

ANNUAL STATEMENT

OF THE

LIBERTY MUTUAL FIRE INSURANCE COMPANY

of **WAUSAU**

STATE OF **WISCONSIN**

TO THE

Insurance Department

OF THE

FOR THE YEAR ENDED

December 31, 2021

PROPERTY AND CASUALTY

2021



23035202120100100

ANNUAL STATEMENT

For the Year Ended December 31, 2021
OF THE CONDITION AND AFFAIRS OF THE

Liberty Mutual Fire Insurance Company

NAIC Group Code	0111	0111	NAIC Company Code	23035	Employer's ID Number	04-1924000
	(Current Period)	(Prior Period)				
Organized under the Laws of	Wisconsin				State of Domicile or Port of Entry	
Country of Domicile	United States of America					WI
Incorporated/Organized	October 31, 1908			Commenced Business		
Statutory Home Office	2000 Westwood Drive			November 5, 1908		
	(Street and Number)			(City or Town, State, Country and Zip Code)		
Main Administrative Office	175 Berkeley Street					
	(Street and Number)					
	Boston, MA, US 02116			617-357-9500		
	(City or Town, State, Country and Zip Code)			(Area Code) (Telephone Number)		
Mail Address	175 Berkeley Street			Boston, MA, US 02116		
	(Street and Number or P.O. Box)			(City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	175 Berkeley Street			Boston, MA, US 02116		
	(Street and Number)			(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)		
Internet Web Site Address	www.libertymutualgroup.com					
Statutory Statement Contact	Matthew Sterling			617-357-9500		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	Statutory.Compliance@LibertyMutual.com			603-430-1653		
	(E-Mail Address)			(Fax Number)		

OFFICERS

Chairman of the Board and CEO

David Henry Long

	Name	Title
1.	Timothy Michael Sweeney #	President
2.	Mark Charles Touhey	Executive Vice President and Secretary
3.	Edward Jose Pena	Executive Vice President and Treasurer

VICE-PRESIDENTS

Name	Title	Name	Title
Vlad Yakov Barbalat #	EVP and Chief Investment Officer	Melanie Marie Foley	EVP - Chief Talent & Enterprise Services Off.
Neeti Bhalla Johnson	Executive Vice President	Damon Paul Hart #	EVP and Chief Legal Officer
James Michael MacPhee	Executive Vice President	James Martin McGlennon	EVP and Chief Information Officer
Christopher Locke Peirce	EVP and Chief Financial Officer	Paul Sanghera #	Executive Vice President and Comptroller

DIRECTORS OR TRUSTEES

Vlad Yakov Barbalat #	Melanie Marie Foley	Neeti Bhalla Johnson	Damon Paul Hart #
David Henry Long	James Michael MacPhee #	James Martin McGlennon	Christopher Locke Peirce
Timothy Michael Sweeney	Mark Charles Touhey		

State of Massachusetts

County of Suffolk 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.

(Signature)	(Signature)	(Signature)
Timothy Michael Sweeney #	Mark Charles Touhey	Edward Jose Pena
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
President	Executive Vice President and Secretary	Executive Vice President and Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to (or affirmed) before me this on this
20th day of January, 2022, by

- a. Is this an original filing? [X] Yes [] No
- 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)	5,568,500,835		5,568,500,835	5,199,143,871
2. Stocks (Schedule D):				
2.1 Preferred stocks	79,740		79,740	61,448
2.2 Common stocks	387,249,265	512,951	386,736,314	312,773,319
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	213,726,133		213,726,133	193,747,420
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ (6,421,313), Schedule E - Part 1), cash equivalents (\$ 194,536,937, Schedule E - Part 2), and short-term investments (\$ 2,836,457, Schedule DA)	190,952,081		190,952,081	163,598,653
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)	728,382,844		728,382,844	515,977,876
9. Receivables for securities	638,993		638,993	29,148,528
10. Securities lending reinvested collateral assets (Schedule DL)	344,083,039		344,083,039	123,329,418
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	7,433,612,930	512,951	7,433,099,979	6,537,780,533
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	33,519,614		33,519,614	34,799,077
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	205,131,358	29,256,125	175,875,233	162,646,525
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 3,158,898 earned but unbilled premiums)	623,164,525	315,890	622,848,635	599,842,653
15.3 Accrued retrospective premiums (\$ 12,435,833) and contracts subject to redetermination (\$ 0)	13,835,637	1,399,804	12,435,833	12,297,464
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies	210,008		210,008	
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans	2,431	306	2,125	1,352
18.1 Current federal and foreign income tax recoverable and interest thereon				4,170,600
18.2 Net deferred tax asset	36,117,000		36,117,000	67,587,000
19. Guaranty funds receivable or on deposit	1,897,584		1,897,584	1,086,737
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$ 0)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	21,418,744		21,418,744	43,700,384
24. Health care (\$ 0) and other amounts receivable				
25. Aggregate write-ins for other-than-invested assets	114,593,338	5,041,529	109,551,809	119,654,190
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	8,483,503,169	36,526,605	8,446,976,564	7,583,566,515
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	8,483,503,169	36,526,605	8,446,976,564	7,583,566,515

