB, which is based on a factor of the market value based on the type of investment. Available borrowing capacity is determined by taking the total borrowing capacity provided by FHLB and reducing it by the Company's current total borrowing.

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

	Amount (\$)	
	Class A Stock	Class B Stock
Current year total	—	2,361,730
Not eligible for redemption	—	2,361,730
Less than 6 months	—	—
6 months to less than 1 year	—	—
1 year to less than 3 years	—	—
3 to 5 years	—	—

3. Collateral Pledged to FHLB

a. Amount Pledged

General account	Amount (\$)	
	December 31, 2021	December 31, 2020
Fair value	59,022,738	34,961,032
Carrying value	55,994,404	32,668,855
Aggregate total borrowing	31,671,710	32,843,420

b. Maximum Amount Pledged

General account	Amount (\$)	
	December 31, 2021	December 31, 2020
Fair value	59,022,738	34,961,032
Carrying value	55,994,404	32,668,855
Aggregate total borrowing	31,671,710	32,843,420

11. Debt (continued):

4. Borrowing from FHLB
- a. Amount Borrowed

General account	Amount (\$)	
	December 31, 2021	December 31, 2020
Debt	31,671,710	32,843,420
Funding agreements	—	—
Other	—	—
Aggregate total	31,671,710	32,843,420

- b. Maximum Amount Borrowed

General account	Amount (\$)
	December 31, 2021
Debt	31,671,710
Funding agreements	—
Other	—
Aggregate total	31,671,710

- c. The Company has no prepayment obligations under its debt arrangement.

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

All employees of the State Auto Group are employees of State Auto P&C, which holds assets and liabilities related to the employee benefit plans of the State Auto Group, and is the plan sponsor of the employee benefit plans.

A. Defined Benefit Plan:

State Auto P&C sponsors a defined benefit plan and a postretirement health care benefit plan. See Note 12G.

B. Investment policies and strategies: Not applicable

C. Fair Value Measurement: Not applicable.

D. Basis Assumption: Not applicable.

E. Defined Contribution Plan:

State Auto P&C sponsors a defined contribution plan. See Note 12G.

F. Multiemployer Plans: Not applicable.

G. Consolidated/Holding Company Plans:

The Company participates in a defined benefit pension plan sponsored by State Auto P&C, an affiliate. In addition, the Company provides certain other postretirement benefits to retired employees through a plan sponsored by State Auto P&C. The Company has no legal obligation for benefits under these plans. At December 31, 2021, State Auto P&C allocated the defined benefit pension plan and postretirement plan's expenses to the Company based on the Company's pooling percentage per the Pooling Arrangement. The Company's pooling percentage is 34.5%.

The Company's share of net expense for the defined benefit pension plan was \$451,288 and \$3,316,954 in 2021 and 2020, respectively and for postretirement benefit plan was a negative expense of \$1,217,659 and \$1,224,967 in 2021 and 2020, respectively.

The Company's share of the supplemental executive retirement plan liability ("SERP") expense was \$249,144 and \$214,461 for 2021 and 2020, respectively.

State Auto P&C maintains a defined contribution plan that covers substantially all of the State Auto Group's employees. The Company has no legal obligation for benefits under this plan. The Company's share of the expense under this plan, allocated based on a percentage of salary, was \$4,077,595 and \$3,895,007 for 2021 and 2020, respectively.

H. Postretirement Benefits and Compensated Absences: Not applicable.

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

1. If unable to determine whether benefits provided by the plan are actuarially equivalent, disclose existence of the Act and whether or not APBO or net periodic postretirement benefit cost reflect any amount associated with the subsidy: Not applicable.
2. Include the effects of the subsidy in measuring the net postretirement benefit cost by disclosing the: reduction in the net postretirement cost for the subsidy related to benefits attributed to former employees, the effect of the subsidy on the measurement of net periodic postretirement benefit cost for the current period and any other disclosures required by paragraph 16(m) of SSAP No. 14: Not applicable.
3. The Company's gross benefit payments for 2021 were \$250,728 including the prescription drug benefits. The Company's subsidy related to Medicare Prescription Drug, Improvement and Modernization Act of 2003 was \$87,222 for 2021.

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

A. Capital Stock Authorized, Issued and Outstanding as of the Balance Sheet Date: Not applicable.

B. Dividend Rate of Preferred Stock: Not applicable.

C. Dividend Restrictions: Not applicable.

D. Dates and Amounts of Dividends Paid:

On November 12, 2021, the Board of Directors of RHC declared a \$400,000 ordinary stockholders dividend to be paid to the Company. This dividend was paid in cash on December 30, 2021.

E. Portion of the Company's Profits that may be paid as Ordinary Dividends to Stockholders: Not applicable.

F. Restrictions Placed on the Unassigned Funds, Including for Whom the Surplus is Being Held: Not applicable.

G. Mutual Surplus Advances: Not applicable.

H. Company Stock Held for Special Purposes: Not applicable.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations (continued):

- I. Changes in Special Surplus Funds: Not applicable.
- J. Changes in Unassigned Funds:

The portion of unassigned funds (surplus) represented by cumulative net unrealized gains is \$193,712,220. This excludes any applicable deferred taxes.
- K. Surplus Notes: Not applicable.
- L. Impact of Restatement Due to Quasi Reorganizations: Not applicable.
- M. Effective Date of Quasi Reorganizations: Not applicable.

14. Liabilities, Contingencies and Assessments:

- A. Contingent Commitments:

The Company has committed up to \$1,813,178 in additional capital contributions to Stonehenge Opportunity Fund III, LLC over the next one year, \$7,190,000 in additional capital contributions to Stonehenge Opportunity Fund IV, LLC over the next four years and \$90,853 in capital contributions to Rev1 Ventures for Columbus Fund 1, LLC over the next three years (see Schedule BA).

The Company has purchased annuities from life insurers under which various claimants are payees and for which the Company is contingently liable. See related Note 27.
- B. Guaranty Fund and Other Assessments:

The Company is subject to guaranty fund and other assessments by the states in which it writes business. Guaranty fund assessments should be accrued at the time of insolvencies. On a direct basis, the Company has accrued a liability for guaranty fund assessments of \$475,282 and a related premium tax benefit asset of \$12,674. The liability is expected to be paid over the next five years. The asset is expected to be realized over the next ten years. This represents management’s best estimate 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.

Description	Amount (\$)
Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	23,995
Decreases current year:	
Policy surcharges collected	—
Policy surcharges charged off	—
Premium tax offset applied	11,321
Increases current year:	
Policy surcharges collected	—
Policy surcharges charged off	—
Premium tax offset applied	—
Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	12,674

The Company has no guaranty fund liabilities and assets related to assessments from insolvencies of entities that wrote long-term care contracts.

- C. Gain Contingencies: Not applicable.
- D. Claims-Related Extra Contractual Obligation and Bad-Faith Losses Stemming from Lawsuits: Not applicable.
- E. Product Warranties: Not applicable.
- F. Joint and Several Liabilities: Not applicable.
- G. All Other Contingencies:

The Company is involved in litigation and may become involved in potential litigation arising in the ordinary course of business. Additionally, the Company may be impacted by adverse regulatory actions and adverse court decisions where insurance coverages are expanded beyond the scope originally contemplated in the policies. In the opinion of management, the effects, if any, of such litigation and published court decisions are not expected to be material to the financial statements.

The Company routinely assesses the collectability of premium receivables due from policyholders, agents, and reinsurers. Based upon Company experience of evaluating uncollectability, a provision for uncollectible premiums reserves was recorded totaling \$9,500,000 and \$11,000,000 as of December 31, 2021 and 2020, respectively. The potential for any additional loss is not believed to be material to the Company’s financial condition.

15. Leases:

- A. Lessee Operating Lease:

1. a. The Company leases office facilities, automobiles, and equipment under various operating leases that expire through 2023. Rental expense for 2021 and 2020 was \$1,157,522 and \$1,549,935, respectively.

b. Contingent rental payments: Not applicable.

c. Renewal or purchase options and escalation clauses: Certain leases contain a renewal option allowing the Company to renew the lease. Renewal terms are negotiated at such time as the Company notifies the lessor of its intent to renew the lease. Some of the Company’s leases contain escalation clauses, which are scheduled rent increases over the lease term.

d. Restrictions: Not applicable.

e. Early termination: Not applicable.

2. a. At December 31, 2021 future minimum lease payments on noncancellable operating leases are as follows:

	Year Ending December 31	Operating Leases (\$)
1.	2022	1,009,963
2.	2023	136,490
3.	2024	—
4.	Total	1,146,453

b. Subleases: Not applicable.
3. The Company has not entered into any sales and leaseback arrangements.
- B. Lessor Leases:

1. Operating leases: Not applicable.

2. Leveraged leases: Not applicable.

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

16. Information about Financial Instruments with Off-Balance-Sheet Risk and Financial Instruments with Concentrations of Credit Risk: Not applicable.

17. Sale, Transfer and Servicing of Financial Instruments and Extinguishments of Liabilities:

- A. Transfers of Receivables Reported as Sales: Not applicable.
- B. Transfers and Servicing of Financial Assets:

1. Loaned Securities: None.

2. Servicing Assets and Servicing Liabilities:

a. Risks: None.

b. Contractually Specified Servicing Fees: None.

c. Assumptions Used to Estimate: None.

3. Servicing Assets and Servicing Liabilities Measured at Fair Value: Not applicable

4. Securitizations, Asset-backed Financing Agreements and Similar Transfers with Continued Involvement:

a. Income Statements Presented: None.

b. Statement of Financial Position Presented: None.

