



ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2025
OF THE CONDITION AND AFFAIRS OF THE
FALLS LAKE NATIONAL INSURANCE COMPANY

NAIC Group Code 3494, 3494 (Current) (Prior) NAIC Company Code 31925 Employer's ID Number 42-1019055

Organized under the Laws of OH State of Domicile or Port of Entry OH
Country of Domicile US
Incorporated/Organized 02/06/1974 Commenced Business 02/21/1974
Statutory Home Office 1160 DUBLIN ROAD, SUITE 400 COLUMBUS, OH, US 43215
Main Administrative Office 6131 FALLS OF NEUSE RD., SUITE 306 RALEIGH, NC, US 27609 919-882-3585 (Telephone)
Mail Address P.O. BOX 27648 RICHMOND, VA, US 23261
Primary Location of Books and Records 6131 FALLS OF NEUSE RD., SUITE 306 RALEIGH, NC, US 27609 919-882-3585 (Telephone)
Internet Website Address WWW.FALLSLAKEINS.COM
Statutory Statement Contact PATRICIA AILEEN SELLS 804-289-2711 (Telephone)
ACCOUNTING@FALLSLAKEINS.COM 804-420-1059 (E-Mail) (Fax)

OFFICERS

LISA MARIE BINNIE#, PRESIDENT JANE ALICE BROWN#, SECRETARY
TIMOTHY SEAN MACALEESE, SVP/CHIEF FINANCIAL OFFICER DANIEL ARTHUR SHULTIS, TREASURER/CONTROLLER
OTHER
SARAH CASEY DORAN, CHAIRPERSON OF THE BOARD CHERYL FRISCIA#, ASSISTANT SECRETARY

DIRECTORS OR TRUSTEES

SARAH CASEY DORAN LISA MARIE BINNIE#
MICHAEL EDWARD CROW ANGELA JENKINS BURNETT
TIMOTHY SEAN MACALEESE VALDEAN LANGENBURG#

State of NORTH CAROLINA
County of WAKE SS

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.

x Lisa Marie Binnie x Daniel A Shultis x Timothy Sean Macaleese
LISA MARIE BINNIE DANIEL ARTHUR SHULTIS TIMOTHY SEAN MACALEESE
PRESIDENT TREASURER/CONTROLLER SVP/CHIEF FINANCIAL OFFICER

Subscribed and sworn to before me
this 14 day of JANUARY, 2026

x Harrison T. Schodt

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

HARRISON T. SCHODT
NOTARY PUBLIC
Franklin County
North Carolina
My Commission Expires September 21, 2026



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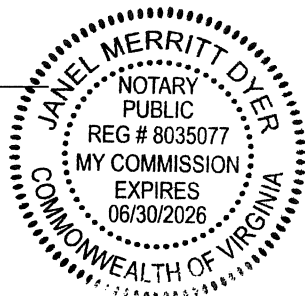
State of VIRGINIA
County of HENRICO SS

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.

x LISA MARIE BINNIE DANIEL ARTHUR SHULTIS TIMOTHY SEAN MACALEESE
PRESIDENT TREASURER/CONTROLLER SVP/CHIEF FINANCIAL OFFICER

Subscribed and sworn to before me
this 3rd day of February, 2026

x Janel M Dyer



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

**ASSETS**

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	70,920,080	0	70,920,080	82,233,452
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	186,896	0	186,896	189,900
2.2 Common stocks.....	225,782,038	0	225,782,038	197,761,148
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).....	0	0	0	0
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 (\$.....26,287,192, Schedule E - Part 1), cash equivalents (\$.....4,092,224, Schedule E - Part 2) and short-term investments (\$.....0, Schedule DA).....	30,379,416	0	30,379,416	37,871,322
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).....	0	0	0	0
9. Receivables for securities.....	0	0	0	0
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).....	327,268,430	0	327,268,430	318,055,822
13. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued.....	639,117	0	639,117	677,321
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	107,829,172	400,096	107,429,076	109,840,046
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	18,604,871	6,849	18,598,022	65,491,343
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	167,704,123	0	167,704,123	195,616,137
16.2 Funds held by or deposited with reinsured companies.....	1,705,216,348	0	1,705,216,348	1,681,854,861
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.....	1,768,764	0	1,768,764	2,415,316
18.2 Net deferred tax asset.....	2,434,086	1,304,941	1,129,145	1,503,710
19. Guaranty funds receivable or on deposit.....	0	0	0	0
20. Electronic data processing equipment and software.....	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$.....0).....	0	0	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.....	1,516,515	0	1,516,515	22,436,441
24. Health care (\$.....0) and other amounts receivable.....	0	0	0	0
25. Aggregate write-ins for other-than-invested assets.....	127,013	58,189	68,824	205,444
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	2,333,108,439	1,770,075	2,331,338,364	2,398,096,441
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. Total (Lines 26 and 27).....	2,333,108,439	1,770,075	2,331,338,364	2,398,096,441
<b>Details of Write-Ins</b>				
1101.....	0	0	0	0
1102.....	0	0	0	0
1103.....	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. PREPAID CLAIMS ACCOUNT.....	58,189	58,189	0	40,000
2502. OTHER ASSETS.....	40,667	0	40,667	111,771
2503. MISCELLANEOUS RECEIVABLE.....	28,157	0	28,157	53,673
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	127,013	58,189	68,824	205,444

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1	2
	Current Year	Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	78,488,814	76,241,256
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	130,394,847	164,031,377
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	28,726,531	27,609,565
4. Commissions payable, contingent commissions and other similar charges.....	352,390	(591,062)
5. Other expenses (excluding taxes, licenses and fees).....	1,191,506	1,665,357
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	580,180	4,514,160
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 \$.....0 and interest thereon \$.....0.....	0	0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....254,302,300 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).....	17,092,446	19,295,588
10. Advance premium.....	0	19,166
11. Dividends declared and unpaid:		
11.1 Stockholders.....	0	0
11.2 Policyholders.....	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions).....	130,504,046	166,132,394
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20).....	1,656,212,584	1,644,020,288
14. Amounts withheld or retained by company for account of others.....	0	0
15. Remittances and items not allocated.....	0	0
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 3 Column 78).....	0	492,000
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	0	0
18. Drafts outstanding.....	0	0
19. Payable to parent, subsidiaries and affiliates.....	1,380,657	24,574,224
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.....	19,805,996	42,254,004
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	2,064,729,997	2,170,258,317
27. Protected cell liabilities.....	0	0
28. Total liabilities (Lines 26 and 27).....	2,064,729,997	2,170,258,317
29. Aggregate write-ins for special surplus funds.....	10,333,235	5,958,058
30. Common capital stock.....	4,200,000	4,200,000
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.....	165,558,551	150,558,551
35. Unassigned funds (surplus).....	86,516,581	67,121,515
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).....	266,608,367	227,838,124
38. Totals (Page 2, Line 28, Col. 3).....	2,331,338,364	2,398,096,441
<b>Details of Write-Ins</b>		
2501. FUNDS HELD DEPOSIT.....	12,679,292	27,807,474
2502. POLICYHOLDER DEPOSITS.....	5,503,398	11,347,433
2503. DEFERRED CEDING COMMISSION.....	1,100,289	2,357,352
2598. Summary of remaining write-ins for Line 25 from overflow page.....	523,017	741,745
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	19,805,996	42,254,004
2901. SPECIAL SURPLUS FUNDS - RETROACTIVE REINSURANCE.....	10,333,235	5,958,058
2902.....	0	0
2903.....	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	10,333,235	5,958,058
3201.....	0	0
3202.....	0	0
3203.....	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above).....	0	0

**STATEMENT OF INCOME**

	1	2
	Current Year	Prior Year
<b>Underwriting Income</b>		
1. Premiums earned (Part 1, Line 35, Column 4)	42,020,172	45,707,328
Deductions:		
2. Losses incurred (Part 2, Line 35, Column 7)	24,717,978	30,028,966
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	8,675,208	9,796,575
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	12,184,297	10,609,502
5. Aggregate write-ins for underwriting deductions	0	0
6. Total underwriting deductions (Lines 2 through 5)	45,577,483	50,435,043
7. Net income of protected cells	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(3,557,311)	(4,727,715)
<b>Investment Income</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	4,266,283	3,817,839
10. Net realized capital gains (losses) less capital gains tax of \$.....59,461 (Exhibit of Capital Gains (Losses))	223,687	5,784
11. Net investment gain (loss) (Lines 9 + 10)	4,489,970	3,823,623
<b>Other Income</b>		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....11,079)	(11,079)	(37,557)
13. Finance and service charges not included in premiums	88	2,713
14. Aggregate write-ins for miscellaneous income	5,748,167	471,932
15. Total other income (Lines 12 through 14)	5,737,176	437,088
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	6,669,835	(467,004)
17. Dividends to policyholders	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	6,669,835	(467,004)
19. Federal and foreign income taxes incurred	912,965	(120,019)
20. Net income (Line 18 minus Line 19) (to Line 22)	5,756,870	(346,985)
<b>Capital and Surplus Account</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	227,838,124	233,298,489
22. Net income (from Line 20)	5,756,870	(346,985)
23. Net transfers (to) from Protected Cell accounts	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....(631)	18,018,516	(4,773,673)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0
26. Change in net deferred income tax	(424,764)	(95,471)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	(72,379)	131,764
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	492,000	(376,000)
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
Capital changes:		
32.1 Paid in	0	0
32.2 Transferred from surplus (stock dividend)	0	0
32.3 Transferred to surplus	0	0
Surplus adjustments:		
33.1 Paid in	15,000,000	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	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	38,770,243	(5,460,365)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	266,608,367	227,838,124
<b>Details of Write-Ins</b>		
0501.	0	0
0502.	0	0
0503.	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0
1401. RETROACTIVE REINSURANCE GAIN	5,501,347	3,626,003
1402. FRONTING FEE INCOME	215,079	601,183
1403. OTHER INCOME (EXPENSE)	31,741	(61,693)
1498. Summary of remaining write-ins for Line 14 from overflow page	0	(3,693,561)
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	5,748,167	471,932
3701.	0	0
3702.	0	0
3703.	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0

**CASH FLOW**

	1	2
	Current Year	Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance.....	72,702,873	57,929,585
2. Net investment income.....	3,958,370	3,452,499
3. Miscellaneous income.....	5,737,176	287,088
4. Total (Lines 1 to 3).....	82,398,419	61,669,172
5. Benefit and loss related payments.....	70,849,245	175,691,742
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	23,206,918	17,555,458
8. Dividends paid to policyholders.....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	325,876	1,742,859
10. Total (Lines 5 through 9).....	94,382,039	194,990,059
11. Net cash from operations (Line 4 minus Line 10).....	(11,983,620)	(133,320,887)
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	20,732,921	10,934,203
12.2 Stocks.....	0	0
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	1,607	299
12.7 Miscellaneous proceeds.....	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	20,734,528	10,934,502
13. Cost of investments acquired (long-term only exclude cash equivalents and short-term investments):		
13.1 Bonds.....	8,791,890	15,503,951
13.2 Stocks.....	10,000,000	10,000,000
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	0	0
13.6 Miscellaneous applications.....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	18,791,890	25,503,951
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).....	1,942,638	(14,569,449)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	15,000,000	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).....	(12,450,924)	144,270,422
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	2,549,076	144,270,422
<b>Reconciliation of Cash, Cash Equivalents and Short-Term Investments</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	(7,491,906)	(3,619,914)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	37,871,322	41,491,236
19.2 End of year (Line 18 plus Line 19.1).....	30,379,416	37,871,322

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

20.0001.....	0	0
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**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 1 – PREMIUMS EARNED

Line of Business		1	2	3	4
		Net Premiums Written per Column 6, Part 1B	Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	(8,265)	23,361	17,090	(1,994)
2.1	Allied lines	25,957	48,626	31,372	43,211
2.2	Multiple peril crop	0	0	0	0
2.3	Federal flood	0	0	0	0
2.4	Private crop	0	0	0	0
2.5	Private flood	0	0	0	0
3.	Farmowners multiple peril	0	0	0	0
4.	Homeowners multiple peril	0	0	0	0
5.1	Commercial multiple peril (non-liability portion)	(1)	59	0	58
5.2	Commercial multiple peril (liability portion)	(10)	0	0	(10)
6.	Mortgage guaranty	0	0	0	0
8.	Ocean marine	0	0	0	0
9.1	Inland marine	30,173	39,587	2,586	67,174
9.2	Pet insurance plans	0	0	0	0
10.	Financial guaranty	0	0	0	0
11.1	Medical professional liability – occurrence	4,249	1,766	1,776	4,239
11.2	Medical professional liability – claims-made	624,405	294,541	349,085	569,861
12.	Earthquake	(325)	6,791	2,887	3,579
13.1	Comprehensive (hospital and medical) individual	0	0	0	0
13.2	Comprehensive (hospital and medical) group	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0
15.1	Vision only	0	0	0	0
15.2	Dental only	0	0	0	0
15.3	Disability income	0	0	0	0
15.4	Medicare supplement	0	0	0	0
15.5	Medicaid Title XIX	0	0	0	0
15.6	Medicare Title XVIII	0	0	0	0
15.7	Long-term care	0	0	0	0
15.8	Federal employees health benefits plan	0	0	0	0
15.9	Other health	0	0	0	0
16.	Workers' compensation	(61,935)	45,729	4,262	(20,468)
17.1	Other liability – occurrence	30,821,616	14,128,826	13,014,366	31,936,076
17.2	Other liability – claims-made	1,662,595	855,923	872,080	1,646,438
17.3	Excess workers' compensation	0	0	0	0
18.1	Products liability—occurrence	3,411,936	1,877,007	1,630,138	3,658,805
18.2	Products liability—claims-made	441,262	255,972	255,473	441,761
19.1	Private passenger auto no-fault (personal injury protection)	0	0	0	0
19.2	Other private passenger auto liability	0	0	0	0
19.3	Commercial auto no-fault (personal injury protection)	82,691	27,276	34,484	75,483
19.4	Other commercial auto liability	2,504,439	1,475,914	779,046	3,201,307
21.1	Private passenger auto physical damage	(487)	0	0	(487)
21.2	Commercial auto physical damage	99,657	100,936	6,505	194,088
22.	Aircraft (all perils)	179,030	113,259	91,288	201,001
23.	Fidelity	0	0	0	0
24.	Surety	0	0	0	0
26.	Burglary and theft	10	4	4	10
27.	Boiler and machinery	33	11	4	40
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	39,817,030	19,295,588	17,092,446	42,020,172
<b>Details of Write-Ins</b>					
3401.		0	0	0	0
3402.		0	0	0	0
3403.		0	0	0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 1A – RECAPITULATION OF ALL PREMIUMS

Line of Business		1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1+2+3+4
1.	Fire	14,545	2,545	0	0	17,090
2.1	Allied lines	28,422	2,950	0	0	31,372
2.2	Multiple peril crop	0	0	0	0	0
2.3	Federal flood	0	0	0	0	0
2.4	Private crop	0	0	0	0	0
2.5	Private flood	0	0	0	0	0
3.	Farmowners multiple peril	0	0	0	0	0
4.	Homeowners multiple peril	0	0	0	0	0
5.1	Commercial multiple peril (non-liability portion)	0	0	0	0	0
5.2	Commercial multiple peril (liability portion)	0	0	0	0	0
6.	Mortgage guaranty	0	0	0	0	0
8.	Ocean marine	0	0	0	0	0
9.1	Inland marine	2,586	0	0	0	2,586
9.2	Pet insurance plans	0	0	0	0	0
10.	Financial guaranty	0	0	0	0	0
11.1	Medical professional liability – occurrence	1,776	0	0	0	1,776
11.2	Medical professional liability – claims-made	348,764	321	0	0	349,085
12.	Earthquake	2,887	0	0	0	2,887
13.1	Comprehensive (hospital and medical) individual	0	0	0	0	0
13.2	Comprehensive (hospital and medical) group	0	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0	0
15.1	Vision only	0	0	0	0	0
15.2	Dental only	0	0	0	0	0
15.3	Disability income	0	0	0	0	0
15.4	Medicare supplement	0	0	0	0	0
15.5	Medicaid Title XIX	0	0	0	0	0
15.6	Medicare Title XVIII	0	0	0	0	0
15.7	Long-term care	0	0	0	0	0
15.8	Federal employees health benefits plan	0	0	0	0	0
15.9	Other health	0	0	0	0	0
16.	Workers' compensation	4,262	0	0	0	4,262
17.1	Other liability – occurrence	12,195,925	818,441	0	0	13,014,366
17.2	Other liability – claims-made	862,468	9,612	0	0	872,080
17.3	Excess workers' compensation	0	0	0	0	0
18.1	Products liability—occurrence	1,543,960	86,178	0	0	1,630,138
18.2	Products liability—claims-made	254,049	1,424	0	0	255,473
19.1	Private passenger auto no-fault (personal injury protection)	0	0	0	0	0
19.2	Other private passenger auto liability	0	0	0	0	0
19.3	Commercial auto no-fault (personal injury protection)	34,484	0	0	0	34,484
19.4	Other commercial auto liability	778,670	376	0	0	779,046
21.1	Private passenger auto physical damage	0	0	0	0	0
21.2	Commercial auto physical damage	6,505	0	0	0	6,505
22.	Aircraft (all perils)	91,136	152	0	0	91,288
23.	Fidelity	0	0	0	0	0
24.	Surety	0	0	0	0	0
26.	Burglary and theft	4	0	0	0	4
27.	Boiler and machinery	4	0	0	0	4
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	16,170,447	921,999	0	0	17,092,446
36.	Accrued retrospective premiums based on experience	XXX	XXX	XXX	XXX	0
37.	Earned but unbilled premiums	XXX	XXX	XXX	XXX	0
38.	Balance (Sum of Lines 35 through 37)	XXX	XXX	XXX	XXX	17,092,446
<b>Details of Write-Ins</b>						
3401.		0	0	0	0	0
3402.		0	0	0	0	0
3403.		0	0	0	0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0