DETAILS OF WRITE-IN LINES				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. Cash Surrender Value Life Insurance	75,326,779		75,326,779	86,547,696
2502. Equities and deposits in pools and associations	19,568,829		19,568,829	19,129,004
2503. Amounts receivable under high deductible policies	13,754,217		13,754,217	13,876,864
2598. Summary of remaining write-ins for Line 25 from overflow page	5,943,513	5,041,529	901,984	100,626
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	114,593,338	5,041,529	109,551,809	119,654,190

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Year	Prior Year
1. Losses (Part 2A, Line 35, Column 8)	3,434,142,012	3,210,857,989
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	7,882,240	29,878,107
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	610,523,351	609,816,676
4. Commissions payable, contingent commissions and other similar charges	57,370,134	61,232,299
5. Other expenses (excluding taxes, licenses and fees)	100,646,320	98,942,610
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	21,172,713	18,253,800
7.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	10,863,699	
7.2 Net deferred tax liability		
8. Borrowed money \$ 150,000,000 and interest thereon \$ 505,042	150,505,042	150,505,042
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 1,640,445,988 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)	1,457,114,535	1,351,793,120
10. Advance premium	9,330,049	8,264,602
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders	276,207	190,835
12. Ceded reinsurance premiums payable (net of ceding commissions)		
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)		
14. Amounts withheld or retained by company for account of others	6,271,001	3,786,663
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$ 0 certified) (Schedule F, Part 3 Column 78)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	5,290,871	1,327,315
20. Derivatives		
21. Payable for securities	199,477,185	251,791,403
22. Payable for securities lending	344,083,039	123,329,418
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ 0 and interest thereon \$ 0		
25. Aggregate write-ins for liabilities	(129,087,167)	(200,387,232)
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	6,285,861,231	5,719,582,647
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	6,285,861,231	5,719,582,647
29. Aggregate write-ins for special surplus funds	28,510,778	28,504,816
30. Common capital stock	10,000,000	10,000,000
31. Preferred capital stock	10	10
32. Aggregate write-ins for other-than-special surplus funds	1,250,000	1,250,000
33. Surplus notes		
34. Gross paid in and contributed surplus	509,999,990	509,999,990
35. Unassigned funds (surplus)	1,611,354,555	1,314,229,052
36. Less treasury stock, at cost:		
36.1 0 shares common (value included in Line 30 \$ 0)		
36.2 0 shares preferred (value included in Line 31 \$ 0)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	2,161,115,333	1,863,983,868
38. Totals (Page 2, Line 28, Col. 3)	8,446,976,564	7,583,566,515

DETAILS OF WRITE-IN LINES		
2501. Other liabilities	76,968,459	76,138,995
2502. Amounts held under uninsured plans	42,397,203	42,883,794
2503. Retroactive reinsurance reserves	(248,452,829)	(319,410,021)
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	(129,087,167)	(200,387,232)
2901. Special surplus from retroactive reinsurance	28,510,778	28,504,816
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	28,510,778	28,504,816
3201. Guaranty funds	1,250,000	1,250,000
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	1,250,000	1,250,000