5. Assets Accounted for as Secured Borrowing: See Note 11B.

6. Receivables with Recourse: None.

7. Securities Underlying Repurchase and Reverse Repurchase Agreements: None.
- C. Wash Sales: None.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans: Not applicable.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators: Not applicable.

20. Fair Value Measurement:

A. Inputs Used for Assets and Liabilities Measured and Reported at Fair Value:

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

Level 1 - Quoted Prices in Active Markets for Identical Assets and Liabilities: This category, for items measured at fair value on a recurring basis, includes exchange-traded common stocks and other invested assets. The estimated fair value of the equity securities within this category are based on unadjusted market prices provided by the Securities Valuation Office ("SVO") and are thus classified as level 1. The Company's other invested assets include an investment that consists primarily of holdings in publicly-traded mutual funds.

The company believes that its prices for these publicly-traded mutual funds, which are based on an observable market price for an identical asset in an active market, reflect their fair values.

Level 2 - Significant Other Observable Inputs: The Company has no assets or liabilities measured and reported at fair value in this category.

Level 3 - Significant Unobservable Inputs: This category, for items measured at fair value on a recurring basis, includes common stocks that are not publicly traded. The estimated fair value of the equity securities within this category are based on per share cost and are thus classified as level 3. The Company holds equity securities as a member of Federal Home Loan Bank of Cincinnati (FHLB), which is not publicly traded. SVO does not provide a fair value for this security.

Net asset value (NAV): This category, for items measured at net asset value, includes other invested assets. The Company's other invested assets include one international private equity fund, Silchester International Partners Ltd. ("the fund") that invests in equity securities of foreign issuers and is managed by a third party investment manager. The estimated fair value of the fund within this category is based on net asset value obtained from a third party trustee statement.

1. The Company has categorized its assets that are measured at fair value or net asset value into the three-level fair value hierarchy as reflected in the following table. The Company has no liabilities that are measured and reported at fair value. See item 3 below for a discussion of the Company's transfer policy. See item 4 below for a discussion of Level 2 and Level 3 assets.

Fair Value Measurements at Reporting Date	Amount (\$)				
Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Common stock					
Industrial and misc	66,388,715	—	6,600,700	—	72,989,415
Total common stocks	66,388,715	—	6,600,700	—	72,989,415
Other invested assets					
Any other class of asset	8,539,965				8,539,965
Partnership interests	—	—	—	28,405,232	—
Total other invested assets	8,539,965	—	—	28,405,232	36,945,197
Total assets at fair value/(NAV)	74,928,680	—	6,600,700	28,405,232	109,934,612

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

Description	Amount (\$)									
	Beginning Balance at 01/01/2021	Transfers into Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2021
Assets:										
Common stock										
Industrial and misc	8,282,700	—	—	—	—	—	—	(1,682,000)	—	6,600,700
Total assets	8,282,700	—	—	—	—	—	—	(1,682,000)	—	6,600,700

3. Transfers between level categorizations may occur due to changes in the availability of market observable inputs. Transfers in and out of level categorizations are reported as having occurred at the beginning of the quarter in which the transfer occurred. There were no transfers between level categorizations as of December 31, 2021.
4. As of December 31, 2021 and December 31, 2020, the reported fair value of the Company's investment in Level 3 equity securities of FHLB, was \$6,600,700 and \$4,892,700, respectively. See item A above for a discussion of valuation techniques and inputs used in determining fair value. Since these equity securities are not publicly traded, they are classified as Level 3.
5. The Company has no derivative assets or liabilities.

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20. Fair Value Measurement (continued):

B. Other Fair Value Disclosures: Not applicable.

C. Fair Values for All Financial Instruments by levels 1, 2, and 3:

See Item A for a discussion on valuation techniques for assets and liabilities that are measured and reported at fair value or net asset value.

The Company utilizes information provided by the SVO to estimate fair value measurements for the majority of its fixed maturities. If market data is not provided by the SVO, fair value is determined by using data provided by a nationally recognized pricing service.

The Company estimates the value of real estate held for sale using the most recent fair market value less estimated cost to sell.

The Company estimates the fair value of the notes payable to affiliates using market quotations for U.S. treasury securities with similar maturity dates and applies an appropriate credit spread.

December 31, 2021:

Type of Financial Instrument	Amount (\$)						
	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	413,565,806	409,348,997	—	413,565,806	—	—	—
Common stocks	72,989,415	72,989,415	66,388,715	—	6,600,700	—	—
Other invested assets	46,745,303	46,745,303	8,539,965	—	—	28,405,232	9,800,106
Cash, cash equivalents, and short-term investments	66,672,121	66,672,121	51,672,246	14,999,875	—	—	—
Receivable for securities	3,132	3,132	3,132	—	—	—	—
Borrowed money	106,567,564	100,500,000	—	76,062,542	30,505,022	—	—

December 31, 2020:

Type of Financial Instrument	Amount (\$)						
	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	454,996,469	437,133,657	—	454,996,469	—	—	—
Common stocks	79,516,779	79,516,779	71,234,079	—	8,282,700	—	—
Other invested assets	55,771,186	55,771,186	7,722,679	—	—	37,978,423	10,070,085
Cash, cash equivalents, and short-term investments	69,556,797	69,556,905	60,257,253	9,299,544	—	—	—
Receivable for securities	13,000	13,000	13,000	—	—	—	—
Borrowed money	111,400,028	100,500,000	—	80,353,097	31,046,931	—	—

D. Financial Instruments for which Not Practical to Estimate Fair Values:

Type of Class of Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Joint venture or partnership interests that have underlying characteristics of common stock - unaffiliated - Stonehenge Opportunity Fund III, LLC	326,031	—	N/A	Investment value is based on 9/30/2021 statement provided by Stonehenge III with adjustments for activity incurred since the date of statement.
Joint venture or partnership interests that have underlying characteristics of common stock - unaffiliated - Stonehenge Opportunity Fund IV, LLC	8,511,264	—	N/A	Investment value is based on 9/30/2021 statement provided by Stonehenge IV with adjustments for activity incurred since the date of statement.
Joint venture or partnership interests that have underlying characteristics of common stock - unaffiliated - Rev1 Ventures for Columbus Fund, LLC	586,885	—	N/A	Investment value is based on 9/30/2021 statement provided by Rev1 Ventures with adjustments for activity incurred since the date of statement.
Joint venture or partnership interests that have underlying characteristics of other - unaffiliated - NCT Ventures Fund I LP	375,926	—	N/A	Investment value is based on 9/30/2021 statement provided by NCT Ventures.

E. Financial Instruments using the NAV practical expedient:

This category, for items measured at net asset value, includes other invested assets. The Company's other invested assets include one international private equity fund, Silchester International Partners Ltd. ("the fund") that invests in equity securities of foreign issuers and is managed by a third party investment manager. The estimated fair value of the fund within this category is based on net asset value obtained from a third party trustee statement. As of December 31, 2021 and December 31, 2020, the reported net asset value of the Company's investment in the fund, was \$28,405,232 and \$37,978,423, respectively.

The Company employs procedures to assess the reasonableness of the fair value of the fund including obtaining and reviewing the fund's audited financial statements. There is no unfunded commitment related to the fund. The Company may not sell its investment in the fund; however, the Company may redeem all or a portion of its investment in the fund at net asset value per share with the appropriate prior written notice. In accordance with SSAP No. 110R - Fair Value, this investment is measured at fair value using the net asset value per share practical expedient and has not been classified in the fair value hierarchy.

21. Other Items:

A. Unusual or Infrequent Items:

As a result of the 2018-2020 Michigan Catastrophic Claims Association ("MCCA") Premium Audit Program, the Company made an adjustment to surplus to reflect the activity pertaining to the prior year reporting period. The net impact was recorded in 2020 as a prior year correction surplus decrease (Statement of Income Page, Line 37) in the amount of \$1,590,724.

On April 21, 2020 the Company announced the *In This Together* plan to provide premium relief for personal auto policyholders as a result of the COVID-19 pandemic. This premium relief program included a 5% discount applied at the next renewal for policyholders with an active policy as of June 1, 2020 residing in states that approved this plan. The discount was accounted for as an adjustment to premium.

B. Troubled Debt Restructuring: Not applicable.

21. Other Items (continued):

C. Other Disclosures:

The Company elected to use rounding in reporting amounts in this Annual Statement. The Company also set a tolerance for rounding errors at 10 for validation purposes.

Florida Statute 625.012(5) requires that the Company disclose the amount of Agents' balances or uncollected premiums and the premiums collected from "controlled" or "controlling" persons. The Company had \$167,264,024 and \$164,670,443 at December 31, 2021 and December 31, 2020, respectively, of uncollected premiums. No premiums were collected from "controlled" or "controlling persons" during the years ended 2021 and 2020.

Pursuant to Florida Statutes 624.424, the Company is required to disclose any credit in loss reserves taken for anticipated recoveries from the Special Disability Trust Fund. The Company took no credits in the determination of its loss reserves for the years ended 2021 and 2020. Additionally, the Company received no payments from the Special Disability Trust Fund. The Trust Fund made no assessments during the years ended 2021 and 2020.

D. Business Interruption Insurance Recoveries: Not applicable.

E. State Transferable and Non-transferable Tax Credits: Not applicable.

F. Subprime Mortgage Related Risk Exposure:

1. The Company has reviewed and considered possible exposure to subprime mortgage related risk through (1) direct investments in subprime mortgage loans; (2) direct investments in securities with underlying subprime exposure, such as residential mortgage backed securities, commercial mortgage backed securities, collateralized debt obligations, structured securities, hedge funds, credit default swaps, and special investment vehicles; (3) equity investments in subsidiary, controlled or affiliated entities with significant subprime related risk exposure; or (4) underwriting risk on policies issued for Mortgage Guaranty or Financial Guaranty insurance coverage and determined that the Company does not have direct exposure to subprime mortgage related risk.
2. The Company does not have direct exposure through investments in subprime mortgage loans.
3. The Company does not have direct exposure through other investments.
4. The Company does not write Mortgage Guaranty or Financial Guaranty insurance coverage and, therefore, does not have underwriting exposure to subprime mortgage risk related to these types of coverages.