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

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 1B – PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1+2+3-4-5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire	5,665,140	66,517	0	(109,845)	5,849,767	(8,265)
2.1 Allied lines	13,009,206	361,009	0	344,850	12,999,408	25,957
2.2 Multiple peril crop	0	0	0	0	0	0
2.3 Federal flood	0	0	0	0	0	0
2.4 Private crop	0	0	0	0	0	0
2.5 Private flood	0	0	0	0	0	0
3. Farmowners multiple peril	0	0	0	0	0	0
4. Homeowners multiple peril	0	0	0	0	0	0
5.1 Commercial multiple peril (non-liability portion)	4,497,628	0	0	0	4,497,629	(1)
5.2 Commercial multiple peril (liability portion)	1,135,503	(10)	0	0	1,135,503	(10)
6. Mortgage guaranty	0	0	0	0	0	0
8. Ocean marine	0	0	0	0	0	0
9.1 Inland marine	1,565,864	57,909	0	400,858	1,192,742	30,173
9.2 Pet insurance plans	0	0	0	0	0	0
10. Financial guaranty	0	0	0	0	0	0
11.1 Medical professional liability – occurrence	0	60,701	0	56,452	0	4,249
11.2 Medical professional liability – claims-made	0	8,920,050	0	8,295,645	0	624,405
12. Earthquake	0	(4,641)	0	(4,316)	0	(325)
13.1 Comprehensive (hospital and medical) individual	0	0	0	0	0	0
13.2 Comprehensive (hospital and medical) group	0	0	0	0	0	0
14. Credit accident and health (group and individual)	0	0	0	0	0	0
15.1 Vision only	0	0	0	0	0	0
15.2 Dental only	0	0	0	0	0	0
15.3 Disability income	0	0	0	0	0	0
15.4 Medicare supplement	0	0	0	0	0	0
15.5 Medicaid Title XIX	0	0	0	0	0	0
15.6 Medicare Title XVIII	0	0	0	0	0	0
15.7 Long-term care	0	0	0	0	0	0
15.8 Federal employees health benefits plan	0	0	0	0	0	0
15.9 Other health	0	0	0	0	0	0
16. Workers' compensation	30,990	(903,112)	(28,835)	(822,844)	(16,178)	(61,935)
17.1 Other liability – occurrence	13,288,153	439,502,306	0	409,487,096	12,481,747	30,821,616
17.2 Other liability – claims-made	1,547,164	23,211,095	0	22,088,776	1,006,888	1,662,595
17.3 Excess workers' compensation	0	0	0	0	0	0
18.1 Products liability—occurrence	373,187	48,671,981	0	45,330,016	303,216	3,411,936
18.2 Products liability—claims-made	0	6,303,737	0	5,862,475	0	441,262
19.1 Private passenger auto no-fault (personal injury protection)	0	0	0	0	0	0
19.2 Other private passenger auto liability	0	0	0	0	0	0
19.3 Commercial auto no-fault (personal injury protection)	670,993	28,329	1,006,079	1,098,621	524,089	82,691
19.4 Other commercial auto liability	51,539,656	21,289,628	0	33,273,276	37,051,569	2,504,439
21.1 Private passenger auto physical damage	0	0	0	(6,470)	6,957	(487)
21.2 Commercial auto physical damage	7,494,565	363,008	0	1,323,993	6,433,923	99,657
22. Aircraft (all perils)	26,082,542	170,885	0	2,378,503	23,695,894	179,030
23. Fidelity	0	0	0	0	0	0
24. Surety	0	0	0	0	0	0
26. Burglary and theft	688,031	0	0	158	687,863	10
27. Boiler and machinery	202,534	387	0	438	202,450	33
28. Credit	29,516,176	0	0	0	29,516,176	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	157,307,332	548,099,779	977,244	528,997,682	137,569,643	39,817,030
<b>Details of Write-Ins</b>						
3401.	0	0	0	0	0	0
3402.	0	0	0	0	0	0
3403.	0	0	0	0	0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0

(a) Does the company's direct premiums written include premiums recorded on an installment basis? YES

If yes: 1. The amount of such installment premiums \$(27,158)

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$(30,510)

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 2 - LOSSES PAID AND INCURRED**

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire	16,401,058	(1,284)	16,400,059	(285)	6,898	31,607	(24,994)	1,253.460 %
2.1 Allied lines	2,160,833	827,350	2,930,689	57,494	407,117	451,438	13,173	30.485 %
2.2 Multiple peril crop	0	0	0	0	0	0	0	0 %
2.3 Federal flood	0	0	0	0	0	0	0	0 %
2.4 Private crop	0	0	0	0	0	0	0	0 %
2.5 Private flood	0	0	0	0	0	0	0	0 %
3. Farmowners multiple peril	0	0	0	0	0	0	0	0 %
4. Homeowners multiple peril	0	0	0	0	0	0	0	0 %
5.1 Commercial multiple peril (non-liability portion)	4,726,297	0	4,726,001	296	16	33	279	481.034 %
5.2 Commercial multiple peril (liability portion)	4,684,123	0	4,684,123	0	823	911	(88)	880.000 %
6. Mortgage guaranty	0	0	0	0	0	0	0	0 %
8. Ocean marine	0	0	0	0	0	0	0	0 %
9.1 Inland marine	1,853,054	34,313	1,853,385	33,982	14,199	27,907	20,274	30.181 %
9.2 Pet insurance plans	0	0	0	0	0	0	0	0 %
10. Financial guaranty	0	0	0	0	0	0	0	0 %
11.1 Medical professional liability – occurrence	0	149,500	139,035	10,465	19,395	31,633	(1,773)	(41.826) %
11.2 Medical professional liability – claims-made	0	9,904,108	9,210,820	693,288	985,824	1,043,742	635,370	111.496 %
12. Earthquake	0	0	0	0	1,466	1,030	436	12.182 %
13.1 Comprehensive (hospital and medical) individual	0	0	0	0	0	0	0	0 %
13.2 Comprehensive (hospital and medical) group	0	0	0	0	0	0	0	0 %
14. Credit accident and health (group and individual)	0	0	0	0	0	0	0	0 %
15.1 Vision only	0	0	0	0	0	0	0	0 %
15.2 Dental only	0	0	0	0	0	0	0	0 %
15.3 Disability income	0	0	0	0	0	0	0	0 %
15.4 Medicare supplement	0	0	0	0	0	0	0	0 %
15.5 Medicaid Title XIX	0	0	0	0	0	0	0	0 %
15.6 Medicare Title XVIII	0	0	0	0	0	0	0	0 %
15.7 Long-term care	0	0	0	0	0	0	0	0 %
15.8 Federal employees health benefits plan	0	0	0	0	0	0	0	0 %
15.9 Other health	0	0	0	0	0	0	0	0 %
16. Workers' compensation	1,549,481	11,324,280	12,059,693	814,068	2,019,912	3,234,247	(400,267)	1,955.575 %
17.1 Other liability – occurrence	46,637,009	193,889,600	226,495,912	14,030,697	55,414,336	50,667,634	18,777,399	58.797 %
17.2 Other liability – claims-made	420,500	3,588,242	3,747,263	261,479	883,880	977,810	167,549	10.176 %
17.3 Excess workers' compensation	0	0	0	0	0	0	0	0 %
18.1 Products liability—occurrence	0	38,896,194	36,173,460	2,722,734	11,610,123	11,298,060	3,034,797	82.945 %
18.2 Products liability—claims-made	0	1,565,770	1,456,166	109,604	258,517	279,805	88,316	19.992 %
19.1 Private passenger auto no-fault (personal injury protection)	3,914,292	0	3,895,081	19,211	27,020	25,522	20,709	0 %
19.2 Other private passenger auto liability	505,931	0	498,512	7,419	9,967	14,916	2,470	0 %
19.3 Commercial auto no-fault (personal injury protection)	369,522	770,054	1,078,242	61,334	180,451	136,368	105,417	139.657 %
19.4 Other commercial auto liability	75,967,709	30,710,187	103,325,979	3,351,917	6,280,987	7,618,774	2,014,130	62.916 %
21.1 Private passenger auto physical damage	1,179	0	1,156	23	0	(6)	29	(5.955) %
21.2 Commercial auto physical damage	8,889,911	319,214	9,073,123	136,002	67,998	79,542	124,458	64.125 %
22. Aircraft (all perils)	22,222,059	76,577	22,137,723	160,913	299,865	320,266	140,512	69.906 %
23. Fidelity	0	0	0	0	0	0	0	0 %
24. Surety	0	0	0	0	0	0	0	0 %
26. Burglary and theft	1,660,018	0	1,660,239	(221)	4	0	(217)	(2,170.000) %
27. Boiler and machinery	(2,951)	0	(2,951)	0	16	17	(1)	(2.500) %
28. Credit	10,407,847	0	10,407,847	0	0	0	0	0 %
29. International	0	0	0	0	0	0	0	0 %
30. Warranty	0	0	0	0	0	0	0	0 %
31. Reinsurance - nonproportional assumed property	XXX	0	0	0	0	0	0	0 %
32. Reinsurance - nonproportional assumed liability	XXX	0	0	0	0	0	0	0 %
33. Reinsurance - nonproportional assumed financial lines	XXX	0	0	0	0	0	0	0 %
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0 %
35. TOTALS	202,367,872	292,054,105	471,951,557	22,470,420	78,488,814	76,241,256	24,717,978	58.824 %
<b>Details of Write-Ins</b>								
3401.	0	0	0	0	0	0	0	0 %
3402.	0	0	0	0	0	0	0	0 %
3403.	0	0	0	0	0	0	0	0 %
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0 %
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0	0	0 %

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

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4+5+6-7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excl. Incurred But Not Reported (Cols. 1+2-3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire	2,254,037	25	2,254,025	37	4,247,188	95,234	4,335,561	6,898	8,885
2.1 Allied lines	582,219	1,243,666	1,738,763	87,122	3,447,430	4,567,037	7,694,472	407,117	197,399
2.2 Multiple peril crop	0	0	0	0	0	0	0	0	0
2.3 Federal flood	0	0	0	0	0	0	0	0	0
2.4 Private crop	0	0	0	0	0	0	0	0	0
2.5 Private flood	0	0	0	0	0	0	0	0	0
3. Farmowners multiple peril	0	0	0	0	0	0	0	0	0
4. Homeowners multiple peril	0	0	0	0	0	0	0	0	0
5.1 Commercial multiple peril (non-liability portion)	5,506,970	0	5,506,970	0	2,112,280	209	2,112,473	16	(11)
5.2 Commercial multiple peril (liability portion)	12,791,812	0	12,791,812	0	6,186,426	0	6,185,603	823	224
6. Mortgage guaranty	0	0	0	0	0	0	0	0	0
8. Ocean marine	0	0	0	0	0	0	0	0	0
9.1 Inland marine	74,493	24,562	96,637	2,418	440,483	60,421	489,123	14,199	3,682
9.2 Pet insurance plans	0	0	0	0	0	0	0	0	0
10. Financial guaranty	0	0	0	0	0	0	0	0	0
11.1 Medical professional liability – occurrence	0	100,000	93,000	7,000	0	177,071	164,676	19,395	7,456
11.2 Medical professional liability – claims-made	0	4,919,126	4,574,787	344,339	0	9,164,070	8,522,585	985,824	443,404
12. Earthquake	0	0	0	0	187	20,233	18,954	1,466	3,086
13.1 Comprehensive (hospital and medical) individual	0	0	0	0	0	0	0	(a)	0
13.2 Comprehensive (hospital and medical) group	0	0	0	0	0	0	0	(a)	0
14. Credit accident and health (group and individual)	0	0	0	0	0	0	0	0	0
15.1 Vision only	0	0	0	0	0	0	0	(a)	0
15.2 Dental only	0	0	0	0	0	0	0	(a)	0
15.3 Disability income	0	0	0	0	0	0	0	(a)	0
15.4 Medicare supplement	0	0	0	0	0	0	0	(a)	0
15.5 Medicaid Title XIX	0	0	0	0	0	0	0	(a)	0
15.6 Medicare Title XVIII	0	0	0	0	0	0	0	(a)	0
15.7 Long-term care	0	0	0	0	0	0	0	(a)	0
15.8 Federal employees health benefits plan	0	0	0	0	0	0	0	(a)	0
15.9 Other health	0	0	0	0	0	0	0	(a)	0
16. Workers' compensation	9,223,425	19,683,584	27,466,812	1,440,197	3,095,125	7,991,931	10,507,341	2,019,912	352,645
17.1 Other liability – occurrence	41,980,043	187,591,565	216,216,211	13,355,397	46,173,124	592,776,435	596,890,620	55,414,336	18,351,426
17.2 Other liability – claims-made	125,000	2,122,120	2,095,509	151,611	669,095	10,258,602	10,195,428	883,880	391,090
17.3 Excess workers' compensation	0	0	0	0	0	0	0	0	0
18.1 Products liability—occurrence	0	52,556,879	48,877,897	3,678,982	1,345,106	113,062,955	106,476,920	11,610,123	6,954,437
18.2 Products liability—claims-made	0	289,633	269,359	20,274	0	3,403,473	3,165,230	258,517	223,049
19.1 Private passenger auto no-fault (personal injury protection)	1,948,024	0	1,944,764	3,260	2,507,020	0	2,483,260	27,020	9,741
19.2 Other private passenger liability	44,501	0	43,771	730	551,839	0	542,602	9,967	2,709
19.3 Commercial auto no-fault (personal injury protection)	1,452,908	1,286,011	2,615,457	123,462	941,262	577,243	1,461,516	180,451	4,461
19.4 Other commercial auto liability	59,103,180	21,551,019	78,060,412	2,593,787	73,392,848	31,630,162	101,335,810	6,280,987	1,690,407
21.1 Private passenger auto physical damage	0	0	0	0	0	0	0	0	0
21.2 Commercial auto physical damage	2,780,586	15,412	2,789,931	6,067	3,451,496	202,745	3,592,310	67,998	17,584
22. Aircraft (all perils)	14,630,506	497,743	14,969,261	158,988	16,530,671	122,649	16,512,443	299,865	64,572
23. Fidelity	0	0	0	0	0	0	0	0	0
24. Surety	0	0	0	0	0	0	0	0	0
26. Burglary and theft	3,500	0	3,500	0	97,270	0	97,266	4	(15)
27. Boiler and machinery	0	0	0	0	108,942	163	109,089	16	300
28. Credit	176,000	0	176,000	0	2,658,393	0	2,658,393	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	0	0	0	XXX	0	0	0	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	152,677,204	291,881,345	422,584,878	21,973,671	167,956,185	774,110,633	885,551,675	78,488,814	28,726,531
<b>Details of Write-Ins</b>									
3401.	0	0	0	0	0	0	0	0	0
3402.	0	0	0	0	0	0	0	0	0
3403.	0	0	0	0	0	0	0	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0	0	0	0

(a) Including \$0 for present value of life indemnity claims reported in Lines 13 and 15.