STATEMENT OF INCOME

	1	2
	Current Year	Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	2,591,133,011	2,539,224,808
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	1,637,305,492	1,597,631,275
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	284,064,603	299,527,567
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	775,240,565	774,898,810
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Lines 2 through 5)	2,696,610,660	2,672,057,652
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(105,477,649)	(132,832,844)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	237,264,589	147,939,550
10. Net realized capital gains (losses) less capital gains tax of \$ 3,615,892 (Exhibit of Capital Gains (Losses))	13,599,833	86,108,342
11. Net investment gain (loss) (Lines 9 + 10)	250,864,422	234,047,892
OTHER INCOME		
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 712,147 amount charged off \$ 18,182,842)	(17,470,695)	(17,204,602)
13. Finance and service charges not included in premiums	17,173,871	16,072,686
14. Aggregate write-ins for miscellaneous income	1,179,674	14,534,696
15. Total other income (Lines 12 through 14)	882,850	13,402,780
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	146,269,623	114,617,828
17. Dividends to policyholders	1,179,842	1,296,914
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)	145,089,781	113,320,914
19. Federal and foreign income taxes incurred	44,790,108	10,716,751
20. Net income (Line 18 minus Line 19) (to Line 22)	100,299,673	102,604,163
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	1,863,983,868	1,825,969,197
22. Net income (from Line 20)	100,299,673	102,604,163
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 8,189,663	242,881,654	89,777,922
25. Change in net unrealized foreign exchange capital gain (loss)	(816,395)	2,715,535
26. Change in net deferred income tax	(23,280,328)	(6,989,508)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	(6,953,139)	(93,441)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)		
29. Change in surplus notes		
30. Surplus (contributed to) withdrawn from protected cells		
31. Cumulative effect of changes in accounting principles		
32. Capital changes:		
32.1 Paid in		
32.2 Transferred from surplus (Stock Dividend)		
32.3 Transferred to surplus		
33. Surplus adjustments:		
33.1 Paid in		
33.2 Transferred to capital (Stock Dividend)		
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders	(15,000,000)	(150,000,000)
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus		
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	297,131,465	38,014,671
39. Surplus as regards policyholders, December 31 current year (Lines 21 plus Line 38) (Page 3, Line 37)	2,161,115,333	1,863,983,868

DETAILS OF WRITE-IN LINES		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 05 from overflow page		
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)		
1401. Retroactive reinsurance gain/(loss)	2,831,472	17,706,321
1402. Other income/(expense)	(1,651,798)	(3,171,625)
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	1,179,674	14,534,696
3701.		
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)		

CASH FLOW

	1	2
Cash from Operations	Current Year	Prior Year
1. Premiums collected net of reinsurance	2,654,159,564	2,595,519,839
2. Net investment income	248,671,231	159,312,459
3. Miscellaneous income	(3,431,736)	13,359,269
4. Total (Lines 1 through 3)	2,899,399,059	2,768,191,567
5. Benefit and loss related payments	1,428,072,282	1,235,099,491
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	1,055,492,207	1,014,566,924
8. Dividends paid to policyholders	1,094,470	1,289,091
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	33,371,701	33,695,789
10. Total (Lines 5 through 9)	2,518,030,660	2,284,651,295
11. Net cash from operations (Line 4 minus Line 10)	381,368,399	483,540,272
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	6,379,686,353	6,862,869,405
12.2 Stocks	13,850,039	54,083,177
12.3 Mortgage loans	80,949,061	100,034,064
12.4 Real estate		
12.5 Other invested assets	1,022,953,342	668,645,558
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(1,642)	50,457
12.7 Miscellaneous proceeds	28,506,726	(5,770,374)
12.8 Total investment proceeds (Lines 12.1 to 12.7)	7,525,943,879	7,679,912,287
13. Cost of investments acquired (long-term only):		
13.1 Bonds	6,745,294,899	6,893,627,341
13.2 Stocks	30,946,733	220,410,693
13.3 Mortgage loans	100,779,765	97,975,322
13.4 Real estate		
13.5 Other invested assets	1,259,544,404	600,387,345
13.6 Miscellaneous applications	52,314,218	(134,870,131)
13.7 Total investments acquired (Lines 13.1 to 13.6)	8,188,880,019	7,677,530,570
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(662,936,140)	2,381,717
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders	15,000,000	150,000,000
16.6 Other cash provided (applied)	323,921,169	(152,680,384)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	308,921,169	(302,680,384)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	27,353,428	183,241,605
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	163,598,653	(19,642,952)
19.2 End of year (Line 18 plus Line 19.1)	190,952,081	163,598,653