G. Proceeds from Insurance-Linked Securities: Not applicable.

22. Events Subsequent:

On July 12, 2021, State Auto Financial Corporation ("STFC"), an Ohio corporation, and State Automobile Mutual Insurance Company ("SAM"), an Ohio mutual insurance company, entered into an Agreement and Plan of Merger and Combination (the "Merger Agreement") with Liberty Mutual Holding Company Inc. ("LMHC"), a Massachusetts mutual holding company, Pymatuning, Inc. ("Merger Sub I"), an Ohio corporation and wholly-owned indirect subsidiary of LMHC, and Andover, Inc. ("Merger Sub II"), an Ohio corporation and wholly-owned direct subsidiary of LMHC. The Merger Agreement provides for SAM to reorganize pursuant to a Plan of Reorganization adopted by the SAM board of directors, which shall be effectuated through a merger of Merger Sub II with SAM, with SAM surviving as an Ohio domiciled stock insurance subsidiary of LMHC. LMHC will grant equity rights in LMHC to each SAM member upon the extinguishment of such SAM member's equity rights in SAM at the time of merger ("SAM Transaction"). Simultaneously with the SAM Transaction, the Merger Agreement provides for LMHC to effect the acquisition of STFC through the merger of Merger Sub I with and into STFC (the "STFC Merger") with STFC the surviving corporation. The SAM Transaction was unanimously approved by the SAM Board of directors (upon the unanimous recommendation of a special committee of independent SAM directors). The STFC Merger was unanimously approved by the STFC board of directors (upon the unanimous recommendation of a special committee of independent STFC directors).

23. Reinsurance:

A. Unsecured Reinsurance Recoverable:

The following table provides a listing of unsecured reinsurance recoverable that exceed 3% of the Company's policyholders' surplus:

NAIC Code	Federal ID#	Name of Reinsurer	Amount (\$)
25127	57-6010814	State Auto P&C	1,689,388,303
41653	46-0368854	Milbank	463,753,644
	AA-9991159	Michigan Catastrophic Claims	40,602,328
		Total	2,193,744,275

B. Reinsurance Recoverable in Dispute: Not applicable.

C. Reinsurance Assumed and Ceded:

1. The following table summarizes assumed and ceded unearned premiums and the related commission equity at December 31, 2021, stated in dollars:

	Amount (\$)					
	Assumed		Ceded		Assumed Less Ceded	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
Affiliates	853,676,585	—	809,918,198	—	43,758,387	—
All other	425,070	167,857	6,317,892	1,844,723	(5,892,822)	(1,676,866)
Totals	854,101,655	167,857	816,236,090	1,844,723	37,865,565	(1,676,866)
Direct Unearned Premium Reserve: 388,732,570						

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

	Amount (\$)			
	Direct	Assumed	Ceded	Net
a. Contingent Commission	—	701,312	(10,990,386)	11,691,698
b. Sliding Scale Adjustments	—	—	529,383	(529,383)
c. Other Profit Commission Arrangements	—	—	—	—
Total	—	701,312	(10,461,003)	11,162,315

3. Protected Cells: Not applicable.

D. Uncollectible Reinsurance: Not applicable.

E. Commutation of Ceded Reinsurance: Not applicable.

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23. Reinsurance (continued):

F. Retroactive Reinsurance:

On December 31, 2014 State Auto Mutual entered into an adverse development reinsurance contract (“ADC”) to cede losses incurred on policies inceptioned between November 15, 2009 and January 13, 2013 written by Restaurant Coverage Association and classified as Liquor Liability business and Commercial General Liability. The ADC agreement is a retroactive reinsurance transaction subject to the Pooling Arrangement. Retroactive reserves are included in other liabilities on the balance sheet.

Pre-pooled retroactive reserves ceded by the Company at December 31, 2021 are as follows:

Amount (\$)	
Loss and Expense Reserves	
Accident Year	Commercial Multiple Peril
2009	4
2010	367,123
2011	2,171,638
2012	1,776,037
2013	3,018,839
2014	—
Totals	7,333,641

The retroactive reserves assumed and ceded below represent the Company's pooling percentage at December 31, 2021.

1.		Amount (\$)	
		Assumed	Ceded (ADC)
a. Reserves Transferred:			
1. Initial Reserves (Assumed)/Ceded		—	3,450,000
2. Adjustments - Prior Years		—	(642,652)
3. Adjustments - Current Year		—	(277,241)
4. Current Total		—	2,530,107
b. Consideration Received/(Paid):			
1. Initial Consideration		—	(6,555,000)
2. Adjustments - Prior Years		—	—
3. Adjustments - Current Year		—	—
4. Current Total		—	(6,555,000)
c. Paid Losses (Reimbursed)/Recovered:			
1. Prior Years		—	(3,747,652)
2. Current Year		—	(277,241)
3. Current Total		—	(4,024,893)
d. Special Surplus from Retroactive Reinsurance:			
1. Initial Surplus Gain/(Loss)		—	(3,105,000)
2. Adjustments - Prior Years		—	(642,652)
3. Adjustments - Current Year		—	(277,241)
4. Current Year Restricted Surplus		—	(4,024,893)
5. Cumulative Total Transferred to Unassigned Funds			
e. All Cedents and Reinsurers Involved in all Transactions Included in the Summary Totals Above:			
Entity			
10227 Munich Reins Amer Inc			2,530,107
f. Total paid loss/LAE amounts recoverable (for authorized, unauthorized and certified reinsurers), any amounts more than 90 days overdue (for authorized, unauthorized and certified reinsurers), and for amounts recoverable the collateral held (for authorized and certified reinsurers):			
Authorized Reinsurers:	Total Paid/Loss LAE Recoverable	Amounts Over 90 Days Overdue	
10227 Munich Reins Amer Inc	2,530,107	—	
Total	2,530,107	—	
Unauthorized Reinsurers:	Total Paid/Loss LAE Recoverable	Amounts Over 90 Days Overdue	Collateral Held
None	—	—	—
Certified Reinsurers:	Total Paid/Loss LAE Recoverable	Amounts Over 90 Days Overdue	Collateral Held
None	—	—	—

- G. Reinsurance Accounted for as a Deposit: Not applicable.
- H. Run-off Agreements: Not applicable.
- I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation: Not applicable.
- J. Reinsurance Agreements Qualifying for Reinsurer Aggregation: Not applicable.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination: Not applicable.

25. Changes in Incurred Losses and Loss Adjustment Expenses:

- A. Incurred losses and loss adjustment expenses attributable to prior accident years have decreased approximately \$17.3M during 2021 year-to-date. This decrease is primarily the result of subsequent reserve reviews using more mature claim data. Of this favorable development, Workers' Compensation accounts for \$17.5M, Middle Market Commercial business accounts for \$11.1M, and Small Commercial Package business accounts for \$3.5M. Favorable development in these Commercial Lines segments was partially offset by unfavorable development of \$7.8M in Personal Auto, \$4.0M in Homeowners, and \$2.9M in Commercial Auto. This was driven primarily by higher-than-expected severity on both Bodily Injury claims and Michigan PIP claims in Personal Auto and catastrophe loss development in Homeowners.

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25. Changes in Incurred Losses and Loss Adjustment Expenses (continued):

Per Schedule P Part 1 -Summary	Amount (\$)		
	All Accident Years	2021 Accident Year	Prior Accident Years
Loss and LAE reserves at 12/31/20	547,006,004		547,006,004
Loss and LAE incurred in 2021	626,580,544	621,174,479	5,406,065
Loss and LAE paid in 2021	603,168,073	269,702,203	333,465,870
Loss and LAE reserves at 12/31/21	570,418,475	351,472,276	218,946,199

B. The Company had no significant changes in methodologies and assumptions used in calculating the liability for unpaid losses and loss adjustment expenses.

26. Intercompany Pooling Arrangements:

The Company participates in a quota share reinsurance pooling arrangement with the following affiliated companies (the "Pooling Arrangement"):

Pool Participant (the "State Auto Pool")	NAIC Co. Code	Pooling Participation Percentages	
		2021	2020
State Auto Mutual - lead reinsurer	25135	34.5%	34.5%
State Auto P&C	25127	51.0%	51.0%
Milbank	41653	14.0%	14.0%
SA Wisconsin	31755	0.0%	0.0%
SA Ohio	11017	0.0%	0.0%
Meridian Security	23353	0.0%	0.0%
Patrons Mutual	14923	0.5%	0.5%
Rockhill	28053	0.0%	0.0%
Plaza	30945	0.0%	0.0%
American Compensation	45934	0.0%	0.0%
Bloomington Compensation	12311	0.0%	0.0%

Under the terms of the arrangement, the participants cede to State Auto Mutual all of their insurance business, net of assumed and ceded reinsurance, and assume from State Auto Mutual an amount equal to their respective participation percentages outlined in the Pooling Arrangement. All business written by each pool participant, except for State Auto Mutual's unaffiliated voluntary assumed reinsurance program with policies effective prior to January 1, 2009, is subject to the Pooling Arrangement. All premiums, losses, loss adjustment expenses and underwriting expenses are allocated among the participants on the basis of each company's respective participation percentage outlined in the Pooling Arrangement. The Pooling Arrangement provides indemnification against loss or liability relating to insurance risk and has been accounted for as reinsurance.