**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	10,394,396	0	0	10,394,396
1.2. Reinsurance assumed	0	0	0	0
1.3. Reinsurance ceded	3,209,096	0	0	3,209,096
1.4. Net claim adjustment services (1.1+1.2-1.3)	7,185,300	0	0	7,185,300
2. Commission and brokerage:				
2.1. Direct, excluding contingent	0	14,331,732	0	14,331,732
2.2. Reinsurance assumed, excluding contingent	0	17,641	0	17,641
2.3. Reinsurance ceded, excluding contingent	0	11,235,425	0	11,235,425
2.4. Contingent—direct	0	339,995	0	339,995
2.5. Contingent—reinsurance assumed	0	0	0	0
2.6. Contingent—reinsurance ceded	0	401,870	0	401,870
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	3,052,073	0	3,052,073
3. Allowances to manager and agents	32	7,218	0	7,250
4. Advertising	0	880	0	880
5. Boards, bureaus and associations	4,016	271,116	0	275,132
6. Surveys and underwriting reports	0	(305,873)	0	(305,873)
7. Audit of assureds' records	0	57,754	0	57,754
8. Salary and related items:				
8.1. Salaries	1,014,926	5,535,091	0	6,550,017
8.2. Payroll taxes	74,461	340,825	0	415,286
9. Employee relations and welfare	150,304	702,635	0	852,939
10. Insurance	16,806	258,455	0	275,261
11. Directors' fees	0	0	0	0
12. Travel and travel items	5,577	88,391	0	93,968
13. Rent and rent items	30,822	210,403	0	241,225
14. Equipment	54,628	387,358	0	441,986
15. Cost or depreciation of EDP equipment and software	27,558	176,578	0	204,136
16. Printing and stationery	4,160	26,427	0	30,587
17. Postage, telephone and telegraph, exchange and express	6,635	127,151	0	133,786
18. Legal and auditing	5,476	430,518	0	435,994
19. Totals (Lines 3 to 18)	1,395,401	8,314,927	0	9,710,328
20. Taxes, licenses and fees:				
20.1. State and local insurance taxes deducting guaranty association credits of \$.....0	0	240,839	0	240,839
20.2. Insurance department licenses and fees	1,353	51,094	0	52,447
20.3. Gross guaranty association assessments	0	(11,651)	0	(11,651)
20.4. All other (excluding federal and foreign income and real estate)	672	28,874	0	29,546
20.5. Total taxes, licenses and fees (20.1+20.2+20.3+20.4)	2,025	309,156	0	311,181
21. Real estate expenses	0	0	0	0
22. Real estate taxes	0	0	0	0
23. Reimbursements by uninsured plans	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses	92,482	508,141	127,542	728,165
25. Total expenses incurred	8,675,208	12,184,297	127,542	(a) 20,987,047
26. Less unpaid expenses—current year	28,726,531	3,224,365	24,787	31,975,683
27. Add unpaid expenses—prior year	27,609,565	7,945,807	22,372	35,577,744
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)	7,558,242	16,905,739	125,127	24,589,108
<b>Details of Write-Ins</b>				
2401. OUTSIDE CONSULTING	57,514	478,263	127,542	663,319
2402. OTHER	35,541	29,324	0	64,865
2403. SHARED REIMBURSEMENTS	(573)	554	0	(19)
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	92,482	508,141	127,542	728,165

(a) Includes management fees of \$8,647,563 to affiliates and \$91,600 to non-affiliates.

**EXHIBIT OF NET INVESTMENT INCOME**

		1	2
		Collected During Year	Earned During Year
1. U.S. Government bonds	(a)	121,083	112,258
1.1. Bonds exempt from U.S. tax	(a)	61,244	54,733
1.2. Other bonds (unaffiliated)	(a)	3,784,772	3,740,360
1.3. Bonds of affiliates	(a)	0	0
2.1. Preferred stocks (unaffiliated)	(b)	12,119	12,119
2.11. Preferred stocks of affiliates	(b)	0	0
2.2. Common stocks (unaffiliated)		0	0
2.21. Common stocks of affiliates		0	0
3. Mortgage loans	(c)	0	0
4. Real estate	(d)	0	0
5. Contract loans		0	0
6. Cash, cash equivalents and short-term investments	(e)	591,102	612,437
7. Derivative instruments	(f)	0	0
8. Other invested assets		0	0
9. Aggregate write-ins for investment income		7,929	7,929
10. Total gross investment income		4,578,249	4,539,836
11. Investment expenses	(g)		127,542
12. Investment taxes, licenses and fees, excluding federal income taxes	(g)		0
13. Interest expense	(h)		146,011
14. Depreciation on real estate and other invested assets	(i)		0
15. Aggregate write-ins for deductions from investment income			0
16. Total deductions (Lines 11 through 15)			273,553
17. Net investment income (Line 10 minus Line 16)			4,266,283
<b>Details of Write-Ins</b>			
0901. Misc. Income		7,929	7,929
0902.		0	0
0903.		0	0
0998. Summary of remaining write-ins for Line 09 from overflow page		0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)		7,929	7,929
1501.		0	0
1502.		0	0
1503.		0	0
1598. Summary of remaining write-ins for Line 15 from overflow page		0	0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0	0

- (a) Includes \$415,474 accrual of discount less \$69,357 amortization of premium and less \$59,053 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 \$275,058 accrual of discount less \$0 amortization of premium and less \$0 paid for accrued interest on purchases.
- (f) Includes \$0 accrual of discount less \$0 amortization of premium.
- (g) Includes \$0 investment expenses and \$0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$0 interest on surplus notes and \$0 interest on capital notes.
- (i) Includes \$0 depreciation on real estate and \$0 depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1	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	0	0	0	0	0
1.1. Bonds exempt from U.S. tax	0	0	0	0	0
1.2. Other bonds (unaffiliated)	281,541	0	281,541	0	0
1.3. Bonds of affiliates	0	0	0	0	0
2.1. Preferred stocks (unaffiliated)	0	0	0	(3,004)	0
2.11. Preferred stocks of affiliates	0	0	0	0	0
2.2. Common stocks (unaffiliated)	0	0	0	0	0
2.21. Common stocks of affiliates	0	0	0	18,020,889	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	1,607	0	1,607	0	0
7. Derivative instruments	0	0	0	0	0
8. Other invested assets	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	283,148	0	283,148	18,017,885	0
<b>Details of Write-Ins</b>					
0901.	0	0	0	0	0
0902.	0	0	0	0	0
0903.	0	0	0	0	0
0998. Summary of remaining write-ins for Line 09 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)	0	0	0	0	0

**EXHIBIT OF NONADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1. Preferred stocks.....	0	0	0
2.2. Common stocks.....	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1. First liens.....	0	0	0
3.2. Other than first liens.....	0	0	0
4. Real estate (Schedule A):			
4.1. Properties occupied by the company.....	0	0	0
4.2. Properties held for the production of income.....	0	0	0
4.3. Properties held for sale.....	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans.....	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA).....	0	0	0
9. Receivables for securities.....	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	0	0	0
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued.....	0	0	0
15. Premiums and considerations:			
15.1. Uncollected premiums and agents' balances in the course of collection.....	400,096	336,340	(63,756)
15.2. Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	6,849	6,849	0
15.3. Accrued retrospective premiums and contracts subject to redetermination.....	0	0	0
16. Reinsurance:			
16.1. Amounts recoverable from reinsurers.....	0	0	0
16.2. Funds held by or deposited with reinsured companies.....	0	0	0
16.3. Other amounts receivable under reinsurance contracts.....	0	0	0
17. Amounts receivable relating to uninsured plans.....	0	0	0
18.1. Current federal and foreign income tax recoverable and interest thereon.....	0	0	0
18.2. Net deferred tax asset.....	1,304,941	1,354,507	49,566
19. Guaranty funds receivable or on deposit.....	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets.....	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0
23. Receivables from parent, subsidiaries and affiliates.....	0	0	0
24. Health care and other amounts receivable.....	0	0	0
25. Aggregate write-ins for other-than-invested assets.....	58,189	0	(58,189)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	1,770,075	1,697,696	(72,379)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27).....	1,770,075	1,697,696	(72,379)
<b>Details of Write-Ins</b>			
1101.....	0	0	0
1102.....	0	0	0
1103.....	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0
2501. OTHER ASSETS.....	58,189	0	(58,189)
2502.....	0	0	0
2503.....	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	58,189	0	(58,189)

**Notes to the Financial Statements**

**1. Summary of Significant Accounting Policies and Going Concern**

**A. Accounting Practices**

The financial statements of Falls Lake National Insurance Company ("the Company") are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance.

The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for purposes of determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners ("NAIC") *Accounting Practices and Procedures Manual* has been adopted as a component of prescribed or permitted practices by the state of Ohio.

The accompanying financial statements contain no differences as a result of practices prescribed or permitted by Ohio that differ from the NAIC's *Accounting Practices and Procedures Manual* as noted in the table below:

	SSAP #	F/S Page	F/S Line #	2025	2024
<b>Net Income</b>					
(1) State basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 5,756,870	\$ (346,985)
(2) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(3) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$ 5,756,870</u>	<u>\$ (346,985)</u>
<b>Surplus</b>					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 266,608,367	\$ 227,838,124
(6) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(7) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$ 266,608,367</u>	<u>\$ 227,838,124</u>

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

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

**C. Accounting Policy**

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

(1) Short-term investments are stated at amortized cost.

(2) Basis for Bonds, Mandatory Convertible Securities, SVO-Identified Investments and Amortization Method

Investment-grade issuer credit obligations are stated at amortized cost using the interest method. Non-investment-grade issuer credit obligations are stated at the lower of amortized cost or fair value. The Company does not have any investments in mandatory convertible securities or SVO-Identified investments.

(3) The Company has no investments in unaffiliated common stock.

(4) Perpetual preferred stocks are stated at fair value not exceeding the current effective call price. Mandatory redeemable preferred stocks are stated at amortized cost, except non-investment grade redeemable preferred stocks, which are stated at the lower of cost or fair value.

(5) The Company has no investments in mortgage loans.

(6) Basis for Asset-backed Securities and Adjustment Methodology

Asset-backed securities are stated at either amortized cost using the interest method, or the lower of amortized cost or fair value based on NAIC designation. The retrospective adjustment method is used to value specific asset-backed securities that are of high-quality. The prospective method is used to value asset-backed securities with an NAIC designation of 1c or below.

(7) Affiliated common stock is stated at the statutory value of the insurance subsidiaries.

(8) The Company has no investments in joint ventures, partnerships or limited liability companies.

(9) The Company has no investments in derivatives.

(10) The Company does not consider investment income as a factor in determining premium deficiency reserves.

**Notes to the Financial Statements**

**1. Summary of Significant Accounting Policies and Going Concern (Continued)**

(11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past company and industry 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.

(12) The Company has not modified its capitalization policy from the prior period.

(13) The Company does not write major medical insurance with prescription drug coverage.

**D. Going Concern**

Based upon its evaluation of relevant conditions and events, management does not have substantial doubt about 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**

**4. Discontinued Operations - Not Applicable**

**5. Investments**

**A. Mortgage Loans, including Mezzanine Real Estate Loans - Not Applicable**

**B. Debt Restructuring - Not Applicable**

**C. Reverse Mortgages - Not Applicable**

**D. Asset-Backed Securities**

**(1) Description of Sources Used to Determine Prepayment Assumptions**

For fixed rate agency mortgage-backed securities, prepayment speeds are calculated utilizing Mortgage Industry Advisory Corporation (MIAC) Mortgage Industry Medians (MIMs). MIMs are derived from a semi-monthly dealer consensus survey of long-term prepayment projections.

For other mortgage-backed and asset-backed securities, prepayment assumptions are obtained from Moody's Analytics. Moody's applies a flat economic credit model and utilizes a vector of multiple monthly speeds as opposed to a single speed for more robust projections. If Moody's projections are not available, data is obtained from Reuters, which utilizes the median prepayment speed from contributors' models. Prepayment assumptions for fixed rate agency mortgage-backed securities were generated using the prepayment speeds.

**(2) Asset-backed securities with a recognized other-than-temporary impairment (OTTI) - Not Applicable**

**(3) Securities held that were other-than-temporarily impaired due to the present value of cash flows expected to be collected was less than the amortized cost of securities - Not Applicable**

**(4) All impaired securities for which an OTTI has not been recognized in earnings as a realized loss**

<b>a. Aggregate amount of unrealized losses</b>	
1. Less than 12 months.....	\$..... 31,322
2. 12 months or longer.....	266,321
<b>b. The aggregate related fair value of securities with unrealized losses</b>	
1. Less than 12 months.....	\$..... 1,226,772
2. 12 months or longer.....	10,131,928

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

The Company's management regularly reviews the value of investments. If the value of an investment falls below its cost basis, the decline is analyzed to determine whether it is an other-than-temporary decline in value. To make this determination, the following are considered:

- (a) How long and by how much the fair value has been below its cost;
- (b) The financial condition and near-term prospects of the issuer of the security, including any specific events that may affect its operations;
- (c) Management's intent to hold the security long enough for it to recover its value;
- (d) Any downgrades of the security by a rating agency; and
- (e) Any nonpayment of scheduled interest payments.

Based on that analysis, management makes a judgment as to whether the loss is other-than-temporary. If the loss is other-than-temporary, the impairment is recognized as a realized capital loss in the Statement of Income in the period the determination is made.

**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**

**Notes to the Financial Statements**

**5. Investments (Continued)**

- J. Real Estate - Not Applicable
- K. Investments in Tax Credit Structures (tax credit investments) - Not Applicable
- L. Restricted Assets
  - (1) Restricted assets (including pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted						
	Current Year					(6)	(7)
	(1)	(2)	(3)	(4)	(5)		
Total General Account (G/A)	G/A Supporting Protected Cell Account Activity	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity	Total (1 + 3)	Total From Prior Year	Increase / (Decrease) (5 - 6)	
a. Subject to contractual obligation for which liability is not shown	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
b. Collateral held under security lending agreements	0	0	0	0	0	0	0
c. Subject to repurchase agreements	0	0	0	0	0	0	0
d. Subject to reverse repurchase agreements	0	0	0	0	0	0	0
e. Subject to dollar repurchase agreements	0	0	0	0	0	0	0
f. Subject to dollar reverse repurchase agreements	0	0	0	0	0	0	0
g. Placed under option contracts	0	0	0	0	0	0	0
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	0	0	0	0	0	0	0
i. FHLB capital stock	0	0	0	0	0	0	0
j. On deposit with states	6,301,627	0	0	0	6,301,627	6,330,198	(28,571)
k. On deposit with other regulatory bodies	0	0	0	0	0	0	0
l. Pledged as collateral to FHLB (including assets backing funding agreements)	0	0	0	0	0	0	0
m. Pledged as collateral not captured in other categories	0	0	0	0	0	0	0
n. Other restricted assets	0	0	0	0	0	0	0
o. Collateral assets received and on balance sheet	0	0	0	0	0	0	0
p. Assets held under modco reinsurance agreements	0	0	0	0	0	0	0
q. Assets held under funds withheld reinsurance agreements	0	0	0	0	0	0	0
r. Total restricted assets (Sum of a through q)	<u>\$ 6,301,627</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 6,301,627</u>	<u>\$ 6,330,198</u>	<u>\$ (28,571)</u>

Restricted Asset Category	Current Year						
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Total Nonadmitted Restricted	Total Admitted Restricted (5 - 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets, %	Admitted Restricted to Total Admitted Assets, %	Amount Reported in General Interrogatories	Difference from Note and GI	GI Ref
a. Subject to contractual obligation for which liability is not shown	\$ 0	\$ 0	0 %	0 %	XXX	XXX	XXX
b. Collateral held under security lending agreements	0	0	0	0	0	0	25.04+25.05
c. Subject to repurchase agreements	0	0	0	0	0	0	26.21
d. Subject to reverse repurchase agreements	0	0	0	0	0	0	26.22
e. Subject to dollar repurchase agreements	0	0	0	0	0	0	26.23
f. Subject to dollar reverse repurchase agreements	0	0	0	0	0	0	26.24
g. Placed under option contracts	0	0	0	0	0	0	26.25
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	0	0	0	0	0	0	26.26
i. FHLB capital stock	0	0	0	0	0	0	26.27
j. On deposit with states	0	6,301,627	0.270	0.270	6,301,627	0	26.28
k. On deposit with other regulatory bodies	0	0	0	0	0	0	26.29
l. Pledged as collateral to FHLB (including assets backing funding agreements)	0	0	0	0	0	0	26.31
m. Pledged as collateral not captured in other categories	0	0	0	0	0	0	26.30
n. Other restricted assets	0	0	0	0	0	0	26.32
o. Collateral assets received and on balance sheet	0	0	0	0	XXX	XXX	XXX
p. Assets held under modco reinsurance agreements	0	0	0	0	XXX	XXX	XXX
q. Assets held under funds withheld reinsurance agreements	0	0	0	0	XXX	XXX	XXX
r. Total restricted assets (Sum of a through q)	<u>\$ 0</u>	<u>\$ 6,301,627</u>	<u>0.270 %</u>	<u>0.270 %</u>	<u>XXX</u>	<u>XXX</u>	<u>XXX</u>