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

20.0001	2 - Net investment income	32,143	13,907
20.0002	12.1 - Proceeds from investments sold, matured or repaid - Bonds	7,949,736	4,878,434
20.0003	12.2 - Proceeds from investments sold, matured or repaid - Stocks		
20.0004	12.5 - Proceeds from investments sold, matured or repaid - Other invested assets		
20.0005	13.1 - Cost of Investment Acquired - Bonds	7,981,878	4,892,341
20.0006	13.5 - Cost of Investment Acquired - Other invested assets		
20.0007	16.6 - Other cash provided (applied)		

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 – PREMIUMS EARNED

	1	2	3	4
Line of Business	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	64,695,496	27,682,491	32,427,135	59,950,852
2. Allied lines	64,464,182	24,929,294	32,371,362	57,022,114
3. Farmowners multiple peril	12,014,968	5,474,154	6,068,866	11,420,256
4. Homeowners multiple peril	581,836,610	284,552,735	319,176,051	547,213,294
5. Commercial multiple peril	185,612,014	95,233,320	95,592,054	185,253,280
6. Mortgage guaranty				
8. Ocean marine	17,180,290	9,968,810	9,753,930	17,395,170
9. Inland marine	93,660,675	24,450,295	28,349,586	89,761,384
10. Financial guaranty	2,643,104	2,571,250	4,399,508	814,846
11.1 Medical professional liability—occurrence	8,278,007	2,908,084	3,818,635	7,367,456
11.2 Medical professional liability—claims-made	15,613,120	7,077,631	8,335,947	14,354,804
12. Earthquake	8,851,846	3,562,201	4,498,487	7,915,560
13. Group accident and health	6,127,540	1,453,863	2,139,418	5,441,985
14. Credit accident and health (group and individual)				
15. Other accident and health	934,462	901,317	501,664	1,334,115
16. Workers' compensation	124,205,090	22,363,667	23,726,721	122,842,036
17.1 Other liability—occurrence	234,192,680	116,079,448	120,867,421	229,404,707
17.2 Other liability—claims-made	115,396,764	63,862,248	81,097,550	98,161,462
17.3 Excess workers' compensation	6,175,564	2,757,938	2,917,769	6,015,733
18.1 Products liability—occurrence	12,235,248	7,313,730	7,427,642	12,121,336
18.2 Products liability—claims-made	2,963,113	825,993	1,573,962	2,215,144
19.1,19.2 Private passenger auto liability	581,339,583	278,379,104	294,569,818	565,148,869
19.3,19.4 Commercial auto liability	104,406,303	50,840,009	50,013,553	105,232,759
21. Auto physical damage	322,969,411	211,014,643	222,962,472	311,021,582
22. Aircraft (all perils)	(189,745)	696,489	258,441	248,303
23. Fidelity	2,766,571	494,591	915,311	2,345,851
24. Surety	84,866,186	58,750,039	60,149,092	83,467,133
26. Burglary and theft	98,216	28,775	56,637	70,354
27. Boiler and machinery	5,267,638	1,818,849	2,416,191	4,670,296
28. Credit	6,372,580	4,176,553	6,619,267	3,929,866
29. International				
30. Warranty				
31. Reinsurance-nonproportional assumed property	16,973,012	11,753,114	2,474,196	26,251,930
32. Reinsurance-nonproportional assumed liability	11,019,085	4,545,731	5,362,190	10,202,626
33. Reinsurance-nonproportional assumed financial lines	2,837,098	10,021,363	9,279,637	3,578,824
34. Aggregate write-ins for other lines of business	5,644	3,744	951	8,437
35. TOTALS	2,695,812,355	1,336,491,473	1,440,121,464	2,592,182,364

DETAILS OF WRITE-IN LINES				
3401. Tuition Protection Plan	5,644	2,795	951	7,488
3402. Other		949		949
3403.				
3498. Sum of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	5,644	3,744	951	8,437