Per SSAP No. 62R - *Property and Casualty Reinsurance*, ceded reinsurance written premiums payable may be deducted from amounts due from the reinsurer when a legal right of offset exists. As the Pooling Arrangement and affiliated reinsurance agreement provide for the right of offset, the Company has netted within the Statement of Assets and Liabilities the amount due to each State Auto Pool participant under ceded reinsurance written premiums payable with the amount due from the same participant on assumed reinsurance written premiums receivable for transactions under the agreements. The following tabular presentation reflects the ceded reinsurance written premiums payable and assumed reinsurance written premiums receivable at December 31, 2021, between each State Auto Pool participant and State Auto Mutual resulting in the net amount due to or due from State Auto Mutual:

	Amount (\$)		
	Assumed Reinsurance Written Premiums Receivable from State Auto Mutual	Ceded Reinsurance Written Premiums Payable to State Auto Mutual	Net Assumed Reinsurance Written Premiums Receivable/(Net Ceded Reinsurance Written Premiums Payable)
State Auto P&C	312,257,137	182,181,896	130,075,241
Milbank	85,717,646	72,376,229	13,341,417
SA Wisconsin	—	1,553,229	(1,553,229)
SA Ohio	—	5,005,726	(5,005,726)
Meridian Security	—	137,438,597	(137,438,597)
Patrons Mutual	3,061,344	7,584,255	(4,522,911)
Rockhill	—	(12,003)	12,003
Plaza	—	2,340,405	(2,340,405)
American Compensation	—	8,917,154	(8,917,154)
Bloomington Compensation	—	2,320,274	(2,320,274)

The following tabular presentation reflects the reinsurance receivable and payable on loss and loss adjustment expense paid at December 31, 2021, between each State Auto Pool participant and State Auto Mutual:

	Amount (\$)	
	Assumed Reinsurance Loss and Loss Adjustment Expense Paid from State Auto Mutual	Ceded Reinsurance Loss and Loss Adjustment Expense Paid to State Auto Mutual
State Auto P&C	206,567,984	140,800,491
Milbank	56,704,937	51,966,579
SA Wisconsin	—	1,093,814
SA Ohio	—	2,683,392
Meridian Security	—	77,386,546
Patrons Mutual	2,025,176	3,998,452
Rockhill	—	22,248,125
Plaza	—	5,097,697
American Compensation	—	8,342,021
Bloomington Compensation	—	755,418

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26. Intercompany Pooling Arrangements (continued):

The following tabular presentation reflects all other intercompany amounts due from and due to State Auto Mutual from entities participating in the Pooling Arrangement at December 31, 2021:

	Amount (\$)	
	Intercompany Amounts Due from State Auto Mutual	Intercompany Amounts Due to State Auto Mutual
State Auto P&C	—	65,203,727
Milbank	—	7,436,695
SA Wisconsin	459,123	—
SA Ohio	2,346,099	—
Meridian Security	57,740,031	—
Patrons Mutual	2,633,234	—
Rockhill	—	32,638,798
Plaza	—	2,417,095
American Compensation	454,270	—
Bloomington Compensation	1,598,468	—

27. Structured Settlements:

A. Reserves Released due to Purchase of Annuities:

The Company has purchased annuities from life insurers under which the claimants are payees.

Amount (\$)	
Reserves Eliminated by Annuities	Unrecorded Loss Contingencies
6,586,314	6,586,314

B. Annuity Insurers with Balances due Greater than 1% of Policyholders' Surplus: None.

Life Insurance Company and Location	Licensed in Company's State of Domicile Yes / No	Statement Value (\$) (i.e., Present Value of Annuities)
None		

28. Health Care Receivables: Not applicable.

29. Participating Policies: Not applicable.

30. Premium Deficiency Reserves:

1. Liability carried for premium deficiency reserves	—
2. Date of the most recent evaluation of this liability	December 31, 2021
3. Was anticipated investment income utilized in the calculation?	No

The premium deficiency reserve is recorded in the aggregate write-in for liabilities and the change in the reserve is reflected in aggregate write-in for underwriting deductions.

31. High Deductibles:

A. Reserve Credit Recorded on Unpaid Claims and Amount Billed and Recoverable on Paid Claims for High Deductibles:

1. Counter Party Exposure Recorded on Unpaid Claims and Billed Recoverables on Paid Claims:

Annual Statement Line of Business	Amount (\$)			
	Gross (of High Deductible Loss Reserves	Reserve Credit for High Deductibles	Billed Recoverables on Paid Claims	Total High Deductibles and Billed Recoverables
16.0 Workers' compensation	—	—	2,448	2,448
17.1 Other liability - occurrence	—	—	102,174	102,174
19.4 Commercial auto liability	—	—	(39,084)	(39,084)
21.2 Commercial auto physical damage	—	—	—	—

2. Unsecured Amounts of High Deductibles:

	Amount (\$)
a. Total high deductibles and billed recoverables on paid claims	65,538
b. Collateral on balance sheet	12,980
c. Collateral off balance sheet	50,000
d. Total unsecured deductibles and billed recoverables on paid claims	2,558
e. Percentage unsecured	3.9 %

3. High Deductible Recoverables Amounts on Paid Claims:

	Amount (\$)
a. Amount of overdue nonadmitted (due to aging or collateral)	—
b. Total over 90 days overdue admitted	38,875
c. Total overdue (a+b)	38,875

31. High Deductibles (continued):

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

	Amount (\$)
Counterparty Ranking	Top Ten Unsecured High Deductibles Amounts
Counterparty 1	24,529
Counterparty 2	17,003
Counterparty 3	15,300
Counterparty 4	4,310
Counterparty 5	2,000
Counterparty 6	2,000
Counterparty 7	1,618
Counterparty 8	1,307
Counterparty 9	1,000
Counterparty 10	1,000

B. The Company has no unsecured high deductible recoverables for individual obligors part of a group under the same management or control which are greater than 1% of capital and surplus.

32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses: Not applicable.

33. Asbestos/Environmental Reserves:

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

The Company's exposure to asbestos losses arises from the sale of general liability insurance. The Company tries to estimate the full impact of the asbestos exposure by establishing full case basis reserves on all known losses and estimating incurred but not reported losses based on previous experience.

Direct Basis:	Amount (\$)				
	2017	2018	2019	2020	2021
Beginning reserves	556,858	581,395	595,127	1,133,294	1,031,471
Incurred losses and loss adjustment expenses	56,970	107,560	707,061	150,282	318,467
Calendar year payments for losses and loss adjustment expenses	32,433	93,828	168,894	252,105	274,582
Ending reserves	581,395	595,127	1,133,294	1,031,471	1,075,356

Assumed Reinsurance Basis:	Amount (\$)				
	2017	2018	2019	2020	2021
Beginning reserves	22,306	38,477	35,586	41,880	38,979
Incurred losses and loss adjustment expenses	17,521	(2,465)	7,123	(1,376)	3,134
Calendar year payments for losses and loss adjustment expenses	1,350	426	829	1,525	1,192
Ending reserves	38,477	35,586	41,880	38,979	40,921

Net of Ceded Reinsurance Basis:	Amount (\$)				
	2017	2018	2019	2020	2021
Beginning reserves	577,439	619,872	630,713	1,175,174	1,021,990
Incurred losses and loss adjustment expenses	76,216	105,096	714,184	(174,106)	(46,898)
Calendar year payments for losses and loss adjustment expenses	33,783	94,255	169,723	(20,922)	47,556
Ending reserves	619,872	630,713	1,175,174	1,021,990	927,536

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

	Amount (\$)
Direct Basis	810,750
Assumed Reinsurance Basis	24,083
Net of Ceded Reinsurance Basis	834,833

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

	Amount (\$)
Direct Basis	537,678
Assumed Reinsurance Basis	20,461
Net of Ceded Reinsurance Basis	463,768

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

33. Asbestos/Environmental Reserves (continued):

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

Direct Basis:	Amount (\$)				
	2017	2018	2019	2020	2021
Beginning reserves	8,298,468	9,401,854	9,316,973	11,479,038	10,957,297
Incurred losses and loss adjustment expenses	2,009,814	590,282	3,148,573	694,339	551,104
Calendar year payments for losses and loss adjustment expenses	906,428	675,163	986,508	1,216,080	695,658
Ending reserves	9,401,854	9,316,973	11,479,038	10,957,297	10,812,743

Assumed Reinsurance Basis:	Amount (\$)				
	2017	2018	2019	2020	2021
Beginning reserves	—	—	—	—	—
Incurred losses and loss adjustment expenses	—	—	—	—	—
Calendar year payments for losses and loss adjustment expenses	—	—	—	—	—
Ending reserves	—	—	—	—	—

Net of Ceded Reinsurance Basis:	Amount (\$)				
	2017	2018	2019	2020	2021
Beginning reserves	8,005,142	9,080,068	8,897,023	11,043,944	10,750,175
Incurred losses and loss adjustment expenses	1,981,354	492,118	3,133,429	884,143	565,179
Calendar year payments for losses and loss adjustment expenses	906,428	675,163	986,508	1,177,912	697,160
Ending reserves	9,080,068	8,897,023	11,043,944	10,750,175	10,618,194

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

	Amount (\$)
Direct Basis	9,315,000
Assumed Reinsurance Basis	—
Net of Ceded Reinsurance Basis	9,315,000

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

	Amount (\$)
Direct Basis	5,406,371
Assumed Reinsurance Basis	—
Net of Ceded Reinsurance Basis	5,309,097

34. Subscriber Savings Accounts: Not applicable.

35. Multiple Peril Crop Insurance: Not applicable.

36. Financial Guaranty Insurance: Not applicable.

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A, 2 and 3.