Explanation for differences between the Note and general interrogatories:

GI Reference	Difference between Note and GI (Per Column 13 above)	Explanation
25.04+25.05	\$ 0	
26.21	0	
26.22	0	
26.23	0	
26.24	0	
26.25	0	
26.26	0	
26.27	0	
26.28	0	
26.29	0	
26.31	0	
26.30	0	
26.32	0	

- (2) Detail of assets pledged as collateral not captured in other categories (contracts that share similar characteristics, such as reinsurance (excluding Modco/FWH) and derivatives, are reported in the aggregate) - Not Applicable
- (3) Detail of other restricted assets (contracts that share similar characteristics, such as reinsurance (excluding Modco/FWH) and derivatives, are reported in the aggregate) - Not Applicable
- (4) Collateral received and assets held under Modco/Funds Withheld (FWH) reinsurance agreements reflected as assets within the reporting entity's financial statements - Not Applicable

**Notes to the Financial Statements**

**5. Investments (Continued)**

(5) Assets held as collateral or under modified coinsurance (Modco) or funds withheld reinsurance (FWH) agreements that have been pledged for another purpose specific to the insurance reporting entity (not for the benefit of the reinsurer) - Not Applicable

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

	General Account	Protected Cell
(1) Number of CUSIPs.....	1	0
(2) Aggregate amount of investment income.....	\$ 25,044	\$ 0

R. Reporting Entity's Share of Cash Pool by Asset Type - Not Applicable

S. Aggregate Collateral Loans by Qualifying Investment Collateral - Not Applicable

**6. Joint Ventures, Partnerships and Limited Liability Companies - Not Applicable**

**7. Investment Income**

A. Due and Accrued Income Excluded from Surplus

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

B. Total Amount Excluded - Not Applicable

C. The gross, nonadmitted and admitted amounts for interest income due and accrued

Interest Income Due and Accrued	Amount
1. Gross.....	\$ 639,117
2. Nonadmitted.....	\$ 0
3. Admitted.....	\$ 639,117

D. The aggregate deferred interest - Not Applicable

E. The cumulative amounts of paid-in-kind (PIK) interest included in the current principal balance - Not Applicable

**8. Derivative Instruments - Not Applicable**

**9. Income Taxes**

A. Components of the net deferred tax asset/(liability)

(1) Change between years by tax character

	2025			2024			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Gross deferred tax assets.....	\$ 2,592,880	\$ 2,694	\$ 2,595,574	\$ 3,012,549	\$ 2,063	\$ 3,014,612	\$ (419,669)	\$ 631	\$ (419,038)
(b) Statutory valuation allowance adjustments.....	0	0	0	0	0	0	0	0	0
(c) Adjusted gross deferred tax assets (1a - 1b).....	2,592,880	2,694	2,595,574	3,012,549	2,063	3,014,612	(419,669)	631	(419,038)
(d) Deferred tax assets nonadmitted.....	1,302,247	2,694	1,304,941	1,352,444	2,063	1,354,507	(50,197)	631	(49,566)
(e) Subtotal net admitted deferred tax asset (1c - 1d).....	\$ 1,290,633	\$ 0	\$ 1,290,633	\$ 1,660,105	\$ 0	\$ 1,660,105	\$ (369,472)	\$ 0	\$ (369,472)
(f) Deferred tax liabilities.....	161,487	0	161,487	156,395	0	156,395	5,092	0	5,092
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e - 1f).....	<u>\$ 1,129,146</u>	<u>\$ 0</u>	<u>\$ 1,129,146</u>	<u>\$ 1,503,710</u>	<u>\$ 0</u>	<u>\$ 1,503,710</u>	<u>\$ (374,564)</u>	<u>\$ 0</u>	<u>\$ (374,564)</u>

**Notes to the Financial Statements**

**9. Income Taxes (Continued)**

(2) Admission calculation components SSAP No. 101

	2025			2024			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 885,798	\$ 0	\$ 885,798	\$ 1,503,710	\$ 0	\$ 1,503,710	\$ (617,912)	\$ 0	\$ (617,912)
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation (lesser of 2(b)1 and 2(b)2 below)	243,348	0	243,348	0	0	0	243,348	0	243,348
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	243,348	0	243,348	0	0	0	243,348	0	243,348
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	26,595,422	XXX	XXX	22,633,441	XXX	XXX	3,961,981
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	161,487	0	161,487	156,395	0	156,395	5,092	0	5,092
(d) Deferred tax assets admitted as the result of application of SSAP No. 101									
Total 2(a) + 2(b) + 2(c)	\$ 1,290,633	\$ 0	\$ 1,290,633	\$ 1,660,105	\$ 0	\$ 1,660,105	\$ (369,472)	\$ 0	\$ (369,472)

(3) Ratio used as basis of admissibility

	2025	2024
(a) Ratio percentage used to determine recovery period and threshold limitation amount	206.108 %	202.050 %
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 265,479,222	\$ 226,334,414

(4) Impact of tax-planning strategies

There was no impact due to tax planning strategies.

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

	2025		2024		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	Ordinary (Col 1-3)	Capital (Col 2-4)
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 2,592,880	\$ 2,694	\$ 3,012,549	\$ 2,063	\$ (419,669)	\$ 631
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0 %	0 %	0 %	0 %	0 %	0 %
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 1,290,633	\$ 0	\$ 1,660,105	\$ 0	\$ (369,472)	\$ 0
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0 %	0 %	0 %	0 %	0 %	0 %

(b) Use of reinsurance-related tax-planning strategies

Does the company's tax-planning strategies include the use of reinsurance? NO

B. Regarding deferred tax liabilities that are not recognized - Not Applicable

C. Major components of current income taxes incurred

Current income taxes incurred consist of the following major components:	(1)	(2)	(3)
	2025	2024	Change (Col 1-2)
1. Current Income Tax			
(a) Federal	\$ 912,965	\$ (120,021)	\$ 1,032,986
(b) Foreign	0	0	0
(c) Subtotal (1a+1b)	\$ 912,965	\$ (120,021)	\$ 1,032,986
(d) Federal income tax on net capital gains	59,461	1,538	57,923
(e) Utilization of capital loss carry-forwards	0	0	0
(f) Other	0	0	0
(g) Federal and foreign income taxes incurred (1c+1d+1e+1f)	\$ 972,426	\$ (118,483)	\$ 1,090,909

## Notes to the Financial Statements

## 9. Income Taxes (Continued)

	(1)	(2)	(3)
	2025	2024	Change (Col 1-2)
<b>2. Deferred Tax Assets</b>			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 1,469,965	\$ 1,460,284	\$ 9,681
(2) Unearned premium reserve	717,758	810,132	(92,374)
(3) Policyholder reserves	0	0	0
(4) Investments	0	0	0
(5) Deferred acquisition costs	0	0	0
(6) Policyholder dividends accrual	0	0	0
(7) Fixed assets	0	0	0
(8) Compensation and benefits accrual	0	0	0
(9) Pension accrual	0	0	0
(10) Receivables - nonadmitted	97,678	72,069	25,609
(11) Net operating loss carry-forward	0	0	0
(12) Tax credit carry-forward	0	0	0
(13) Other	307,479	670,064	(362,585)
(99) Subtotal (Sum of 2a1 through 2a13)	\$ 2,592,880	\$ 3,012,549	\$ (419,669)
(b) Statutory valuation allowance adjustment	0	0	0
(c) Nonadmitted	1,302,247	1,352,444	(50,197)
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 1,290,633	\$ 1,660,105	\$ (369,472)
(e) Capital			
(1) Investments	\$ 2,694	\$ 0	\$ 2,694
(2) Net capital loss carry-forward	0	0	0
(3) Real estate	0	0	0
(4) Other	0	2,063	(2,063)
(99) Subtotal (2e1+2e2+2e3+2e4)	\$ 2,694	\$ 2,063	\$ 631
(f) Statutory valuation allowance adjustment	0	0	0
(g) Nonadmitted	2,694	2,063	631
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	0	0	0
(i) Admitted deferred tax assets (2d + 2h)	\$ 1,290,633	\$ 1,660,105	\$ (369,472)
	(1)	(2)	(3)
	2025	2024	Change (Col 1-2)
<b>3. Deferred Tax Liabilities</b>			
(a) Ordinary			
(1) Investments	\$ 161,487	\$ 142,119	\$ 19,368
(2) Fixed assets	0	0	0
(3) Deferred and uncollected premium	0	0	0
(4) Policyholder reserves	0	0	0
(5) Other	0	14,276	(14,276)
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	\$ 161,487	\$ 156,395	\$ 5,092
(b) Capital			
(1) Investments	\$ 0	\$ 0	\$ 0
(2) Real estate	0	0	0
(3) Other	0	0	0
(99) Subtotal (3b1+3b2+3b3)	\$ 0	\$ 0	\$ 0
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 161,487	\$ 156,395	\$ 5,092
<b>4. Net deferred tax assets/liabilities (2i - 3c)</b>	<b>\$ 1,129,146</b>	<b>\$ 1,503,710</b>	<b>\$ (374,564)</b>

## D. Among the more significant book to tax adjustments

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

## Notes to the Financial Statements

### 9. Income Taxes (Continued)

	2025	Effective Tax Rate
Provision computed at statutory rate.....	\$ 1,413,152	21.000 %
Proration of tax exempt investment income.....	3,179	0.047 ...
Tax exempt income deduction.....	(11,444)	-0.170 ...
Dividends received deduction.....	(1,273)	-0.019 ...
Other Permanent differences.....	12,920	0.192 ...
Change in nonadmitted assets.....	(25,609)	-0.381 ...
Accrual adjustment - prior year.....	0	0 ...
Other.....	6,263	0.093 ...
Total.....	<u>\$ 1,397,188</u>	<u>20.763 %</u>

	2025	Effective Tax Rate
Federal and foreign income taxes incurred.....	\$ 912,965	13.567 %
Realized capital gains (losses) tax.....	59,461	0.884 ...
Change in deferred income taxes.....	424,762	6.312 ...
Total statutory income taxes.....	<u>\$ 1,397,188</u>	<u>20.763 %</u>

#### E. Operating loss and tax credit carryforwards

- (1) Unused loss carryforwards available - Not Applicable
- (2) Income tax expense available for recoupment

	Total
2023.....	\$ 0
2024.....	0
2025.....	945,258

- (3) Deposits admitted under IRS Code Section 6603 - Not Applicable

#### F. Consolidated federal income tax return

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

- Falls Lake Fire & Casualty Company
- Falls Lake Insurance Management Company, Inc.
- James River Casualty Company
- James River Insurance Company
- James River Group, Inc.
- James River Group Holdings, Inc. (effective November 7, 2025)
- James River Management Company, Inc.
- James River TPA Services, Inc.
- Stonewood Insurance Company

- (2) A written agreement provides that federal income taxes will be allocated to the Company on approximately the same basis as though the Company were filing a separate return. Estimated tax payments are settled with the Company's parent at the time such estimates are payable to the Internal Revenue Service. Final settlement between the Company and its parent is made within ninety days of filing the tax return.

#### G. Federal or foreign income tax loss contingencies - Not Applicable

#### H. Repatriation Transition Tax (RTT) - Not Applicable

#### I. Alternative Minimum Tax (AMT) Credit - Not Applicable

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

#### A. Nature of the Relationship Involved

The Company is an indirect subsidiary of James River Group Holdings, Inc.; 100% of the outstanding stock of the Company is directly owned by James River Group, Inc. See Schedule Y, Part 1, Organizational Chart. The Company was purchased by James River Group, Inc. from Infinity Insurance Company ("Infinity") on December 31, 2011.

On November 7, 2025, James River Group's parent holding company, James River Group Holdings, Ltd. redomiciled from Bermuda to Delaware and changed its name to James River Group Holding, Inc. See Schedule Y, Part 1, Organizational Chart.

#### B. Detail of Transactions Greater Than 0.5% of Admitted Assets

## Notes to the Financial Statements

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

Effective January 27, 2025, the Company's immediate parent, James River Group, contributed \$15,000,000 of cash as additional Paid in Surplus to the Company.

See Notes 9, 10E, and 12G.

C. Transactions with related party who are not reported on Schedule Y - None

D. Amounts Due From or To Related Parties

See Note 10E.

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

Falls Lake National Insurance Company and Falls Lake Insurance Management Company, Inc. are parties to a Management Services Agreement. Pursuant to this agreement, Falls Lake Insurance Management Company, Inc. provides various services to Falls Lake National Insurance Company, including but not limited to management, administration, underwriting, premium collection, claims, operations, accounting, actuarial, information technology and human resources.

During 2025, Falls Lake Insurance Management Company, Inc. incurred \$8,647,563 of expenses on behalf of Falls Lake National Insurance Company, pursuant to the terms of the intercompany Management Services Agreement. As of December 31, 2025, \$7,843,583 of this amount had been settled, and the resulting \$803,980 payable was settled by January 31, 2026.

F. Guarantees or Contingencies - Not Applicable

G. Nature of the Control Relationship

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 - Not Applicable

J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - Not Applicable

K. Foreign Subsidiary Value Using CARVM - Not Applicable

L. Downstream Holding Company Value Using Look-Through Method - Not Applicable

M. All SCA Investments - Not Applicable

N. Investment in Insurance SCAs - Not Applicable

O. SCA and SSAP No. 48 Entity Loss Tracking - Not Applicable

### 11. Debt

A. Debt, Including Capital Notes - Not Applicable

B. FHLB (Federal Home Loan Bank) Agreements - Not Applicable

C. Unused commitments and lines of credit for financing arrangements: - Not Applicable

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

A. Defined Benefit Plan - Not Applicable

B. Investment Policies and Strategies of Plan Assets - Not Applicable

C. Fair Value of Each Class of Plan Assets - Not Applicable

D. Expected Long-Term Rate of Return for the Plan Assets - Not Applicable

E. Defined Contribution Plans - Not Applicable

F. Multiemployer Plans - Not Applicable

G. Consolidated/Holding Company Plans

The Company has no employees. However, Falls Lake Insurance Management Company, Inc. sponsors a 401(k) plan for its employees. The terms of the 401(k) plan allow employees to contribute the maximum allowed by the U.S. Government. One hundred percent (100%) of this contribution, up to a maximum of 6% of salary, is matched by Falls Lake Insurance Management Company, Inc. All expenses associated with the plan are allocated to the Company, in accordance with the terms of the Management Services Agreement. The Company's share of this 401(k) plan expense was \$260,771 for 2025. The Company has no legal obligation for benefits under this plan.

H. Postemployment Benefits and Compensated Absences - Not Applicable

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17) - Not Applicable

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

A. The Company has 300,000 shares of common stock authorized, issued, and outstanding at a par value of \$14 per share.

B. Dividend Rate of Preferred Stock - Not Applicable

## Notes to the Financial Statements

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

- C. The maximum amount of dividends or distributions which may be paid to stockholders by property/casualty insurance companies domiciled in the State of Ohio without (i) prior approval or (ii) expiration of a 30-day waiting period without disapproval of the Director of Insurance is the greater of net income or 10% of policyholders' surplus as of the preceding December 31, but only to the extent of earned surplus as of the preceding December 31. Based on this calculation, the maximum amount of ordinary dividends or distributions which may be paid in 2026 is \$26,660,837.
- D. Ordinary Dividends - Not Applicable
- E. Within the limitations of (C) above, there are no specific restrictions placed on the portion of the Company's profits that may be paid as ordinary dividends to stockholders.
- F. There were no restrictions placed on the Company's unassigned funds.
- G. Surplus Advances - Not Applicable
- H. Stock Held for Special Purposes - Not Applicable
- I. Changes in Special Surplus Funds

During 2025, the Aggregate Write-In for Special Surplus Funds increased by \$5.5 million as a result of a gain on retroactive reinsurance. During 2025, \$1.1 million of restricted surplus was transferred to unassigned funds as a result of retroactive reinsurance (see note 23F(1)d).