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	30,909,256	1,517,879			32,427,135
2. Allied lines	29,128,281	3,243,081			32,371,362
3. Farmowners multiple peril	6,068,612	255			6,068,867
4. Homeowners multiple peril	319,428,225	(252,174)			319,176,051
5. Commercial multiple peril	90,086,832	6,847,752	(1,342,530)		95,592,054
6. Mortgage guaranty					
8. Ocean marine	5,297,568	4,456,361			9,753,929
9. Inland marine	20,590,445	7,759,141			28,349,586
10. Financial guaranty	4,399,508				4,399,508
11.1 Medical professional liability—occurrence	3,607,400	211,235			3,818,635
11.2 Medical professional liability—claims-made	6,971,636	1,364,311			8,335,947
12. Earthquake	4,381,601	116,885			4,498,486
13. Group accident and health	2,139,418				2,139,418
14. Credit accident and health (group and individual)					
15. Other accident and health	490,007	11,658			501,665
16. Workers' compensation	47,822,895	(10,922,869)	(1,216,523)	(11,956,782)	23,726,721
17.1 Other liability—occurrence	95,271,111	27,600,905	(448,165)	(1,556,429)	120,867,422
17.2 Other liability—claims-made	36,771,272	44,328,057	(1,779)		81,097,550
17.3 Excess workers' compensation	2,806,668	148,537		(37,436)	2,917,769
18.1 Products liability—occurrence	5,046,976	2,529,470	(149,900)	1,096	7,427,642
18.2 Products liability—claims-made	1,399,817	174,145			1,573,962
19.1,19.2 Private passenger auto liability	295,980,720	(1,410,902)			294,569,818
19.3,19.4 Commercial auto liability	51,838,327	(1,540,152)	1,465	(286,086)	50,013,554
21. Auto physical damage	223,156,302	(193,831)			222,962,471
22. Aircraft (all perils)	(288,203)	546,644			258,441
23. Fidelity	590,322	324,989			915,311
24. Surety	19,260,610	40,888,482			60,149,092
26. Burglary and theft	49,382	7,255			56,637
27. Boiler and machinery	2,236,952	179,240			2,416,192
28. Credit	4,170,356	2,448,911			6,619,267
29. International					
30. Warranty	669,249	(669,249)			
31. Reinsurance-nonproportional assumed property	1,144,921	1,329,275			2,474,196
32. Reinsurance-nonproportional assumed liability	4,953,457	408,734			5,362,191
33. Reinsurance-nonproportional assumed financial lines	1,995,167	7,284,470			9,279,637
34. Aggregate write-ins for other lines of business	951				951
35. TOTALS	1,318,376,041	138,738,495	(3,157,432)	(13,835,637)	1,440,121,467
36. Accrued retrospective premiums based on experience					13,835,637
37. Earned but unbilled premiums					3,157,433
38. Balance (Sum of Lines 35 through 37)					1,457,114,537

DETAILS OF WRITE-IN LINES					
3401. Internation Branch Development	954				954
3402. Other	(3)				(3)
3403.					
3498. Sum of remaining write-ins for Line 34 from overflow page					
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	951				951

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

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	238,133,358	64,695,496	98,930	238,232,288		64,695,496
2. Allied lines	108,988,972	64,464,182	37,057	109,026,029		64,464,182
3. Farmowners multiple peril		12,014,968				12,014,968
4. Homeowners multiple peril	662,432,374	581,836,610	60,402	662,492,776		581,836,610
5. Commercial multiple peril	45,307,738	185,612,014		45,307,738		185,612,014
6. Mortgage guaranty						
8. Ocean marine	7,893,288	17,180,290		7,893,288		17,180,290
9. Inland marine	100,955,944	93,660,674		100,955,944		93,660,674
10. Financial guaranty		2,643,104				2,643,104
11.1 Medical professional liability--occurrence		8,278,007				8,278,007
11.2 Medical professional liability--claims-made		15,613,120				15,613,120
12. Earthquake	22,315,000	8,851,846		22,315,000		8,851,846
13. Group accident and health		6,127,540				6,127,540
14. Credit accident and health (group and individual)						
15. Other accident and health		934,462				934,462
16. Workers' compensation	280,074,043	124,205,090	1,000,212	281,074,255		124,205,090
17.1 Other liability—occurrence	281,002,936	234,192,680	112	281,003,049		234,192,679
17.2 Other liability—claims-made	27,942,023	115,396,764		27,942,023		115,396,764
17.3 Excess workers' compensation	32,144,956	6,175,564		32,144,956		6,175,564
18.1 Products liability—occurrence	48,219,883	12,235,248		48,219,883		12,235,248
18.2 Products liability—claims-made	644,147	2,963,113		644,147		2,963,113
19.1,19.2 Private passenger auto liability	475,508,932	581,339,583		475,508,932		581,339,583
19.3,19.4 Commercial auto liability	470,187,429	104,406,303		470,187,429		104,406,303
21. Auto physical damage	390,095,829	322,969,411		390,095,829		322,969,411
22. Aircraft (all perils)		(189,745)				(189,745)
23. Fidelity		2,766,571				2,766,571
24. Surety	7,414,180	84,866,186		7,414,180		84,866,186
26. Burglary and theft	29,643	98,216	246	29,889		98,216
27. Boiler and machinery	35,327,400	5,267,638		35,327,400		5,267,638
28. Credit		6,372,580				6,372,580
29. International						
30. Warranty						
31. Reinsurance-nonproportional assumed property	X X X	16,973,012				16,973,012
32. Reinsurance-nonproportional assumed liability	X X X	11,019,085				11,019,085
33. Reinsurance-nonproportional assumed financial lines	X X X	2,837,098				2,837,098
34. Aggregate write-ins for other lines of business	79,493	5,644		79,493		5,644
35. TOTALS	3,234,697,568	2,695,812,354	1,196,959	3,235,894,528		2,695,812,353