Yes [X] No []

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).

01/09/2020

3.4

By what department or departments?
Ohio Department of Insurance

3.5

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

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

3.6

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

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

4.1

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

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

4.2

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

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

5.1

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

Yes [] No [X]

5.2

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

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

6.1

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

Yes [] No [X]

6.2

If yes, give full information:

7.1

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

Yes [] No [X]

7.2

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

0.0 %

1 Nationality	2 Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

8.1

Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board?

Yes [] No [X]

8.2

If the response to 8.1 is yes, please identify the name of the DIHC.

8.3

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

Yes [] No [X]

8.4

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

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

8.5

Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the reporting entity?

Yes [] No [X]

8.6

If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule?

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

9.

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

PricewaterhouseCoopers LLP; 41 South High Street, Columbus, Ohio 43215

10.1

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

Yes [] No [X]

10.2

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

10.3

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

Yes [] No [X]

10.4

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

10.5

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

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

10.6

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

11.

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

Matthew S. Mrozek, FCAS, 518 East Broad Street, Columbus, Ohio 43215, Officer of reporting entity

12.1

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

Yes [X] No []

12.11

Name of real estate holding company

518 Property Management and Leasing LLC

12.12

Number of parcels involved

0

12.13

Total book/adjusted carrying value

\$ 4,072,669

12.2

If, yes provide explanation:

The Company owns 58.0% of State Auto Financial which indirectly owns 100% of 518 Property Management and Leasing LLP.

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 [X] No []

14.21

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

The Nominating and Governance Committee of the Company's Board of Directors annually reviews the Associate Code of Business Conduct, which is applicable to all senior managers. In 3Q 2020 the Associate Code of Business Conduct was revised to update and include the following sections: Antitrust and Fair Competition; Health, Safety and Environment; Reporting and Investigation; and Training. Revision date was August 13, 2021.

14.3

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

Yes [] No [X]

14.31

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

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

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 ☐
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
072000096	Comerica Bank	If Principal Company Does Not Fulfill Requirements, the LOC can be used.	70,000
031333353	PNC Bank N.A.	If Principal Company Does Not Fulfill Requirements, the LOC can be used.	98,564
041200762	Huntington Bank	If Principal Company Does Not Fulfill Requirements, the LOC can be used.	25,000
044002161	Fifth Third Bank	If Principal Company Does Not Fulfill Requirements, the LOC can be used.	25,000
.....	Suntrust	If Principal Company Does Not Fulfill Requirements, the LOC can be used.	1,130,000
.....

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes ☒ 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 ☒ 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 with the official duties of such person? Yes ☒ 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 ☒
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers.....\$0

20.12 To stockholders not officers.....\$0

20.13 Trustees, supreme or grand (Fraternal Only)\$0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers.....\$0

20.22 To stockholders not officers.....\$0

20.23 Trustees, supreme or grand (Fraternal Only)\$0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes ☐ No ☒
- 21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others.....\$0

21.22 Borrowed from others.....\$0

21.23 Leased from others\$0

21.24 Other\$0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes ☐ No ☒
- 22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment \$0

22.22 Amount paid as expenses\$0

22.23 Other amounts paid\$0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes ☒ No ☐
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:\$0
- 24.1 Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days? Yes ☐ No ☒
- 24.2 If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

	Is the Third-Party Agent a Related Party (Yes/No)
Name of Third-Party	
.....

INVESTMENT

- 25.01 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 25.03)..... Yes ☐ No ☒

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

25.02 If no, give full and complete information relating thereto
The loan from the Federal Home Loan Bank of Cincinnati is collateralized by treasury bonds and mortgage-backed securities on deposit with the Federal Home Loan Bank of Cincinnati. Additionally, a grantor trust has been established for a reinsurance agreement with State National at JP Morgan Chase.

25.03 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)

25.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. \$ 0

25.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$ 0

25.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]

25.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]

25.08 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]

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

25.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ 0

25.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ 0

25.093 Total payable for securities lending reported on the liability page. \$ 0

26.1 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 25.03). Yes [X] No []

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

26.21 Subject to repurchase agreements \$ 0

26.22 Subject to reverse repurchase agreements \$ 0

26.23 Subject to dollar repurchase agreements \$ 0

26.24 Subject to reverse dollar repurchase agreements \$ 0

26.25 Placed under option agreements \$ 0

26.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$ 0

26.27 FHLB Capital Stock \$ 6,600,700

26.28 On deposit with states \$ 6,629,012

26.29 On deposit with other regulatory bodies \$ 0

26.30 Pledged as collateral - excluding collateral pledged to an FHLB \$ 23,468,514

26.31 Pledged as collateral to FHLB - including assets backing funding agreements \$ 55,994,404

26.32 Other \$ 0

26.3 For category (26.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

27.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

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

LINES 27.3 through 27.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

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

27.4 If the response to 27.3 is YES, does the reporting entity utilize:

27.41 Special accounting provision of SSAP No. 108 Yes [] No []

27.42 Permitted accounting practice Yes [] No []

27.43 Other accounting guidance Yes [] No []

27.5 By responding YES to 27.41 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.

28.1 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]

28.2 If yes, state the amount thereof at December 31 of the current year. \$ 0

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

29.01 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
JP Morgan Chase Worldwide Securities	4 Chase Metrotech Center, 16th Floor, Brooklyn, NY 11245
The Northern Trust Company	50 S. LaSalle Street, B-10, Chicago, Illinois 60675

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

29.02 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)
Federal Home Loan Bank	Cincinnati, OH	Investment required as a provision of obtaining loans
JP Morgan Chase Bank	New York, NY	Vanguard Funds (VSCPX/VFWSX)
.....

29.03 Have there been any changes, including name changes, in the custodian(s) identified in 29.01 during the current year?..... Yes [] No [X]

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

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

29.05 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
Silchester International Investors, LLP	U.....
Stateco	A.....
Brown Brothers Harriman	U.....
.....

29.0597 For those firms/individuals listed in the table for Question 29.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's invested assets?..... Yes [] No [X]

29.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 29.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?..... Yes [] No [X]

29.06 For those firms or individuals listed in the table for 29.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed
131394	Silchester International Investors, LLP	NONE	SEC	NO.....
.....	Brown Brothers Harriman	5493006KMX1VFTPYW14	No	NO.....
.....	Stateco .....	.....	.....	.....
.....

30.1 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 [X] No []

30.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
922908-39-7	Vanguard Small-Cap Index Fund	9,498,642
30.2999 - Total		9,498,642

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

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation
Vanguard Small-Cap Index Fund	Pool Corp	37,045	12/31/2021 ...
.....

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

31. 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 (+)
31.1 Bonds	424,348,731	428,565,541	4,216,810
31.2 Preferred stocks	0	0	0
31.3 Totals	424,348,731	428,565,541	4,216,810

31.4 Describe the sources or methods utilized in determining the fair values:
Pricing services and broker / dealers.

32.1 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 []

32.2 If the answer to 32.1 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 []

32.3 If the answer to 32.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
.....

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

33.2 If no, list exceptions:
.....

34. 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]

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

36. 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]

37. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:
a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 37.a - 37.c are reported as long-term investments.
Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? Yes [] No [X] N/A []

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

OTHER

38.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$2,862,644

38.2 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
Insurance Services Offices, Inc	1,651,376
.....

39.1 Amount of payments for legal expenses, if any?\$1,125,884

39.2 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
Kirkland & Ellis LLP	522,875
.....

40.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?\$515

40.2 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
Insurance Regulatory EXA	147
.....

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2

If yes, indicate premium earned on U. S. business only.

\$0

1.3

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

\$0

1.31 Reason for excluding

1.4

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

\$0

1.5

Indicate total incurred claims on all Medicare Supplement Insurance.

\$0

1.6

Individual policies:

Most current three years:

1.61 Total premium earned\$0

1.62 Total incurred claims\$0

1.63 Number of covered lives0

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 lives0

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 lives0

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 lives0

2.

Health Test:

1

Current Year

2

Prior Year

2.1 Premium Numerator0

2.2 Premium Denominator795,265,448732,949,214

2.3 Premium Ratio (2.1/2.2)0.0000.000

2.4 Reserve Numerator2,3234,782

2.5 Reserve Denominator1,311,890,6681,197,691,096

2.6 Reserve Ratio (2.4/2.5)0.0000.000

3.1

Did the reporting entity issue participating policies during the calendar year?

Yes [X] No []

3.2

If yes, provide the amount of premium written for participating and/or non-participating policies during the calendar year:

3.21 Participating policies\$27,864,635

3.22 Non-participating policies\$748,071,222

4.

For mutual reporting Entities and Reciprocal Exchanges Only:

4.1 Does the reporting entity issue assessable policies?

Yes [] No [X]

4.2 Does the reporting entity issue non-assessable policies?

Yes [X] 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 []

5.22 As a direct expense of the exchange

Yes [] No [] N/A []

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

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

6.1

What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
All of the State Auto Group companies writing workers' compensation are included in the casualty excess of loss reinsurance agreement which provides a total of \$7 million coverage in excess of a \$3 million retention. In addition, all companies are covered for a catastrophe workers' compensation claim in the workers' compensation and casualty agreements which provide an additional \$40 million of coverage for events involving multiple workers.

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.
Computer modeling is performed quarterly by the Companies' property reinsurance broker on a group basis using the combined property exposures of each State Auto Group company. Natural perils that could impact the Companies include a New Madrid earthquake, an Atlantic or Gulf Coast hurricane, and severe thunderstorm systems, including tornado/hail damage. Catastrophe models used are Applied Insurance Research (AIR) and Risk Management Solutions (RMS).