- J. Unassigned Funds (Surplus)  
The portion of unassigned funds (surplus) represented by cumulative unrealized gains is: \$69,512,732.
- K. Company-Issued Surplus Debentures or Similar Obligations - Not Applicable
- L. Impact of Any Restatement Due to Prior Quasi-Reorganizations - Not Applicable
- M. Effective Date(s) of Quasi-Reorganizations in the Prior 10 Years - Not Applicable

### 14. Liabilities, Contingencies and Assessments

- A. Contingent Commitments - Not Applicable
- B. Assessments

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

The Company is subject to guaranty fund and other assessments by the states in which it writes business. Guaranty fund assessments are accrued at a reasonable estimate based off historical assessments. Other assessments are accrued either at the time of assessments or in the case of premium based assessments, at the time the premiums were written, or, in the case of loss-based assessments, at the time the losses are incurred.

The Company has an accrual of \$10,817 for guaranty fund assessments as of December 31, 2025. The liability is included in the taxes, licenses and fees liability and is expected to be paid in 2026. The amounts represent management's best estimates based on information received from the states in which the Company writes business and may change due to many factors, including the Company's share of the ultimate cost of current insolvencies.

- (2) Assets (Liabilities) recognized from paid and accrued premium tax offsets and policy surcharges - Not Applicable
- (3) Guaranty fund liabilities and assets related to long-term care insolvencies - Not Applicable
- C. Gain Contingencies - Not Applicable
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits - Not Applicable
- E. Product Warranties - Not Applicable
- F. Joint and Several Liabilities - Not Applicable
- G. All Other Contingencies

Various lawsuits against the Company arise during the normal course of business. The Company's management believes that the contingent liabilities arising from such litigation and other matters will not have material effect on the financial position or the results of operations of the Company.

### 15. Leases - Not Applicable

### 16. Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk - Not Applicable

### 17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - Not Applicable

### 18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans - Not Applicable

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

The Company did not have any direct premiums written/produced by managing general agents or third-party administrators over 5% of surplus for the period ending December 31, 2025.

**Notes to the Financial Statements**

**20. Fair Value Measurements**

A. Fair Value Measurement

For statutory accounting, certain investments are carried at fair value, while others may periodically be carried at fair value based on certain factors such as the NAIC's lower of cost or market rule or an impairment. Assets recorded at fair value are categorized based on an evaluation of the various inputs used to measure the fair value.

Three levels of inputs are used to measure fair value:

- Level 1: Quoted prices in active markets for identical assets,
- Level 2: Indirect observable inputs, including prices for similar assets and market corroborated inputs, and
- Level 3: Unobservable inputs reflecting assumptions that market participants would use, including assumptions about risk.

Supporting documentation received from pricing vendors detailing the inputs, models and processes used in the vendor's evaluation process is used to determine the appropriate fair value hierarchy. Documentation from each pricing vendor is reviewed and monitored periodically to ensure they are consistent with pricing policy procedures. Market information obtained from brokers with respect to security valuations is also considered in the pricing hierarchy.

(1) Fair value measurements at reporting date

Description for each class of asset or liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
<b>a. Assets at fair value</b>					
Preferred stock - industrial & misc.....	\$..... 0	\$..... 186,896	\$..... 0	\$..... 0	\$..... 186,896
Money market mutual funds.....	0	0	0	4,092,224	4,092,224
<b>Total assets at fair value/NAV.....</b>	<b>\$..... 0</b>	<b>\$..... 186,896</b>	<b>\$..... 0</b>	<b>\$..... 4,092,224</b>	<b>\$..... 4,279,120</b>
<b>b. Liabilities at fair value</b>					
Not applicable.....	\$..... 0	\$..... 0	\$..... 0	\$..... 0	\$..... 0
<b>Total liabilities at fair value.....</b>	<b>\$..... 0</b>	<b>\$..... 0</b>	<b>\$..... 0</b>	<b>\$..... 0</b>	<b>\$..... 0</b>

(2) Fair value measurements in Level 3 of the fair value hierarchy - Not Applicable

(3) Policies when Transfers Between Levels are Recognized

Transfers in and out of Level 3 are recognized based on the beginning of the reporting period.

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

Fair value measurements for bonds and equity securities are based on values published by independent pricing services such as LSEG Pricing Service (formerly Refinitiv Evaluated Pricing Service) and S&P Global Market Intelligence. These sources have been evaluated and approved by the investment manager's pricing policy committee. Under certain circumstances, if a vendor price is not available, a price may be obtained from a broker. Money market mutual funds are valued using a stable Net Asset Value (NAV) of one dollar per share.

Generally, independent pricing service vendors use a pricing methodology involving the market approach, including pricing models, which use prices and relevant market information regarding a particular security or securities with similar characteristics to establish a valuation.

Investments for which external sources are not available or are determined by the investment manager not to be representative of fair value are recorded at fair value as determined by the investment manager. In determining the fair value of such investments, the investment manager considers one or more of the following factors: type of security held, convertibility or exchangeability of the security, redeemability of the security (including timing of such redemptions), application of industry accepted valuation models, recent trading activity, liquidity, estimates of liquidation value, purchase cost, and prices received for securities with similar terms of the same issuer or similar issuers. As of December 31, 2025, there were no investments for which external sources were unavailable to determine fair value.

The Company does not have any Level 3 assets.

(5) Derivatives - Not Applicable

B. Other Fair Value Disclosures - Not Applicable

C. Fair Values or NAV for All Financial Instruments

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

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds.....	\$..... 71,327,246	\$..... 70,920,080	\$..... 3,276,785	\$..... 68,050,461	\$..... 0	\$..... 0	\$..... 0
Preferred stock.....	186,896	186,896	0	186,896	0	0	0
Cash equivalents & short-term investments.....	4,092,224	4,092,224	0	0	0	4,092,224	0

D. Not Practicable to Estimate Fair Value - Not Applicable

E. Nature and Risk of Investments Reported at NAV - Not Applicable

**21. Other Items**

A. Unusual or Infrequent Items

There were no unusual or infrequent items that merited recognition or disclosure in these statements.

**Notes to the Financial Statements**

**21. Other Items (Continued)**

- B. Troubled Debt Restructuring - Not Applicable
- C. Other Disclosures - Not Applicable
- D. Business Interruption Insurance Recoveries - Not Applicable
- E. State and Federal Tax Credits - Not Applicable
- F. Subprime-Mortgage-Related Risk Exposure - Not Applicable
- G. Insurance-Linked Securities (ILS) Contracts - Not Applicable
- H. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy - Not Applicable

**22. Events Subsequent**

There were no other subsequent events occurring through February 23, 2026 that merited recognition or disclosure in these statements.

**23. Reinsurance**

A. Unsecured Reinsurance Recoverables

At December 31, 2025, the Company had the following unsecured aggregate reinsurance recoverables for losses and loss adjustment expenses, paid and unpaid, including IBNR, and unearned premium that exceeded 3% of the Company's policyholders' surplus:

Individual Reinsurers with Unsecured Reinsurance Recoverables Exceeding 3% of Policyholder Surplus

Individual Reinsurers Who Are Not Members of a Group

ID Number	Reinsurer Name	Unsecured Amount
AA-1340125	Hannover Ruckversicherungs AG	\$ 21,071,274

Individual Reinsurers Who Are Members of a Group

NAIC Group Code	ID Number	Reinsurer Name	Unsecured Amount
1120	22-2005057	Everest Reinsurance Co	\$ 8,531,366
3494	22-2824607	James River Insurance Co	27,254,250
0079	38-0855585	Motors Insurance Corp	77,151,839
0181	13-1675535	Swiss Reinsurance America Corp	62,667,883

B. Reinsurance Recoverable in Dispute - Not Applicable

C. Reinsurance Assumed and Ceded

- (1) Maximum amount of return commission that would have been due reinsurers if all of the company's reinsurance was canceled or if the company's insurance assumed was canceled

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$ 239,875,774	\$ 73,979,532	\$ 227,085,356	\$ 69,489,749	\$ 12,790,418	\$ 4,489,783
b. All other	464,399	153,262	27,216,943	6,583,250	(26,752,544)	(6,429,988)
c. Total (a+b)	\$ 240,340,173	\$ 74,132,794	\$ 254,302,299	\$ 76,072,999	\$ (13,962,126)	\$ (1,940,205)
d. Direct unearned premium reserve			\$ 31,054,573			

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

Reinsurance

	Direct	Assumed	Ceded	Net
a. Contingent commission	\$ 0	\$ 0	\$ 0	\$ 0
b. Sliding scale adjustments	5,506,881	0	5,749,955	(243,074)
c. Other profit commission arrangements	0	0	0	0
d. Total (a+b+c)	\$ 5,506,881	\$ 0	\$ 5,749,955	\$ (243,074)

- (3) Risks attributed to each of the company's protected cells - Not Applicable

D. Uncollectible Reinsurance - Not Applicable

E. Commutation of Ceded Reinsurance - Not Applicable

F. Retroactive Reinsurance

- (1) Retroactive reinsurance agreements that transfer liabilities for losses that have already occurred and that will generate special surplus transactions

The Company is a party to an intercompany pooling agreement ("the Pool"). Two of the pooling participants, James River Insurance Company and James River Casualty Company, collectively ("the Ceding Companies"), have entered into three agreements that are accounted for as retroactive reinsurance.

**Notes to the Financial Statements**

**23. Reinsurance (Continued)**

1) **LPT – Aleka:** The Ceding Companies entered into a loss portfolio transfer ("LPT") reinsurance transaction with Aleka Insurance, Inc. ("Aleka"), a wholly-owned captive insurer of Uber Technologies, Inc. ("Uber"), under which Aleka reinsures substantially all of the Ceding Companies' legacy portfolio of commercial auto policies related to Uber's ridesharing business on September 27, 2021. The coverage provided by Aleka is fully collateralized and not subject to an aggregate limit.

2) **LPT – ADC State National:** On July 2, 2024, the Ceding Companies entered into a Combined Loss Portfolio Transfer and Adverse Development Cover Reinsurance Contract (the "LPT-ADC Agreement") with State National Insurance Company, Inc. ("State National"). The transaction closed upon signing and was reflected in the results for the third quarter of 2024. The LPT-ADC Agreement is effective January 1, 2024 (the "Effective Date") and applies to the Ceding Companies' losses attaching to premium earned during 2010-2023 (both years inclusive), excluding, among others, losses related to property lines of business and commercial auto policies issued to a former large insured or its affiliates (the "Subject Business"). Pursuant to the LPT-ADC Agreement, (a) State National reinsured 85% of losses paid on and after the Effective Date in respect of the Subject Business in excess of \$716.6 million up to an aggregate limit of \$467.1 million (with State National's share of the aggregate limit being \$397.0 million) in exchange for consideration paid by the Ceding Companies equal to \$313.2 million, and (b) the Ceding Companies will continue to manage claims and to manage and collect the benefit of other existing third-party reinsurance on the Subject Business, which third-party reinsurance shall inure to the benefit of the LPT-ADC Agreement.

3) **ADC – Cavello Bay:** On November 11, 2024, the Ceding Companies executed an Adverse Development Cover ("ADC") Reinsurance Contract (the "ADC Agreement") with the Enstar, through its subsidiary Cavello Bay Reinsurance Limited ("Cavello Bay"), effective January 1, 2024 and is placed at 100%. This transaction provides an additional \$75 million in adverse development coverage on top of the existing LPT-ADC agreement with State National described above. It excludes exposure to property and the commercial auto segment already included in a previously executed loss portfolio transfer with Aleka described above. The reserves as of December 31, 2024 did not reach the initial retention. The transaction received final regulatory approval on December 19, 2024 and was settled on December 24, 2024. The cost of the ADC paid by the Ceding Companies was \$52.8 million and resulted in an initial loss recorded in the 2024 financials.

The LPTs and ADCs are considered retroactive reinsurance contracts. The Loss and LAE reserves ceded under the agreements are reflected as a contra-liability "Retroactive Reinsurance Reserve Ceded" within Aggregate Write-Ins for Liabilities on the Ceding Companies' financial statements. The initial loss on the ADC (if applicable) was reflected as an Aggregate Write-In on the Statement of Income. When the cumulative loss and LAE ceded under each of the LPTs and ADCs exceed the consideration paid, the resulting gains are reflected as an Aggregate Write-In on the Statement of Income and as an Aggregate Write-in for Special Surplus Funds.

Development on the Ceding Companies' business subject to the LPTs and ADCs is ceded to the Pool. Any gain or loss on the LPTs and ADCs related to development is shared by the pooling participants at their respective pooling percentages. Each company's share of the gain or loss on LPTs and ADCs is immediately settled through recoveries on paid losses.

Any balance in the Aggregate Write-In for Special Surplus Funds resulting from a gain on the LPTs and ADCs is transferred to Unassigned Funds to the extent the retroactive reinsurance recovered exceeds the initial consideration paid under the contracts.

(a) Reserves transferred

	Reported Company	
	Assumed	Ceded
1. Initial reserves.....	\$ 0	\$ 0
2. Adjustments - prior year(s).....	0	0
3. Adjustment - current year.....	0	0
4. Current total (1+2+3).....	<u>\$ 0</u>	<u>\$ 0</u>

(b) Consideration paid or received

	Assumed	Ceded
1. Initial consideration.....	\$ 0	\$ 0
2. Adjustments - prior year(s).....	0	0
3. Adjustments - current year.....	0	0
4. Current total (1+2+3).....	<u>\$ 0</u>	<u>\$ 0</u>

(c) Paid losses reimbursed or recovered

	Assumed	Ceded
1. Prior year(s).....	\$ 0	\$ (11,402,957)
2. Current year.....	0	(5,501,347)
3. Current total (1+2).....	<u>\$ 0</u>	<u>\$ (16,904,304)</u>

(d) Special surplus from retroactive reinsurance

	Assumed	Ceded
1. Initial surplus gain or loss.....	\$ 0	\$ (3,693,561)
2. Adjustments - prior year(s).....	0	11,402,957
3. Adjustments - current year.....	0	5,501,347
4. Current year restricted surplus.....	0	(10,333,235)
5. Cumulative total transferred to unassigned funds (1+2+3+4).....	<u>\$ 0</u>	<u>\$ 2,877,508</u>

**Notes to the Financial Statements**

**23. Reinsurance (Continued)**

(e) All cedents and reinsurers involved in all transactions included in summary totals above

Company	Assumed Amount	Ceded Amount
Total.....	\$..... 0	\$..... 0

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

(1) Authorized reinsurers

Company	Total Paid/Loss/LAE Recoverable	Amount Over 90 Days Overdue
Total.....	\$..... 0	\$..... 0

(2) Unauthorized reinsurers

Company	Total Paid/Loss/LAE Recoverable	Amount Over 90 Days Overdue	Collateral Held
Total.....	\$..... 0	\$..... 0	\$..... 0

(3) Certified reinsurers

Company	Total Paid/Loss/LAE Recoverable	Amount Over 90 Days Overdue	Collateral Held
Total.....	\$..... 0	\$..... 0	\$..... 0

(4) Reciprocal Jurisdiction Reinsurers

Company	Total Paid/Loss/LAE Recoverable	Amount Over 90 Days Overdue
Total.....	\$..... 0	\$..... 0

G. Reinsurance Accounted for as a Deposit - Not Applicable

H. Disclosures for the Transfer of Property and Casualty Run-Off Agreements - Not Applicable

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - Not Applicable

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation - Not Applicable

K. Reinsurance Credit - Not Applicable

**24. Retrospectively Rated Contracts & Contracts Subject to Redetermination**

The Company does not write any contracts with retroactive rated contract terms.