DETAILS OF WRITE-IN LINES						
3401. Tuition Protection Plan	79,493	5,644		79,493		5,644
3402.						
3403.						
3498. Sum of remaining write-ins for Line 34 from overflow page						
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	79,493	5,644		79,493		5,644

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

If yes: 1. The amount of such installment premiums \$ 282,178,148

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$ 286,927,639

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	192,276,295	38,621,499	192,320,954	38,576,840	49,207,480	40,493,911	47,290,409	78.882
2. Allied lines	69,728,155	32,103,001	69,735,063	32,096,093	35,112,076	40,276,098	26,932,071	47.231
3. Farmowners multiple peril		6,600,235		6,600,235	4,444,142	4,773,542	6,270,835	54.910
4. Homeowners multiple peril	306,112,020	352,496,523	306,138,183	352,470,360	164,821,566	164,675,898	352,616,028	64.438
5. Commercial multiple peril	24,409,075	89,090,047	24,409,075	89,090,047	217,141,416	216,579,175	89,652,288	48.394
6. Mortgage guaranty								
8. Ocean marine	6,981,580	7,241,668	6,981,580	7,241,668	30,156,041	14,304,525	23,093,184	132.756
9. Inland marine	12,255,817	48,414,482	12,255,817	48,414,482	15,603,376	12,090,651	51,927,207	57.850
10. Financial guaranty		(3,482)		(3,482)	690,867	86,686	600,699	73.719
11.1 Medical professional liability—occurrence		1,916,610		1,916,610	16,820,834	17,913,136	824,308	11.189
11.2 Medical professional liability—claims-made		4,191,443		4,191,443	35,652,717	26,076,913	13,767,247	95.907
12. Earthquake		163,809		163,809	1,465,408		826,933	10.447
13. Group accident and health		5,423,293		5,423,293	5,896,984	7,959,650	3,360,627	61.754
14. Credit accident and health (group and individual)								
15. Other accident and health		790,559		790,559	1,604,887	2,254,253	141,193	10.583
16. Workers' compensation	239,503,419	64,752,374	227,207,967	77,047,826	824,118,452	840,896,526	60,269,752	49.063
17.1 Other liability—occurrence	190,010,248	103,237,091	190,010,537	103,236,802	696,489,300	598,897,540	200,828,562	87.543
17.2 Other liability—claims-made	7,000,784	31,511,452	7,000,784	31,511,452	247,330,709	206,111,453	72,730,708	74.093
17.3 Excess workers' compensation	2,897,562	1,748,509	2,897,562	1,748,509	48,674,920	51,510,722	(1,087,293)	(18.074)
18.1 Products liability—occurrence	14,290,621	2,724,061	14,290,621	2,724,061	39,646,086	34,139,418	8,230,729	67.903
18.2 Products liability—claims-made		525,250		525,250	6,195,412	5,502,543	1,218,119	54.991
19.1,19.2 Private passenger auto liability	292,705,379	304,746,491	292,705,379	304,746,491	600,973,789	552,277,284	353,442,996	62.540
19.3,19.4 Commercial auto liability	213,861,147	56,660,003	213,861,147	56,660,003	230,857,055	217,118,887	70,398,171	66.898
21. Auto physical damage	196,039,893	181,316,300	196,039,893	181,316,300	7,006,530	10,936,494	177,386,336	57.033
22. Aircraft (all perils)		5,015,742		5,015,742	5,430,970	10,455,467	(8,755)	(3.526)
23. Fidelity	(6,279)	549,335	(6,279)	549,335	9,054,028	6,069,368	3,533,995	150.649
24. Surety		13,655,089		13,655,089	47,182,777	42,980,104	17,857,762	21.395
26. Burglary and theft	3,970	55,149	3,970	55,149	456,825	523,907	(11,933)	(16.961)
27. Boiler and machinery	16,151,747	1,165,338	16,151,747	1,165,338	179,597	1,457,792	(112,857)	(2.416)
28. Credit	4,199	(613,926)	4,199	(613,926)	4,370,183	1,811,200	1,945,057	49.494
29. International								
30. Warranty					334,643	73,844	260,799	
31. Reinsurance-nonproportional assumed property	X X X	23,640,647		23,640,647	48,777,755	35,541,350	36,877,052	140.474
32. Reinsurance-nonproportional assumed liability	X X X	15,950,365		15,950,365	34,678,465	43,159,047	7,469,783	73.214
33. Reinsurance-nonproportional assumed financial lines	X X X	170,016		170,016	3,767,213	3,110,220	827,009	23.108
34. Aggregate write-ins for other lines of business	18,048	10	18,048	10	(492)	(2,379)	1,897	22.484
35. TOTALS	1,784,243,680	1,393,858,983	1,772,026,247	1,406,076,416	3,434,142,011	3,210,857,509	1,629,360,918	62.857