6.3

What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
The Company is a direct writer of workers' compensation insurance in the states in which it operates. The maximum loss is a function of the benefits statutes in the states in which the Company operates.

6.4

Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?

Yes ☒ No ☐

6.5

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

7.1

Has this reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss ratio cap, an aggregate limit or any similar provisions)?

Yes ☐ No ☒

7.2

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

0

7.3

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

Yes ☐ No ☐

8.1

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

Yes ☐ No ☒

8.2

If yes, give full information

9.1

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

Yes ☐ No ☒

9.2

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

Yes ☐ No ☒

9.3

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

9.4

Except for transactions meeting the requirements of paragraph 36 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

Yes ☐ No ☒

9.5

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

9.6

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

Yes ☐ No ☒

Yes ☐ No ☒

Yes ☐ No ☒

10.

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

Yes ☒ No ☐ N/A ☐

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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

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

12.1If 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:

12.11Unpaid losses\$0

12.12Unpaid underwriting expenses (including loss adjustment expenses)\$0

12.2Of the amount on Line 15.3, Page 2, state the amount which is secured by letters of credit, collateral, and other funds\$0

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

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

12.41From0.0 %

12.42To0.0 %

12.5Are 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]

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

12.61Letters of credit\$0

12.62Collateral and other funds.....\$0

13.1Largest net aggregate amount insured in any one risk (excluding workers' compensation):\$13,000,000

13.2Does 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]

13.3State 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.3

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

14.2If yes, please describe the method of allocating and recording reinsurance among the cedants:
The Company's reinsurance treaties are written to include multiple members of the State Auto Group. The total ceded premiums for each treaty are calculated based on that contract's definition of subject premium. Each cedant company's portion of the total ceded premiums is based on its contribution to that subject premium base.

14.3If 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 [X]

14.4If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?Yes [] No [X]

14.5If the answer to 14.4 is no, please explain:
As noted in #14.2 above, ceded premiums are allocated based on each cedant company's proportionate share of that contract's calculated subject premium base. Although not specified in each contract, Statutory Accounting Principles logically direct the Company to match each company's costs with that company's benefits under each contract.

15.1Has the reporting entity guaranteed any financed premium accounts?Yes [] No [X]

15.2If yes, give full information
.....

16.1Does the reporting entity write any warranty business?Yes [] No [X]
If yes, disclose the following information for each of the following types of warranty coverage:

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

* Disclose type of coverage:
.....

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE STATE AUTOMOBILE MUTUAL INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

17.1

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

Yes [☐] No [☒]

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

17.11

Gross amount of unauthorized reinsurance in Schedule F - Part 3 exempt from the statutory provision for unauthorized reinsurance

\$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 [☒]

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 [☒]

18.4

If yes, please provide the balance of 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 [☒] 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 2021 OF THE STATE AUTOMOBILE MUTUAL 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 2021	2 2020	3 2019	4 2018	5 2017
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)	791,973,417	752,326,498	745,965,632	742,122,272	879,736,271
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	674,934,632	621,097,813	559,181,118	495,668,321	525,928,222
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	999,627,469	885,024,203	736,498,082	645,455,073	577,888,118
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	1,590,188	1,836,692	1,954,816	1,706,394	1,660,945
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	32	0	149
6. Total (Line 35)	2,468,125,706	2,260,285,206	2,043,599,680	1,884,952,059	1,985,213,705
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)	270,846,022	256,396,049	254,888,763	253,681,561	300,714,782
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	230,114,317	213,128,811	192,093,049	166,989,474	175,482,260
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	340,657,973	302,746,481	251,984,456	221,148,931	196,969,811
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	543,492	625,756	665,501	579,390	560,949
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	32	0	149
12. Total (Line 35)	842,161,805	772,897,096	699,631,801	642,399,356	673,727,951
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(77,849,325)	(49,711,839)	(27,957,889)	(3,394,870)	(51,441,025)
14. Net investment gain or (loss) (Line 11)	34,791,723	20,282,043	31,367,832	19,408,153	24,160,485
15. Total other income (Line 15)	(6,109,966)	(6,233,269)	(723,734)	(2,391,734)	444,007
16. Dividends to policyholders (Line 17)	43,607	64,499	287,754	182,423	270,379
17. Federal and foreign income taxes incurred (Line 19)	(3,308,952)	629,095	(1,641,510)	1,151,512	(8,340,321)
18. Net income (Line 20)	(45,902,223)	(36,356,659)	4,039,965	12,287,614	(18,766,591)
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	2,469,616,983	2,361,729,822	2,343,193,781	2,295,424,837	2,407,293,508
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	167,264,024	164,670,443	170,203,240	183,835,721	222,794,641
20.2 Deferred and not yet due (Line 15.2)	637,907,122	575,455,859	525,084,260	486,614,076	444,052,126
20.3 Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26)	1,706,216,021	1,547,540,728	1,489,553,094	1,529,494,468	1,628,347,323
22. Losses (Page 3, Line 1)	456,773,011	433,231,345	441,645,155	481,033,444	540,634,903
23. Loss adjustment expenses (Page 3, Line 3)	113,645,504	113,774,699	121,140,423	131,605,107	131,065,721
24. Unearned premiums (Page 3, Line 9)	426,598,134	379,518,461	340,615,471	306,612,363	321,298,608
25. Capital paid up (Page 3, Lines 30 & 31)	0	0	0	0	0
26. Surplus as regards policyholders (Page 3, Line 37)	763,400,962	814,189,094	853,640,687	765,930,369	778,946,185
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	(23,675,163)	(9,657,983)	(76,790,186)	(42,271,072)	7,628,855
Risk-Based Capital Analysis					
28. Total adjusted capital	763,400,962	814,189,094	853,640,687	765,930,369	778,946,185
29. Authorized control level risk-based capital	187,689,528	201,535,501	198,767,172	193,782,107	196,201,984
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0					
30. Bonds (Line 1)	32.1	33.2	33.7	36.2	37.0
31. Stocks (Lines 2.1 & 2.2)	54.6	54.2	56.7	57.0	57.5
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)	4.4	3.0	1.7	1.4	1.6
34. Cash, cash equivalents and short-term investments (Line 5)	5.2	5.3	3.5	2.1	0.5
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)	3.7	4.2	4.4	3.2	3.3
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 (Schedule D, Summary, Line 12, Col. 1)	0	0	0	0	0
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1)	0	0	0	0	0
44. Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1)	649,850,456	645,352,420	647,480,877	622,028,372	665,980,135
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	0	0	0
48. Total of above Lines 42 to 47	649,850,456	645,352,420	647,480,877	622,028,372	665,980,135
49. Total Investment in Parent included in Lines 42 to 47 above	0	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)	85.1	79.3	75.8	81.2	85.5

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2021	2 2020	3 2019	4 2018	5 2017
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	2, 151,065	(738,308)	40, 150,359	(14,966,909)	(3,723,633)
52. Dividends to stockholders (Line 35)	0	0	0	0	0
53. Change in surplus as regards policyholders for the year (Line 38)	(50,788,132)	(39,451,593)	87,710,318	(13,015,816)	(43,606,057)
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)	447,859,050	449,798,572	521,555,721	545,463,839	485,261,693
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	424,404,694	352,667,430	309,482,263	290,764,507	263,056,880
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	641,540,469	510,506,943	406,031,293	360,185,342	342,412,593
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	(402,266)	500,038	609,596	134,431	540,321
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	58,392	71,208	77,297	128,902	75,554
59. Total (Line 35)	1,513,460,339	1,313,544,191	1,237,756,170	1,196,677,020	1,091,347,040
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)	153,386,770	152,042,631	171,297,860	183,382,563	162,567,329
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	144,949,625	121,577,133	106,053,744	98,559,135	90,002,542
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	219,478,773	175,860,034	139,384,488	120,439,225	117,345,662
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	(132,281)	153,906	202,994	46,455	178,146
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	20,145	24,567	27,321	65,893	26,776
65. Total (Line 35)	517,703,032	449,658,271	416,966,408	402,493,271	370,120,455
Operating Percentages (Page 4) (Line divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	68.1	60.2	56.8	52.2	59.5
68. Loss expenses incurred (Line 3)	10.7	10.3	10.7	12.3	12.7
69. Other underwriting expenses incurred (Line 4)	31.0	36.3	36.7	36.1	35.4
70. Net underwriting gain (loss) (Line 8)	(9.8)	(6.8)	(4.2)	(0.5)	(7.6)
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)	30.0	35.2	35.0	37.2	35.5
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	78.8	70.5	67.5	64.5	72.2
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	110.3	94.9	82.0	83.9	86.5
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)	(22,560)	(21,668)	(32,975)	(42,202)	(25,712)
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)	(2.8)	(2.5)	(4.3)	(5.4)	(3.1)
Two Year Loss Development (\$000 omitted)					
76. Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(49,633)	(50,545)	(62,043)	(48,331)	(10,690)
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)	(5.8)	(6.6)	(8.0)	(5.9)	(1.3)