A. Method Used to Estimate - None

B. Method Used to Record - None

C. Amount and Percent of Net Retrospective Premiums - None

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act - None

E. Calculation of Nonadmitted Retrospective Premium - None

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

NONE

(1) Accident and health insurance premium subject to the Affordable Care Act risk-sharing provisions

Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk sharing provisions? NO

(2) Impact of Risk-Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year - Not Applicable

(3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance - Not Applicable

**25. Changes in Incurred Losses and Loss Adjustment Expenses**

A. Reasons for Changes in the Provision for Incurred Loss and Loss Adjustment Expenses Attributable to Insured Events of Prior Years

The following table provides an analysis of the change in loss and loss adjustment expense reserves net of reinsurance recoverables for the indicated periods:

## Notes to the Financial Statements

### 25. Changes in Incurred Losses and Loss Adjustment Expenses (Continued)

	Dec 31, 2025	Dec 31, 2024
<b>Reserves, Net of Reinsurance Recoverables at Beginning of Period</b>	<b>\$ 103,850,821</b>	<b>\$ 92,752,699</b>
Loss and loss adjustment expense incurred:		
Current accident year	27,980,941	30,897,686
Prior accident years	5,412,245	8,927,855
	33,393,186	39,825,541
Loss and loss adjustment expense payments made for:		
Current accident year	1,248,962	2,191,895
Prior accident years	28,779,700	26,535,524
	30,028,662	28,727,419
<b>Reserves, Net of Reinsurance Recoverables at End of Period</b>	<b>\$ 107,215,345</b>	<b>\$ 103,850,821</b>

The Company participates in an intercompany pooling arrangement ("the Pool") as further described in Note 26. The Company's participation is 7% of the entire pool. The development across the entire pool is described below.

#### **Losses Incurred**

During 2025, the companies participating in the pool experienced \$77.3 million of adverse development in prior years. The development was primarily related to James River Insurance Company and James River Casualty Company (collectively "James River"). James River experienced \$92.6 million of adverse development on its casualty book of business that is subject to the LPT-ADC Agreement previously mentioned in Note 23. This was partially offset by \$19.0 million of favorable development on other accident years and lines of business for James River. Additionally, the other companies in the Pool experienced \$3.7 million of adverse development. The total development across the pooling participants net of retroactive reinsurance was (\$1.3) million.

- B. Significant Changes in Methodologies and Assumptions Used in Calculating the Liability for Unpaid Losses and Loss Adjustment Expenses - Not Applicable

### 26. Intercompany Pooling Arrangements

- A. A- D. The insurance entities within the James River Group are participants in an intercompany reinsurance pooling agreement which was effective January 1, 2013 and included business in-force and subsequent to that date. The Pool is net of all other reinsurance coverage carried by the participants. The Pool provides proportionate sharing of premiums earned, losses and loss adjustment expenses incurred and underwriting expenses incurred. Additionally, any gain related to pooled adverse development subject to a loss portfolio transfer agreement would be shared by the pooling participants at their respective pooling percentages.

On August 1, 2016 Falls Lake Fire and Casualty Company received approval from the California Department of Insurance to be a party to the pooling agreement, effective January 1, 2016 on an in-force, new and renewal basis.

Effective January 1, 2017, the intercompany reinsurance pooling agreement was amended to exclude the James River Insurance Company's commercial auto line of business.

Effective January 1, 2021, the intercompany reinsurance pooling agreement was amended to include the James River Insurance Company's commercial auto line of business. The participation percentages were also revised with the amendment. The current participating companies have received approval of the revised agreement with their States of domicile (OH and CA). Current participants and their current percentages of the pool are as follows:

Company	NAIC #	Current Participation
Falls Lake National Insurance Company (lead company)	31925	7%
James River Insurance Company	12203	55%
Stonewood Insurance Company	11828	14%
James River Casualty Company	13685	7%
Falls Lake Fire and Casualty Company	15884	17%

- E. Explanation of Discrepancies Between Entries of Pooled Business - Not Applicable
- F. Description of intercompany sharing, if other than in accordance with the pooling percentage, of the Provision for Reinsurance and the write-off of uncollectible reinsurance:

The Provision for Reinsurance is recorded on a standalone basis and not allocated based on the pooling participation percentages. Write-offs for uncollectible reinsurance are not applicable. Under the pooling agreement, the Company's parent, JRG, guarantees the payment of all Third Party Reinsurance amounts owed to Reinsurer or Cededs that is not collectable under a Third Party Reinsurance agreement.

- G. Amounts Due To/From Lead Entity and all Affiliated Entities Participating in the Intercompany Pool.

As a result of the pooling the net amount due from the other participants is \$4,623,321 as of December 31, 2025.

27. **Structured Settlements** - Not Applicable
28. **Health Care Receivables** - Not Applicable
29. **Participating Policies** - Not Applicable

**Notes to the Financial Statements**

**30. Premium Deficiency Reserves**

- 1. Liability carried for premium deficiency reserves:..... \$ ..... 0
- 2. Date of the most recent evaluation of this liability:..... 02/18/2026.....
- 3. Was anticipated investment income utilized in the calculation?..... NO.....

**31. High Deductibles**

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

(1) Counter party exposure recorded on unpaid claims and billed recoverables on paid claims

Annual Statement Line of Business (ASL)		(3)	(4)	(5)	(6)
(1)	(2)	Gross (of High Deductible) Loss Reserves	Reserve Credit for High Deductibles	Billed Recoverables on Paid Claims	Total High Deductibles and Billed Recoverables (Col 4 + Col 5)
ASL #	ASL Description				
171.....	Other Liab Occur.....	\$..... 4,056,693	\$..... 1,982,766	\$..... 0	\$..... 1,982,766
<b>Total</b> .....		<b>\$..... 4,056,693</b>	<b>\$..... 1,982,766</b>	<b>\$..... 0</b>	<b>\$..... 1,982,766</b>

(2) Unsecured amounts of high deductibles

- a. Total high deductibles and billed recoverables on paid claims (should equal total line for Column 6 for A(1) above)..... \$..... 1,982,766
- b. Collateral on balance sheet (must be equal to or greater than zero)..... 1,854,017
- c. Collateral off balance sheet (must be equal to or greater than zero)..... 0
- d. Total unsecured deductibles and billed recoverables on paid claims d=a-(b+c) (must be equal to or greater than zero)..... \$..... 128,749
- e. Percentage unsecured..... 6.493 %

(3) High deductible recoverables amounts on paid claims - Not Applicable

(4) The deductible amounts for the highest ten unsecured high deductible policies - Not Applicable

B. 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 - Not Applicable

**32. Discounting of Liabilities For Unpaid Losses or Unpaid Loss Adjustment Expenses - Not Applicable**

**33. Asbestos/Environmental Reserves**

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

Yes ( X ) No ( )

The Company has exposure to asbestos claims through the assumption of workers compensation insurance from the intercompany pooling arrangement.

(1) Direct basis - Not Applicable

(2) Assumed reinsurance basis

	2021	2022	2023	2024	2025
a. Beginning reserves.....	\$..... 117,814	\$..... 31,648	\$..... 32,101	\$..... 89,595	\$..... 0
b. Incurred losses and loss adjustment expense.....	9,649	6,710	(5,951)	(81,538)	55,035
c. Calendar year payments for losses and loss adjustment expenses.....	95,815	6,257	(63,445)	8,057	43,584
d. Ending reserves (a+b-c).....	<u>\$..... 31,648</u>	<u>\$..... 32,101</u>	<u>\$..... 89,595</u>	<u>\$..... 0</u>	<u>\$..... 11,451</u>

(3) Net of ceded reinsurance basis

	2021	2022	2023	2024	2025
a. Beginning reserves.....	\$..... 11,781	\$..... 2,215	\$..... 2,247	\$..... 6,271	\$..... 0
b. Incurred losses and loss adjustment expenses.....	675	470	(417)	(5,708)	3,852
c. Calendar year payments for losses and loss adjustment expenses.....	10,241	438	(4,441)	563	3,051
d. Ending reserves (a+b-c).....	<u>\$..... 2,215</u>	<u>\$..... 2,247</u>	<u>\$..... 6,271</u>	<u>\$..... 0</u>	<u>\$..... 801</u>

B. Amount of the Ending Reserves for Bulk + IBNR Included in A (Loss & LAE)

- (1) Direct basis..... \$..... 0
- (2) Assumed reinsurance basis..... \$..... 0
- (3) Net of ceded reinsurance basis..... \$..... 0

C. Amount of the Ending Reserves for Loss Adjustment Expenses Included in A (Case, Bulk + IBNR)

- (1) Direct basis..... \$..... 0
- (2) Assumed reinsurance basis..... \$..... 0
- (3) Net of ceded reinsurance basis..... \$..... 0

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? - Not Applicable

## Notes to the Financial Statements

**33. Asbestos/Environmental Reserves (Continued)**

E. Amount of the Ending Reserves for Bulk + IBNR Included in D (Loss & LAE) - Not Applicable

F. Amount of the Ending Reserves for Loss Adjustment Expenses Included in D (Case, Bulk + IBNR) - Not Applicable

**34. Subscriber Savings Accounts** - Not Applicable

**35. Multiple Peril Crop Insurance** - Not Applicable

**36. Financial Guaranty Insurance** - Not Applicable

**GENERAL INTERROGATORIES**  
PART 1 - COMMON INTERROGATORIES

**GENERAL**

- 1.1. Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?..... YES.....  
If yes, complete Schedule Y, Parts 1, 1A, 2, and 3.
- 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.....
- 1.3. State Regulating?..... OHIO.....
- 1.4. Is the reporting entity publicly traded or a member of a publicly traded group?..... YES.....
- 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..... 1620459.....

- 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?..... NO.....
- 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..... 12/31/2024.....
- 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..... 12/31/2019.....
- 3.3. State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date)..... 06/26/2021.....
- 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?..... N/A.....
- 3.6. Have all of the recommendations within the latest financial examination report been complied with?..... N/A.....

- 4.1. During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:.....
  - 4.11. sales of new business?..... NO.....
  - 4.12. renewals?..... NO.....
- 4.2. During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:.....
  - 4.21. sales of new business?..... NO.....
  - 4.22. renewals?..... NO.....

- 5.1. Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?..... NO.....  
If yes, complete and file the merger history data file with the NAIC.

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

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
	00000	

- 6.1. Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?..... NO.....
- 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?..... NO.....
- 7.2. If yes,
  - 7.21. State the percentage of foreign control..... 0 %
  - 7.22. State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

- 8.1. Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board?..... NO.....
- 8.2. If response to 8.1 is yes, please identify the name of the DIHC..... NOT APPLICABLE.....
- 8.3. Is the company affiliated with one or more banks, thrifts or securities firms?..... NO.....
- 8.4. If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

**GENERAL INTERROGATORIES**  
PART 1 - COMMON INTERROGATORIES

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 depository institution holding company?..... NO.....
- 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?..... NO.....
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
ERNST & YOUNG LLP, 100 NORTH TRYON STREET, CHARLOTTE, NC 28202
- 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?..... NO.....
- 10.2. If the response to 10.1 is yes, provide information related to this exemption:  
NOT APPLICABLE
- 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?..... NO.....
- 10.4. If the response to 10.3 is yes, provide information related to this exemption:  
NOT APPLICABLE
- 10.5. Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?..... YES.....
- 10.6. If the response to 10.5 is no or n/a, please explain.  
NOT APPLICABLE
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?  
YI JING WILLIS TOWERS WATSON 1500 MARKET STREET CENTER SQUARE EAST PHILADELPHIA, PA 19102
- 12.1. Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?..... NO.....  
12.11 Name of real estate holding company
- 12.12 Number of parcels involved..... 0 .....
- 12.13 Total book / adjusted carrying value..... \$..... 0 .....
- 12.2. If yes, provide explanation  
NOT APPLICABLE
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?..... NOT APPLICABLE.....
- 13.2. Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?.....
- 13.3. Have there been any changes made to any of the trust indentures during the year?.....
- 13.4. If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?.....
- 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.....  
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:  
NOT APPLICABLE
- 14.2. Has the code of ethics for senior managers been amended?..... NO.....
- 14.21. If the response to 14.2 is yes, provide information related to amendment(s).  
NOT APPLICABLE
- 14.3. Have any provisions of the code of ethics been waived for any of the specified officers?..... NO.....
- 14.31. If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1. Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?..... YES.....
- 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.

**GENERAL INTERROGATORIES**  
PART 1 - COMMON INTERROGATORIES

1	2	3	4
American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Circumstances That Can Trigger the Letter of Credit	Amount
113011258	AMEGY BANK	NON-PAYMENT OF PREMIUMS RECEIVABLE BALANCE	\$ 125,000
064202860	ANDREW JOHNSON BANK	NON-PAYMENT OF PREMIUMS RECEIVABLE BALANCE	17,344
053206783	ARTHUR STATE BANK	NON-PAYMENT OF PREMIUMS RECEIVABLE BALANCE	35,000
000000000	BEDROCK CAPITAL GROUP LLC	NON-PAYMENT OF PREMIUMS RECEIVABLE BALANCE	82,000
053100300	FIRST CITIZENS BANK	NON-PAYMENT OF PREMIUMS RECEIVABLE BALANCE	135,000
051403041	FIRST NATIONAL BANK	NON-PAYMENT OF DEDUCTIBLE BALANCE	20,000
062203308	FIRST STATE BANK OF DEKALB COUNTY	NON-PAYMENT OF PREMIUMS RECEIVABLE BALANCE	238,259
112314066	FORT DAVIS STATE BANK	NON-PAYMENT OF PREMIUMS RECEIVABLE BALANCE	2,300
082900432	SIMMONS BANK	NON-PAYMENT OF DEDUCTIBLE BALANCE	10,143

**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? 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
- 18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? YES

**FINANCIAL**

- 19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? 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? 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? 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
- 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? 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.

1	2
Name of Third-Party	Is the Third-Party Agent a Related Party (Yes/No)
NOT APPLICABLE	

**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
- 25.02. If no, give full and complete information, relating thereto  
NOT APPLICABLE

**GENERAL INTERROGATORIES**  
PART 1 - COMMON INTERROGATORIES

- 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)  
NOT APPLICABLE
- 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?..... N/A
- 25.07. Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?..... N/A
- 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?..... N/A
- 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
- 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..... \$ 0  
26.28. On deposit with states..... \$ 6,301,627  
26.29. On deposit with other regulatory bodies..... \$ 0  
26.30. Pledged as collateral - excluding collateral pledged to an FHLB..... \$ 0  
26.31. Pledged as collateral to FHLB - including assets backing funding agreements..... \$ 0  
26.32. Other..... \$ 0

26.3. For category (26.26) provide the following:

1	2	3
Nature of Restriction	Description	Amount
NOT APPLICABLE		\$ 0

- 27.1. Does the reporting entity have any hedging transactions reported on Schedule DB?..... NO
- 27.2. If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement..... N/A  
NOT APPLICABLE

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?.....
- 27.4. If the response to 27.3 is YES, does the reporting entity utilize:  
27.41 Special accounting provision of SSAP No. 108.....  
27.42 Permitted accounting practice.....  
27.43 Other accounting guidance.....
- 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:  
  - 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?..... NO
- 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
- 29.01. For agreements that comply with the requirements of the *NAIC Financial Condition Examiners Handbook*, complete the following:

**GENERAL INTERROGATORIES**  
PART 1 - COMMON INTERROGATORIES

1 Name of Custodian(s)	2 Custodian's Address
TRUIST BANK.....	P.O. BOX 896735 Charlotte, NC 28289.....

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)
NOT APPLICABLE.....		

29.03. Have there been any changes, including name changes, in the custodian(s) identified in 29.01 during the current year?..... NO.....

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. This includes both primary and sub-advisors. 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
NEW ENGLAND ASSET MANAGEMENT, INC.....	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.....

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?..... NO.....

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 Central Registration Depository Number	2 Name of Firm or Individual	3 Registered With	4 Investment Management Agreement (IMA) Filed
105900.....	NEW ENGLAND ASSET MANAGEMENT, INC.....	SEC.....	NO.....

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)])?..... NO.....

30.2. If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
30.2999 TOTAL.....		\$..... 0.....

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book / Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
		\$..... 0.....	

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 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1. Issuer Credit Obligations.....	\$..... 43,410,762.....	\$..... 43,914,521.....	\$..... 503,759.....
31.2. Asset-Backed Securities.....	27,509,317.....	27,412,726.....	(96,591).....
31.3. Preferred Stocks.....	186,896.....	186,896.....	0.....
31.4. Totals.....	\$..... 71,106,975.....	\$..... 71,514,143.....	\$..... 407,168.....

31.5. Describe the sources or methods utilized in determining the fair values:

FAIR VALUES ARE BASED ON END OF PERIOD PRICES PROVIDED BY PRICING SERVICES, SUCH AS LSEG PRICING SERVICE OR S&P GLOBAL MARKET INTELLIGENCE. PRICES MAY ALSO BE OBTAINED FROM A BROKER. MONEY MARKET FUNDS ARE VALUED USING A STABLE NET ASSET VALUE (NAV).