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 (1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	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	Salvage and Subrogation Received	Total Net Paid Cols (4 - 5 + 6 - 7 + 8 - 9)	
1. Prior.....	XXX	XXX	XXX	4,492	1,844	1,148	304	423	29	102	3,885	XXX
2. 2012.....	684,330	131,200	553,130	424,216	75,822	38,143	3,238	47,585	4,739	17,849	426,145	XXX
3. 2013.....	691,101	131,151	559,950	361,659	50,390	30,776	2,139	42,407	2,187	15,757	380,126	XXX
4. 2014.....	699,712	129,612	570,100	350,428	52,523	33,951	3,527	43,750	1,750	16,439	370,329	XXX
5. 2015.....	716,992	42,663	674,329	350,292	5,788	36,519	914	49,618	847	17,249	428,880	XXX
6. 2016.....	716,544	30,856	685,688	382,445	8,906	34,579	752	40,008	38	15,999	447,337	XXX
7. 2017.....	704,768	27,972	676,796	386,255	8,574	31,602	384	42,583	514	17,741	450,969	XXX
8. 2018.....	691,559	34,696	656,863	350,714	13,036	23,158	1,026	43,864	226	19,663	403,448	XXX
9. 2019.....	691,695	28,455	663,240	373,043	10,321	19,473	704	45,919	210	20,183	427,199	XXX
10. 2020.....	755,806	22,857	732,949	401,006	17,209	16,412	154	41,692	106	19,753	441,642	XXX
11. 2021.....	825,655	30,389	795,266	364,463	25,804	7,120	248	34,620	1,246	14,491	378,905	XXX
12. Totals	XXX	XXX	XXX	3,749,012	270,216	272,883	13,389	432,469	11,891	175,226	4,158,867	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR						
	13	14	15	16	17	18	19	20	21	22			
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded				Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
1. Prior.....	36,162	24,356	13,510	3,092	918	100	3,872	567	2,432	111	123	28,670	XXX
2. 2012.....	1,801	108	2,478	322	336	14	888	138	237	9	67	5,149	XXX
3. 2013.....	2,339	10	2,178	27	251	2	922	12	183	0	78	5,823	XXX
4. 2014.....	6,226	2,721	2,626	61	659	0	991	26	444	22	85	8,115	XXX
5. 2015.....	6,445	370	4,431	136	830	116	1,794	58	533	1	124	13,352	XXX
6. 2016.....	8,478	156	6,469	271	979	15	2,597	116	982	0	158	18,948	XXX
7. 2017.....	18,935	4,758	9,767	683	1,490	13	3,744	85	1,674	2	222	30,069	XXX
8. 2018.....	23,946	3,447	11,116	893	1,700	158	5,553	382	2,246	4	624	39,677	XXX
9. 2019.....	27,481	2,052	14,061	703	2,465	121	6,241	300	3,681	9	1,347	50,744	XXX
10. 2020.....	54,971	3,547	27,160	24	3,456	20	11,024	10	7,171	11	3,005	100,171	XXX
11. 2021.....	130,993	4,842	100,720	2,943	1,883	50	21,001	0	22,984	44	15,342	269,702	XXX
12. Totals	317,777	46,367	194,516	9,154	14,966	610	58,630	1,693	42,567	213	21,175	570,419	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. Prior.....	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	22,225	6,445
2. 2012.....	515,685	84,391	431,294	75.4	64.3	78.0	0	0	34.5	3,848	1,301
3. 2013.....	440,715	54,767	385,949	63.8	41.8	68.9	0	0	34.5	4,480	1,343
4. 2014.....	439,074	60,630	378,444	62.8	46.8	66.4	0	0	34.5	6,069	2,045
5. 2015.....	450,462	8,230	442,232	62.8	19.3	65.6	0	0	34.5	10,370	2,981
6. 2016.....	476,538	10,253	466,285	66.5	33.2	68.0	0	0	34.5	14,521	4,427
7. 2017.....	496,050	15,012	481,038	70.4	53.7	71.1	0	0	34.5	23,261	6,808
8. 2018.....	462,298	19,172	443,125	66.8	55.3	67.5	0	0	34.5	30,722	8,955
9. 2019.....	492,363	14,420	477,943	71.2	50.7	72.1	0	0	34.5	38,787	11,956
10. 2020.....	562,892	21,079	541,813	74.5	92.2	73.9	0	0	34.5	78,560	21,611
11. 2021.....	683,784	35,176	648,608	82.8	115.8	81.6	0	0	34.5	223,929	45,774
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	456,773	113,646

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1 2012	2 2013	3 2014	4 2015	5 2016	6 2017	7 2018	8 2019	9 2020	10 2021	11 One Year	12 Two Year
1. Prior.....	267,680	258,209	267,161	264,419	261,930	259,117	256,658	254,296	252,438	250,618	(1,821)	(3,679)
2. 2012.....	380,785	378,470	396,695	398,564	397,174	392,859	390,568	389,830	388,546	388,219	(326)	(1,611)
3. 2013.....	XXX	352,031	348,420	354,885	355,346	354,285	350,827	349,383	347,422	345,546	(1,876)	(3,837)
4. 2014.....	XXX	XXX	342,971	345,300	348,261	344,104	341,044	339,170	337,724	336,022	(1,702)	(3,148)
5. 2015.....	XXX	XXX	XXX	405,128	414,635	407,270	402,736	397,833	395,811	392,929	(2,881)	(4,903)
6. 2016.....	XXX	XXX	XXX	XXX	445,217	439,220	432,360	430,139	428,922	425,332	(3,590)	(4,807)
7. 2017.....	XXX	XXX	XXX	XXX	XXX	469,622	450,039	444,082	442,785	437,297	(5,489)	(6,785)
8. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	420,523	407,388	400,904	397,245	(3,659)	(10,143)
9. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	439,282	435,184	428,562	(6,622)	(10,720)
10. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	487,661	493,067	5,405	XXX
11. 2021.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	592,293	XXX	XXX
12. Totals											(22,560)	(49,633)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1 2012	2 2013	3 2014	4 2015	5 2016	6 2017	7 2018	8 2019	9 2020	10 2021		
1. Prior.....	.000	86,131	143,438	178,881	195,336	204,333	212,091	216,862	220,778	224,269	XXX	XXX
2. 2012.....	182,959	266,048	311,445	344,422	364,033	372,095	377,810	381,235	382,863	383,299	XXX	XXX
3. 2013.....	XXX	161,544	240,102	283,380	309,676	326,467	333,807	337,328	338,877	339,906	XXX	XXX
4. 2014.....	XXX	XXX	169,089	240,299	280,335	301,220	315,642	323,479	326,341	328,329	XXX	XXX
5. 2015.....	XXX	XXX	XXX	191,325	280,129	322,572	355,513	370,588	376,358	380,109	XXX	XXX
6. 2016.....	XXX	XXX	XXX	XXX	199,589	295,425	346,652	378,752	398,435	407,367	XXX	XXX
7. 2017.....	XXX	XXX	XXX	XXX	XXX	212,172	316,077	357,459	388,554	408,899	XXX	XXX
8. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	213,380	305,241	336,190	359,810	XXX	XXX
9. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	251,730	349,277	381,490	XXX	XXX
10. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	288,465	400,056	XXX	XXX
11. 2021.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	345,531	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 2012	2 2013	3 2014	4 2015	5 2016	6 2017	7 2018	8 2019	9 2020	10 2021
1. Prior.....	130,310	77,383	64,044	47,297	38,749	32,030	24,671	20,287	16,774	13,724
2. 2012.....	98,565	53,537	39,397	23,240	17,644	12,243	7,865	5,311	3,650	2,906
3. 2013.....	XXX	98,842	59,065	32,874	22,845	15,903	9,935	7,453	5,677	3,061
4. 2014.....	XXX	XXX	92,590	58,331	33,896	21,576	14,082	9,591	6,811	3,530
5. 2015.....	XXX	XXX	XXX	119,041	74,998	41,860	24,883	15,717	10,947	6,032
6. 2016.....	XXX	XXX	XXX	XXX	137,822	83,296	44,354	28,162	16,418	8,679
7. 2017.....	XXX	XXX	XXX	XXX	XXX	135,708	76,578	46,619	28,979	12,744
8. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	97,591	56,557	29,537	15,394
9. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	88,340	42,784	19,299
10. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	88,944	38,151
11. 2021.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	118,779

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SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories											
States, Etc.		1 Active Status (a)	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Included in Column 2)	
			2 Direct Premiums Written	3 Direct Premiums Earned							
1.	Alabama	AL	L	15,955,579	12,144,575	0	5,555,158	7,221,421	5,999,909	13,524	0
2.	Alaska	AK	L	0	0	0	0	0	0	0	0
3.	Arizona	AZ	L	21,656,762	14,944,757	0	7,108,043	12,175,081	9,553,091	13,994	0
4.	Arkansas	AR	L	23,839,964	19,685,446	0	8,751,743	10,912,100	8,294,238	29,302	0
5.	California	CA	Q	0	0	0	0	0	0	0	0
6.	Colorado	CO	L	14,012,995	10,971,191	0	5,069,441	7,338,446	6,366,909	9,757	0
7.	Connecticut	CT	L	31,669,718	27,706,967	0	14,954,458	17,645,288	12,295,971	32,851	0
8.	Delaware	DE	L	434,185	375,168	0	76,929	99,643	422,026	158	0
9.	District of Columbia	DC	L	344,305	347,969	0	(273,521)	(356,107)	412,230	77	0
10.	Florida	FL	L	457,729	435,240	0	443,289	397,938	466,651	174	0
11.	Georgia	GA	L	26,012,314	20,688,471	0	9,214,918	19,558,432	22,446,578	21,471	0
12.	Hawaii	HI	L	0	0	0	0	0	0	0	0
13.	Idaho	ID	L	0	0	0	0	29	(32)	0	0
14.	Illinois	IL	L	20,536,857	17,440,753	0	11,691,384	13,838,547	18,975,361	13,460	0
15.	Indiana	IN	L	21,089,076	19,117,350	0	9,232,487	9,794,910	12,998,134	31,509	0
16.	Iowa	IA	L	4,885,853	3,838,540	2,912	2,447,239	7,548,294	10,559,660	3,152	0
17.	Kansas	KS	L	33,817,152	30,294,769	0	13,164,941	23,210,320	15,185,780	30,717	0
18.	Kentucky	KY	L	20,550,396	18,863,021	0	7,275,376	19,814,660	21,579,002	31,944	0
19.	Louisiana	LA	L	0	0	0	0	(200)	(38)	0	0
20.	Maine	ME	L	0	0	0	0	0	0	0	0
21.	Maryland	MD	L	27,090,241	25,644,875	0	12,327,115	8,527,925	17,310,985	54,259	0
22.	Massachusetts	MA	L	6,917,259	5,960,823	0	1,125,732	3,484,328	5,298,968	9,946	0
23.	Michigan	MI	L	23,389,992	22,036,959	0	13,594,584	17,086,819	55,877,485	30,444	0
24.	Minnesota	MN	L	19,983,531	15,424,895	0	7,065,153	6,693,653	7,897,114	15,315	0
25.	Mississippi	MS	L	17,867,542	14,199,663	0	8,463,775	8,908,266	8,186,389	9,271	0
26.	Missouri	MO	L	64,115,803	55,586,335	0	30,546,413	39,049,075	20,490,869	37,962	0
27.	Montana	MT	L	0	0	0	0	0	0	0	0
28.	Nebraska	NE	L	0	0	0	0	(5)	0	0	0
29.	Nevada	NV	L	135,808	18,524	0	0	3,141	3,141	0	0
30.	New Hampshire	NH	L	0	0	0	0	0	0	0	0
31.	New Jersey	NJ	L	0	0	0	0	(30)	(6)	0	0
32.	New Mexico	NM	L	0	0	0	0	0	0	0	0
33.	New York	NY	L	0	0	0	0	0	0	0	0
34.	North Carolina	NC	L	20,959,372	18,403,473	0	10,438,205	12,117,603	9,377,900	22,681	0
35.	North Dakota	ND	L	17,294,803	15,222,107	0	8,149,803	8,944,521	4,665,487	12,004	0
36.	Ohio	OH	L	72,729,616	72,884,543	0	30,517,481	29,569,530	41,174,344	121,551	0
37.	Oklahoma	OK	L	9,511,744	7,122,640	0	3,243,554	4,772,161	2,777,317	1,175	0
38.	Oregon	OR	L	0	0	0	0	0	0	0	0
39.	Pennsylvania	PA	L	27,085,456	23,731,822	0	11,546,842	11,180,449	18,160,029	32,507	0
40.	Rhode Island	RI	L	0	0	0	0	0	0	0	0
41.	South Carolina	SC	L	20,569,321	18,373,773	0	8,877,932	9,576,689	7,889,774	44,536	0
42.	South Dakota	SD	L	11,151,247	9,016,801	0	4,631,417	8,092,001	5,700,821	5,172	0
43.	Tennessee	TN	L	27,960,889	25,863,339	0	12,028,969	12,153,498	20,439,478	29,408	0
44.	Texas	TX	L	145,569,617	127,937,240	0	74,394,253	108,347,088	79,909,391	89,579	0
45.	Utah	UT	L	5,928,932	4,654,045	0	1,574,819	3,374,018	2,373,325	6,963	0
46.	Vermont	VT	L	0	0	0	0	0	0	0	0
47.	Virginia	VA	L	8,271,002	5,725,187	0	3,204,753	4,681,958	4,801,890	6,519	0
48.	Washington	WA	L	0	0	0	0	0	0	0	0
49.	West Virginia	WV	L	7,738,703	6,405,765	0	3,053,725	3,233,844	2,991,201	10,075	0
50.	Wisconsin	WI	L	6,402,096	5,344,110	123,485	2,199,707	4,826,309	4,473,187	4,921	0
51.	Wyoming	WY	L	0	0	0	0	0	0	0	0
52.	American Samoa	AS	N	0	0	0	0	0	0	0	0
53.	Guam	GU	N	0	0	0	0	0	0	0	0
54.	Puerto Rico	PR	N	0	0	0	0	0	0	0	0
55.	U.S. Virgin Islands	VI	N	0	0	0	0	0	0	0	0
56.	Northern Mariana Islands	MP	N	0	0	0	0	0	0	0	0
57.	Canada	CAN	N	0	0	0	0	0	0	0	0
58.	Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59.	Totals	XXX		775,935,857	676,411,138	126,397	341,695,993	453,821,517	465,354,560	776,378	0
DETAILS OF WRITE-INS											
58001.			XXX								
58002.			XXX								
58003.			XXX								
58998.	Summary of remaining write-ins for Line 58 from overflow page		XXX	0	0	0	0	0	0	0	0
58999.	Totals (Lines 58001 through 58003 plus 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.....	50	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.....	1
D - Domestic Surplus Lines Insurer (DSLI) - 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.....	6

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(b) Explanation of basis of allocation of premiums by states, etc.
Fire, Allied Lines, Farmowners Multi Peril, Commercial Multi Peril, Inland Marine, Earthquake, Burglary and Theft, Boiler and Machinery: Location of property

Workers' Compensation: Main place of work

Auto Liability, Auto Physical Damage: Principal garage location

Liability other than Auto: Location of risk

Fidelity: Location of insured

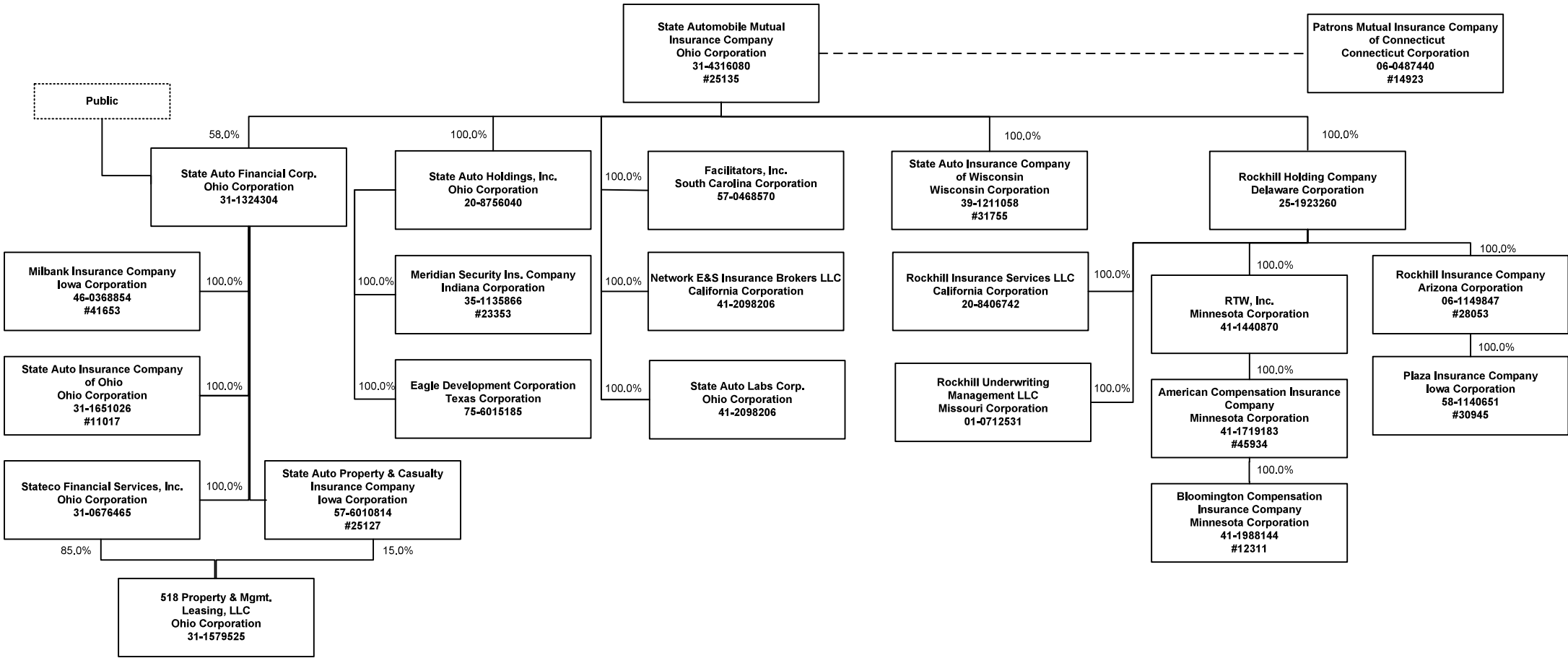
Other Accident and Health, Surety: Rating risk state

Ocean Marine: Location of policy negotiation

ORGANIZATIONAL STRUCTURE OF STATE AUTO HOLDING COMPANY SYSTEM

As of December 31, 2021

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OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
2504.	Prepaid expenses	5,950,978	5,950,978	0	0
2505.	Advances	1,686	1,686	0	0
2506.	Loss deductibles	90,600	0	90,600	614,311
2597.	Summary of remaining write-ins for Line 25 from overflow page	6,043,264	5,952,664	90,600	614,311

Additional Write-ins for Liabilities Line 25

		1	2
		Current Year	Prior Year
2504.	Miscellaneous liabilities	761,047	826,533
2505.	Retroactive reinsurance reserves - ceded	(2,530,107)	(2,807,348)
2597.	Summary of remaining write-ins for Line 25 from overflow page	(1,769,060)	(1,980,815)

Additional Write-ins for Exhibit of Nonadmitted Assets Line 25

		1	2	3
		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
2504.	Loss deductibles	0	68,357	68,357
2597.	Summary of remaining write-ins for Line 25 from overflow page	0	68,357	68,357