32.1. Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?..... 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?.....

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:

NOT APPLICABLE

33.1. Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed?..... YES.....

33.2. If no, list exceptions:

NOT APPLICABLE

**GENERAL INTERROGATORIES**  
PART 1 - COMMON INTERROGATORIES

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?..... NO

35. By self-designating PLGI securities, the reporting entity is certifying its compliance with the requirements as specified in the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* (P&P Manual) for private letter rating (PLR) securities and the following elements of each self-designated PLGI security:  
 a. The security was either:  
     i. issued prior to January 1, 2018 (which is exempt from PLR filing requirements pursuant to the P&P Manual), or  
     ii. issued from January 1, 2018 to December 31, 2021 and subject to a confidentiality agreement executed prior to January 1, 2022 which confidentiality agreement remains in force, for which an insurance company cannot provide a copy of a private letter rating rationale report to the SVO due to confidentiality or other contractual reasons ("waived submission PLR securities").  
 b. The reporting entity is holding capital commensurate with the NAIC Designation and NAIC Designation Category reported for the security.  
 c. The NAIC Designation and NAIC Designation Category were derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating, dated during the financial statement year, held by the insurer and available for examination by state insurance regulators.  
 d. Other than for waived submission PLR securities, defined above, on or after January 1, 2024 for any PLR securities issued on or after January 1, 2022, if the reporting entity is not permitted to share this private credit rating or the private rating letter rationale report of the PL security with the SVO, it certifies that it is reporting it as an NAIC 5.B GI and may not assign any other self-designation.  
 Has the reporting entity self-designated PLGI to securities, all of which meet the above requirement and as specified in the P&P Manual?..... NO

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?..... NO

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

38.1. Does the reporting entity directly hold cryptocurrencies?..... NO

38.2. If the response to 38.1 is yes, on what schedule are they reported?.....

39.1. Does the reporting entity directly or indirectly accept cryptocurrencies as payments for premiums on policies?..... NO

39.2. If the response to 39.1 is yes, are the cryptocurrencies held directly or are they immediately converted to U.S. dollars?  
 39.21 Held directly.....  
 39.22 Immediately converted to U.S. dollars.....

39.3. If the response to 38.1 or 39.1 is yes, list all cryptocurrencies accepted for payments of premiums or that are held directly.

1 Name of Cryptocurrency	2 Immediately Converted to USD, Directly Held, or Both	3 Accepted for Payment of Premiums

**OTHER**

40.1. Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?..... \$ 362,583

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

1 Name	2 Amount Paid
ISO SERVICES, INC.....	\$ 279,390

41.1. Amount of payments for legal expenses, if any?..... \$ 27,545

**GENERAL INTERROGATORIES**

PART 1 - COMMON INTERROGATORIES

41.2. 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
WILSON, ELSER, MOSKOWITZ, EDELMAN & DICKER, LLP.....	\$..... 10,861
STEPTOE, LLP.....	9,659

42.1. Amount of payments for expenditures in connection with matters before legislative bodies, officers, or departments of government, if any?..... \$..... 0

42.2. 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
.....	\$..... 0

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

- 1.1. Does the reporting entity have any direct Medicare Supplement Insurance in force?..... NO.....
- 1.2. If yes, indicate premium earned on U.S. business only..... \$..... 0
- 1.3. What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?..... \$..... 0  
1.31 Reason for excluding:
- 1.4. Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above..... \$..... 0
- 1.5. Indicate total incurred claims on all Medicare Supplement insurance..... \$..... 0
- 1.6. Individual policies:  
Most current three years:  
1.61. Total premium earned..... \$..... 0  
1.62. Total incurred claims..... \$..... 0  
1.63. Number of covered lives..... 0  
All years prior to most current three years:  
1.64. Total premium earned..... \$..... 0  
1.65. Total incurred claims..... \$..... 0  
1.66. Number of covered lives..... 0
- 1.7. Group policies:  
Most current three years:  
1.71. Total premium earned..... \$..... 0  
1.72. Total incurred claims..... \$..... 0  
1.73. Number of covered lives..... 0  
All years prior to most current three years:  
1.74. Total premium earned..... \$..... 0  
1.75. Total incurred claims..... \$..... 0  
1.76. Number of covered lives..... 0

2. Health Test:

	Current Year	Prior Year
2.1. Premium Numerator.....	\$..... 0	\$..... 0
2.2. Premium Denominator.....	\$..... 42,020,172	\$..... 45,707,328
2.3. Premium Ratio (2.1/2.2).....	0 %	0 %
2.4. Reserve Numerator.....	\$..... 0	\$..... 0
2.5. Reserve Denominator.....	\$..... 124,307,791	\$..... 123,146,409
2.6. Reserve Ratio (2.4/2.5).....	0 %	0 %

- 3.1. Did the reporting entity issue participating policies during the calendar year?..... 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..... \$..... 0  
3.22. Non-participating policies..... \$..... 0
- 4. For Mutual reporting entities and Reciprocal Exchanges only:  
4.1. Does the reporting entity issue assessable policies?.....
- 4.2. Does the reporting entity issue non-assessable policies?.....
- 4.3. If assessable policies are issued, what is the extent of the contingent liability of the policyholders?..... 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?.....
- 5.2. If yes, is the commission paid:  
5.21. Out of Attorney's-in-fact compensation..... N/A.....  
5.22. As a direct expense of the exchange..... N/A.....
- 5.3. What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?  
NOT APPLICABLE
- 5.4. Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?..... NO.....
- 5.5. If yes, give full information  
NOT APPLICABLE
- 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:  
THE COMPANY MAINTAINED A REINSURANCE PLACEMENT COMPRISED OF A PRIMARY 84% QS TREATY UP TO \$500K PER OCCURRENCE AND AN EXCESS OF LOSS TREATY UP TO \$29.5M. NET RISK BEING \$160K BEFORE INTERCOMPANY POOLING
- 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:  
FOR WORKERS' COMPENSATION, THE COMPANY RELIES UPON CATASTROPHE MODELING EXPERTISE FROM ITS REINSURANCE BROKERS. FOR ALL OTHER BUSINESS THE PML IS ESTIMATED BY USE OF CATASTROPHIC MODELING SOFTWARE FROM AIR WORLDWIDE TOUCHSTONE VERSION 7.0. THE COMPANY RELIES ON THE EXPERTISE OF ITS REINS BROKERS.
- 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?

**GENERAL INTERROGATORIES**

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

THE COMPANY CEDES ON AVERAGE 80% OF ALL EXPOSURES VIA A PRIMARY \$1M QUOTA SHARE REINSURANCE. FOR ONE SPECIFIC PROPERTY PER RISK REINSURANCE TREATY, THE COMPANY CEDES 100% OF A PRIMARY PROPERTY QUOTA SHARE UP TO \$40M OCCURRENCE.

- 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.....
- 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 unreinsured catastrophic loss  
NOT APPLICABLE
- 7.1. Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?..... YES.....
- 7.2. If yes, indicate the number of reinsurance contracts containing such provisions..... 2
- 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)?..... 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?..... NO.....
- 8.2. If yes, give full information  
NOT APPLICABLE
- 9.1. Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
  - (a) A contract term longer than two years and the contract is noncancelable by the reporting entity during the contract term
  - (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
  - (c) Aggregate stop loss reinsurance coverage;
  - (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
  - (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
  - (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity..... 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..... 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?..... 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,..... NO.....
  - (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..... NO.....
  - (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..... 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.....
- 11.1. Has the reporting entity guaranteed policies issued by any other entity and now in force:..... NO.....
- 11.2. If yes, give full information  
NOT APPLICABLE

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

- 12.1. If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
- 12.11 Unpaid losses ..... \$ ..... 0
- 12.12 Unpaid underwriting expenses (including loss adjustment expenses) ..... \$ ..... 0
- 12.2. Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds? ..... \$ ..... 0
- 12.3. If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? ..... NO
- 12.4. If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
- 12.41 From ..... 0 %
- 12.42 To ..... 0 %
- 12.5. Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? ..... YES
- 12.6. If yes, state the amount thereof at December 31 of current year:
- 12.61 Letters of Credit ..... \$ ..... 715,046
- 12.62 Collateral and other funds ..... \$ ..... 276,481
- 13.1. Largest net aggregate amount insured in any one risk (excluding workers' compensation): ..... \$ ..... 228,200
- 13.2. Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? ..... NO
- 13.3. State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount ..... 1
- 14.1. Is the reporting entity a cedent in a multiple cedent reinsurance contract? ..... YES
- 14.2. If yes, please describe the method of allocating and recording reinsurance among the cedents:  
PREMIUMS AND LOSSES ARE CEDED ON A PRO-RATA BASIS.
- 14.3. If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedent reinsurance contracts? ..... NO
- 14.4. If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? ..... YES
- 14.5. If the answer to 14.4 is no, please explain:  
NOT APPLICABLE
- 15.1. Has the reporting entity guaranteed any financed premium accounts? ..... NO
- 15.2. If yes, give full information  
NOT APPLICABLE
- 16.1. Does the reporting entity write any warranty business? ..... NO
- If yes, disclose the following information for each of the following types of warranty coverage:
- |                   | 1                         | 2                       | 3                         | 4                          | 5                        |
|-------------------|---------------------------|-------------------------|---------------------------|----------------------------|--------------------------|
|                   | Direct Losses<br>Incurred | Direct Losses<br>Unpaid | Direct Written<br>Premium | Direct Premium<br>Unearned | Direct Premium<br>Earned |
| 16.11. Home       | \$ ..... 0                | \$ ..... 0              | \$ ..... 0                | \$ ..... 0                 | \$ ..... 0               |
| 16.12. Products   | \$ ..... 0                | \$ ..... 0              | \$ ..... 0                | \$ ..... 0                 | \$ ..... 0               |
| 16.13. Automobile | \$ ..... 0                | \$ ..... 0              | \$ ..... 0                | \$ ..... 0                 | \$ ..... 0               |
| 16.14. Other*     | \$ ..... 0                | \$ ..... 0              | \$ ..... 0                | \$ ..... 0                 | \$ ..... 0               |
- \* Disclose type of coverage:
- 17.1. Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F – Part 3 that is exempt from the statutory provision for unauthorized reinsurance? ..... 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? ..... 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? ..... NO
- 18.4. If yes, please provide the balance of the funds administered as of the reporting date ..... \$ ..... 0
19. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? ..... YES
- 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? .....

**FIVE-YEAR HISTORICAL DATA**

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

	1	2	3	4	5
	2025	2024	2023	2022	2021
<b>Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 &amp; 3)</b>					
1. Liability lines (Lines 11, 16, 17, 18 & 19)	615,512,102	741,036,885	787,194,786	932,107,398	328,597,442
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	29,266,608	63,112,632	55,942,949	46,694,195	42,152,737
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	32,089,469	33,347,545	34,966,172	48,111,915	44,632,644
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	29,516,176	27,506,043	31,246,742	27,674,286	7,960,081
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
6. Total (Line 35)	706,384,355	865,003,105	909,350,649	1,054,587,794	423,342,904
<b>Net Premiums Written (Page 8, Part 1B, Col. 6)</b>					
7. Liability lines (Lines 11, 16, 17, 18 & 19)	39,491,258	43,533,043	47,820,268	58,717,829	10,455,054
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	146,720	613,821	538,049	783,398	205,145
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	179,052	206,489	214,774	373,273	66,533
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
12. Total (Line 35)	39,817,030	44,353,353	48,573,091	59,874,500	10,726,732
<b>Statement of Income (Page 4)</b>					
13. Net underwriting gain (loss) (Line 8)	(3,557,311)	(4,727,715)	(433,579)	292,712	(2,160,545)
14. Net investment gain (loss) (Line 11)	4,489,970	3,823,623	3,501,650	990,047	1,657
15. Total other income (Line 15)	5,737,176	437,088	5,674,203	3,874,287	1,537,339
16. Dividends to policyholders (Line 17)	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19)	912,965	(120,019)	2,012,154	2,578,825	(71,971)
18. Net income (Line 20)	5,756,870	(346,985)	6,730,120	2,578,221	(549,578)
<b>Balance Sheet Lines (Pages 2 and 3)</b>					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	2,331,338,364	2,398,096,441	2,221,881,446	2,009,782,047	1,152,213,665
20. Premiums and considerations (Page 2, Col. 3)					
20.1. In course of collection (Line 15.1)	107,429,076	109,840,046	133,991,252	141,438,681	62,769,226
20.2. Deferred and not yet due (Line 15.2)	18,598,022	65,491,343	61,862,538	68,900,092	65,244,017
20.3. Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26)	2,064,729,997	2,170,258,317	1,988,582,957	1,805,001,429	1,028,738,082
22. Losses (Page 3, Line 1)	78,488,814	76,241,256	67,573,395	58,607,996	31,175,632
23. Loss adjustment expenses (Page 3, Line 3)	28,726,531	27,609,565	25,179,304	20,020,946	10,865,941
24. Unearned premiums (Page 3, Line 9)	17,092,446	19,295,588	20,649,563	21,636,839	5,841,653
25. Capital paid up (Page 3, Lines 30 & 31)	4,200,000	4,200,000	4,200,000	4,200,000	4,200,000
26. Surplus as regards policyholders (Page 3, Line 37)	266,608,367	227,838,124	233,298,489	204,780,618	123,475,583
<b>Cash Flow (Page 5)</b>					
27. Net cash from operations (Line 11)	(11,983,620)	(133,320,887)	(167,379,918)	(603,479,703)	(395,836,293)
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital	266,608,367	227,838,124	233,298,489	204,780,618	123,475,583
29. Authorized control level risk-based capital	128,805,912	112,019,098	85,099,705	64,156,616	36,728,906
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0</b>					
30. Bonds (Line 1)	21.7	25.9	24.8	23.6	3.3
31. Stocks (Lines 2.1 & 2.2)	69.0	62.2	61.9	60.9	70.0
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0	0	0	0	0
33. Real estate (Lines 4.1, 4.2 & 4.3)	0	0	0	0	0
34. Cash, cash equivalents and short-term investments (Line 5)	9.3	11.9	13.3	15.6	26.7
35. Contract loans (Line 6)	0	0	0	0	0
36. Derivatives (Line 7)	0	0	0	0	0
37. Other invested assets (Line 8)	0	0	0	0	0
38. Receivables for securities (Line 9)	0	0	0	0	0
39. Securities lending reinvested collateral assets (Line 10)	0	0	0	0	0
40. Aggregate write-ins for invested assets (Line 11)	0	0	0	0	0
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds, (Sch. D, Summary, Line 9+15, Col. 1)	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 22, Col. 1)	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 28, Col. 1)	225,782,038	197,761,148	192,537,960	170,401,049	99,213,900
45. Affiliated mortgage loans on real estate	0	0	0	0	0
46. All other affiliated	0	0	0	0	0
47. Total of above Lines 42 to 46	225,782,038	197,761,148	192,537,960	170,401,049	99,213,900
48. Total investment in parent included in Lines 42 to 46 above	0	0	0	0	0
49. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 47 above divided by Page 3, Col. 1, Line 37 x 100.0)	84.7	86.8	82.5	83.2	80.4

**FIVE-YEAR HISTORICAL DATA**

(Continued)

	1	2	3	4	5
	2025	2024	2023	2022	2021
<b>Capital and Surplus Accounts (Page 4)</b>					
50. Net unrealized capital gains (losses) (Line 24)	18,018,516	(4,773,673)	22,138,333	16,165,055	(2,143,401)
51. Dividends to stockholders (Line 35)	0	0	0	0	0
52. Change in surplus as regards policyholders for the year (Line 38)	38,770,243	(5,460,365)	28,517,871	81,305,035	9,443,791
<b>Gross Losses Paid (Page 9, Part 2, Cols. 1 &amp; 2)</b>					
53. Liability lines (Lines 11, 16, 17, 18 & 19)	420,162,379	88,402,011	341,979,951	21,027,308	(99,368,052)
54. Property lines (Lines 1, 2, 9, 12, 21 & 26)	32,145,646	31,431,268	35,389,277	11,892,476	18,019,120
55. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	31,706,105	22,636,288	25,826,231	20,166,399	18,647,425
56. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	10,407,847	10,361,442	14,160,231	12,712,570	3,395,287
57. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
58. Total (Line 35)	494,421,977	152,831,009	417,355,690	65,798,753	(59,306,220)
<b>Net Losses Paid (Page 9, Part 2, Col. 4)</b>					
59. Liability lines (Lines 11, 16, 17, 18 & 19)	22,082,216	20,805,360	19,181,295	(3,128,948)	(5,577,744)
60. Property lines (Lines 1, 2, 9, 12, 21 & 26)	226,995	441,359	449,107	(116,125)	137,675
61. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	161,209	114,386	91,680	57,940	13,421
62. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	(3,681)	690
63. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
64. Total (Line 35)	22,470,420	21,361,105	19,722,082	(3,190,814)	(5,425,958)
<b>Operating Percentages (Page 4)</b>					
<b>(Item divided by Page 4, Line 1) x 100.0</b>					
65. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
66. Losses incurred (Line 2)	58.8	65.7	57.9	55.0	79.1
67. Loss expenses incurred (Line 3)	20.6	21.4	21.2	18.2	39.1
68. Other underwriting expenses incurred (Line 4)	29.0	23.2	21.8	26.1	(0.3)
69. Net underwriting gain (loss) (Line 8)	(8.5)	(10.3)	(0.9)	0.7	(17.9)
<b>Other Percentages</b>					
70. 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)	16.2	22.9	10.6	12.8	(14.7)
71. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2+3 divided by Page 4, Line 1 x 100.0)	79.5	87.1	79.0	73.2	118.2
72. 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)	14.9	19.5	20.8	29.2	8.7
<b>One-Year Loss Development (\$000 omitted)</b>					
73. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	5,544	8,898	6,890	2,357	4,323
74. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year-end (Line 73 above divided by Page 4, Line 21, Col. 1 x 100.0)	2.4	3.8	3.4	1.9	3.8
<b>Two-Year Loss Development (\$000 omitted)</b>					
75. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12)	15,156	17,261	12,534	7,709	5,929
76. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year-end (Line 75 above divided by Page 4, Line 21, Col. 2 x 100.0)	6.5	8.4	10.2	6.8	6.0

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

If no, please explain:

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

**SCHEDULE P - PART 1 - SUMMARY**

(\$000 OMITTED)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1-2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4-5+6-7+8-9)	
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	385	(17)	199	1	75	0	0	675	XXX
2. 2016	34,063	26,597	7,466	23,131	17,800	4,890	3,568	2,480	652	1,340	8,481	XXX
3. 2017	59,171	47,922	11,249	43,478	33,700	7,836	5,814	4,800	1,810	2,722	14,790	XXX
4. 2018	69,558	56,663	12,895	45,400	35,242	7,893	5,892	5,459	2,166	2,213	15,451	XXX
5. 2019	83,042	68,684	14,358	56,875	44,269	9,572	7,281	5,999	1,972	2,222	18,925	XXX
6. 2020	70,631	60,469	10,161	35,806	31,373	5,675	4,598	3,208	1,409	293	7,308	XXX
7. 2021	88,135	76,059	12,076	40,508	39,322	5,196	5,773	2,740	1,026	336	2,323	XXX
8. 2022	96,716	52,636	44,079	35,731	23,471	4,009	1,453	2,364	510	366	16,671	XXX
9. 2023	104,927	55,367	49,560	25,195	15,847	2,751	1,305	1,836	423	442	12,208	XXX
10. 2024	101,335	55,627	45,707	15,092	10,359	1,015	562	1,285	356	396	6,116	XXX
11. 2025	90,770	48,750	42,020	3,714	2,966	188	143	592	137	114	1,249	XXX
12. Totals	XXX	XXX	XXX	325,314	254,331	49,223	36,390	30,839	10,459	10,443	104,197	XXX

Years in Which Premiums Were Earned and Losses Were Incurred	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior	514	28	622	264	151	0	215	47	73	0	0	1,236	14
2. 2016	479	196	376	145	91	10	147	50	60	4	0	748	35
3. 2017	1,461	805	717	388	179	44	196	65	115	21	0	1,345	115
4. 2018	2,038	975	1,793	1,179	275	86	397	168	173	75	0	2,194	169
5. 2019	3,079	1,089	3,198	2,075	578	109	673	315	238	40	0	4,139	238
6. 2020	5,863	3,068	5,817	3,681	726	200	1,485	743	499	116	0	6,581	175
7. 2021	6,044	3,311	8,523	4,732	840	254	2,088	756	777	115	0	9,105	203
8. 2022	6,823	3,268	14,650	8,785	1,246	406	3,252	1,269	1,069	191	0	13,122	260
9. 2023	9,312	4,867	22,460	13,412	1,393	546	4,938	2,153	1,468	293	0	18,300	280
10. 2024	6,463	3,735	29,658	14,974	966	455	7,333	3,233	1,950	257	0	23,714	267
11. 2025	3,043	1,804	38,338	20,003	341	176	9,283	4,412	2,475	353	0	26,732	207
12. Totals	45,119	23,145	126,151	69,636	6,785	2,285	30,008	13,212	8,897	1,465	0	107,215	1,962

Years in Which Premiums Were Earned and Losses Were Incurred	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount							
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid						
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	844	392						
2. 2016	31,654	22,425	9,229	92.929	84.315	123.619	0	0	7.000	515	234						
3. 2017	58,783	42,647	16,135	99.344	88.993	143.440	0	0	7.000	985	360						
4. 2018	63,428	45,783	17,645	91.187	80.798	136.838	0	0	7.000	1,677	517						
5. 2019	80,211	57,148	23,063	96.591	83.204	160.630	0	0	7.000	3,113	1,025						
6. 2020	59,077	45,189	13,889	83.642	74.730	136.681	0	0	7.000	4,931	1,649						
7. 2021	66,717	55,289	11,428	75.698	72.692	94.632	0	0	7.000	6,524	2,580						
8. 2022	69,144	39,352	29,792	71.492	74.762	67.588	0	0	7.000	9,420	3,701						
9. 2023	69,352	38,845	30,508	66.096	70.159	61.557	0	0	7.000	13,493	4,807						
10. 2024	63,761	33,930	29,831	62.921	60.995	65.265	0	0	7.000	17,412	6,303						
11. 2025	57,974	29,993	27,981	63.869	61.524	66.590	0	0	7.000	19,574	7,158						
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	78,489	28,727						

**SCHEDULE P - PART 2 - SUMMARY**

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR-END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	One Year	Two Year
1. Prior	7,034	7,268	7,421	7,239	7,266	7,471	7,611	8,061	8,597	8,709	112	648
2. 2016	4,465	5,095	5,458	5,828	5,969	6,266	6,243	6,708	7,116	7,344	229	637
3. 2017	XXX	7,528	7,318	8,595	9,361	10,220	11,062	12,519	13,030	13,051	21	532
4. 2018	XXX	XXX	8,696	7,941	8,754	10,252	11,286	13,555	13,859	14,254	394	699
5. 2019	XXX	XXX	XXX	9,713	8,843	11,036	12,496	16,543	18,479	18,837	358	2,294
6. 2020	XXX	XXX	XXX	XXX	5,926	5,198	5,129	7,340	10,142	11,708	1,566	4,367
7. 2021	XXX	XXX	XXX	XXX	XXX	7,419	6,390	5,669	7,823	9,051	1,228	3,382
8. 2022	XXX	XXX	XXX	XXX	XXX	XXX	27,079	23,791	25,511	27,060	1,549	3,269
9. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	28,592	27,119	27,920	800	(672)
10. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	27,922	27,208	(714)	XXX
11. 2025	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	25,403	XXX	XXX
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,544	15,156

**SCHEDULE P - PART 3 - SUMMARY**

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR-END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025		
1. Prior	XXX	2,615	4,099	5,132	5,740	6,155	6,760	6,356	6,945	7,546	XXX	XXX
2. 2016	401	1,560	2,832	4,092	4,845	4,781	5,495	5,438	6,073	6,652	XXX	XXX
3. 2017	XXX	765	2,563	4,825	6,524	6,051	8,859	9,692	10,924	11,800	XXX	XXX
4. 2018	XXX	XXX	695	2,592	4,478	2,620	6,464	9,036	10,661	12,158	XXX	XXX
5. 2019	XXX	XXX	XXX	690	2,450	(1,663)	913	8,141	12,585	14,897	XXX	XXX
6. 2020	XXX	XXX	XXX	XXX	281	1,071	(5,066)	(1,270)	2,488	5,509	XXX	XXX
7. 2021	XXX	XXX	XXX	XXX	XXX	455	(11,773)	(7,726)	(3,475)	609	XXX	XXX
8. 2022	XXX	XXX	XXX	XXX	XXX	XXX	1,546	5,067	9,507	14,816	XXX	XXX
9. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,504	5,488	10,795	XXX	XXX
10. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,558	5,187	XXX	XXX
11. 2025	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	793	793	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	2	3	4	5	6	7	8	9	10
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
1. Prior	4,568	2,799	1,622	941	662	506	267	621	824	526
2. 2016	2,921	2,078	1,180	643	419	582	151	352	451	329
3. 2017	XXX	4,733	2,306	1,444	805	1,041	365	968	843	460
4. 2018	XXX	XXX	6,074	2,780	1,399	2,295	259	1,901	1,124	844
5. 2019	XXX	XXX	XXX	7,048	3,392	5,400	2,546	3,156	2,621	1,482
6. 2020	XXX	XXX	XXX	XXX	4,768	2,780	5,172	4,402	4,019	2,877
7. 2021	XXX	XXX	XXX	XXX	XXX	XXX	5,724	13,374	9,029	7,250
8. 2022	XXX	XXX	XXX	XXX	XXX	XXX	22,641	14,676	10,488	7,849
9. 2023	XXX	XXX	XXX	XXX	XXX	XXX	XXX	23,751	16,460	11,832
10. 2024	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	24,029	18,783
11. 2025	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	23,205

**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 Premium Written for Federal Purchasing Groups (Included in Col. 2)	
		2 Direct Premiums Written	3 Direct Premiums Earned							
1. Alabama	AL	L	2,911,509	5,320,073	0	4,808,958	5,683,066	6,988,548	0	0
2. Alaska	AK	L	(67,399)	17,993	0	102,726	(126,596)	2,242,510	0	0
3. Arizona	AZ	L	1,836,654	2,253,897	0	3,259,521	3,969,516	7,068,127	25	0
4. Arkansas	AR	L	1,775,664	4,556,178	0	956,413	678,392	3,093,999	0	0
5. California	CA	E	6,882,217	11,167,223	0	11,759,160	7,889,025	22,473,215	0	0
6. Colorado	CO	L	3,244,411	3,545,328	0	938,326	637,997	11,062,235	30	0
7. Connecticut	CT	L	986,194	1,698,008	0	569,450	356,707	2,559,947	40	0
8. Delaware	DE	L	854,153	816,499	0	42,086	215,866	451,321	0	0
9. District of Columbia	DC	L	0	0	0	0	(4,679)	1,296	0	0
10. Florida	FL	L	9,107,955	13,801,449	0	16,570,569	21,270,691	31,945,590	70	0
11. Georgia	GA	L	7,122,607	9,406,965	0	7,883,893	8,645,984	11,666,289	0	0
12. Hawaii	HI	L	192,366	167,835	0	98,000	86,003	169,258	0	0
13. Idaho	ID	L	339,724	658,737	0	1,294,586	815,837	627,035	0	0
14. Illinois	IL	L	7,010,122	8,551,573	0	13,738,954	10,355,813	15,656,619	0	0
15. Indiana	IN	L	2,228,157	2,321,246	0	1,603,654	420,820	2,001,416	0	0
16. Iowa	IA	L	4,445,400	5,539,721	0	18,223,106	16,069,360	4,733,090	0	0
17. Kansas	KS	L	630,932	1,047,891	0	1,033,338	780,384	1,401,242	0	0
18. Kentucky	KY	L	517,661	871,265	0	949,504	1,096,677	678,743	0	0
19. Louisiana	LA	L	685,975	698,133	0	5,825,167	862,296	1,836,696	0	0
20. Maine	ME	L	312,896	307,154	0	0	95,672	166,278	0	0
21. Maryland	MD	L	736,516	852,180	0	531,700	(376,534)	1,864,756	0	0
22. Massachusetts	MA	L	1,355,530	1,602,710	0	656,584	803,188	2,702,568	0	0
23. Michigan	MI	L	3,492,077	4,678,032	0	6,671,276	2,994,753	8,133,926	0	0
24. Minnesota	MN	L	2,613,593	2,701,518	0	1,514,476	1,997,902	2,381,113	0	0
25. Mississippi	MS	L	1,722,232	3,361,749	0	896,162	1,499,352	2,338,393	0	0
26. Missouri	MO	L	3,861,389	4,680,413	0	6,479,967	20,285,826	17,361,097	0	0
27. Montana	MT	L	1,784,350	1,745,589	0	710,111	367,032	650,557	0	0
28. Nebraska	NE	L	1,203,774	1,235,542	0	627,795	779,754	1,118,691	0	0
29. Nevada	NV	L	1,853,760	2,264,655	0	2,161,041	1,297,263	2,272,779	120	0
30. New Hampshire	NH	L	467,482	544,250	0	180,900	340,470	324,295	0	0
31. New Jersey	NJ	L	3,958,344	5,361,712	0	11,741,734	10,412,205	16,487,457	290	0
32. New Mexico	NM	L	538,326	515,523	0	519,835	624,427	416,265	0	0
33. New York	NY	L	4,500,485	9,201,296	0	11,746,498	7,670,338	52,160,223	420	0
34. North Carolina	NC	L	3,852,850	5,439,613	0	2,484,249	2,891,194	6,726,801	30	0
35. North Dakota	ND	L	180,882	164,840	0	32,799	117,750	165,956	0	0
36. Ohio	OH	L	5,251,714	6,570,365	0	4,254,485	5,958,909	8,248,253	0	0
37. Oklahoma	OK	L	4,196,533	4,852,850	0	2,587,846	2,858,994	2,411,769	0	0
38. Oregon	OR	L	1,868,927	3,361,156	0	1,735,396	3,596,479	4,798,161	0	0
39. Pennsylvania	PA	L	2,089,814	3,199,480	0	4,765,198	(798,003)	5,139,823	0	0
40. Rhode Island	RI	L	432,505	810,189	0	325,860	142,562	1,111,809	0	0
41. South Carolina	SC	L	3,419,937	4,608,310	0	2,092,933	1,121,859	3,875,277	0	0
42. South Dakota	SD	L	445,192	571,409	0	101,428	246,895	410,555	0	0
43. Tennessee	TN	L	5,071,630	5,358,262	0	1,044,065	1,243,419	3,398,190	0	0
44. Texas	TX	L	40,677,203	49,210,274	0	38,820,365	44,759,208	37,048,061	0	0
45. Utah	UT	L	3,009,183	3,252,940	0	658,268	727,869	1,516,389	0	0
46. Vermont	VT	L	138,381	162,364	0	70,964	88,025	77,601	0	0
47. Virginia	VA	L	1,014,284	3,050,215	0	1,305,655	1,116,682	3,616,985	0	0
48. Washington	WA	L	2,489,265	2,844,871	0	2,779,020	2,747,976	2,461,372	0	0
49. West Virginia	WV	L	177,021	236,574	0	592,500	505,747	467,560	0	0
50. Wisconsin	WI	L	3,406,356	4,449,982	0	4,512,948	3,926,102	3,851,400	0	0
51. Wyoming	WY	L	480,598	638,389	0	108,403	199,788	271,853	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		157,307,331	210,274,420	0	202,367,872	199,946,262	320,633,389	1,025	0
<b>Details of Write-Ins</b>										
58001.	XXX		0	0	0	0	0	0	0	0
58002.	XXX		0	0	0	0	0	0	0	0
58003.	XXX		0	0	0	0	0	0	0	0
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

1. L – Licensed or Chartered - Licensed insurance carrier or domiciled RRG	50	4. Q – Qualified - Qualified or accredited reinsurer	0
2. R – Registered – Non-domiciled RRGs	0	5. D – Domestic Surplus Lines Insurer (DSL) – Reporting entities authorized to write surplus lines in the state of domicile	0
3. E – Eligible - Reporting entities eligible or approved to write surplus lines in the state	1	6. N – None of the above - Not allowed to write business in the state	6

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

PREMIUMS ARE ALLOCATED TO JURISDICTION BASED ON LOCATION OF RISK.

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

PART 1 - ORGANIZATIONAL CHART