DETAILS OF WRITE-IN LINES								
3401. Tuition Protection Plan	18,048	10	18,048	10	(492)	(1,899)	1,417	18.924
3402. Other						(480)	480	50.580
3403.								
3498. Sum of remaining write-ins for Line 34 from overflow page								
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	18,048	10	18,048	10	(492)	(2,379)	1,897	22.484

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

	Reported Losses				Incurred But Not Reported			8	9
	1	2	3	4	5	6	7		
Line of Business	Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1. Fire	81,748,453	24,237,433	81,751,595	24,234,291	56,319,094	24,977,062	56,322,966	49,207,481	3,482,620
2. Allied lines	30,352,677	14,757,782	30,357,627	14,752,832	26,025,689	20,365,826	26,032,271	35,112,076	2,175,886
3. Farmowners multiple peril		2,564,201		2,564,201		1,879,941		4,444,142	490,611
4. Homeowners multiple peril	86,823,016	87,096,027	86,834,797	87,084,246	106,888,997	77,738,679	106,890,357	164,821,565	25,668,907
5. Commercial multiple peril	28,451,136	109,631,574	28,451,136	109,631,574	37,227,716	107,509,842	37,227,716	217,141,416	62,512,680
6. Mortgage guaranty									
8. Ocean marine	3,760,214	6,462,764	3,760,214	6,462,764	6,061,546	23,693,277	6,061,546	30,156,041	1,630,675
9. Inland marine	14,368,889	9,004,268	14,368,889	9,004,268	(7,655,112)	6,599,108	(7,655,112)	15,603,376	2,448,623
10. Financial guaranty		(11)		(11)		690,878		690,867	
11.1 Medical professional liability—occurrence		3,904,299		3,904,299		12,916,535		16,820,834	1,927,701
11.2 Medical professional liability—claims-made		11,916,997		11,916,997		23,735,721		35,652,718	3,840,172
12. Earthquake		130,142		130,142	305,950	1,335,266	305,950	1,465,408	278,721
13. Group accident and health		782,894		782,894		5,114,090		(a) 5,896,984	357,886
14. Credit accident and health (group and individual)									
15. Other accident and health		520,498		520,498		1,084,389		(a) 1,604,887	56,384
16. Workers' compensation	1,145,420,493	372,170,686	1,154,907,266	362,683,913	1,871,635,610	464,542,267	1,874,743,337	824,118,453	166,553,782
17.1 Other liability—occurrence	334,726,485	196,659,115	334,726,485	196,659,115	764,700,398	499,830,214	764,700,428	696,489,299	117,997,768
17.2 Other liability—claims-made	12,664,194	53,975,277	12,664,194	53,975,277	20,776,004	193,355,432	20,776,004	247,330,709	32,472,087
17.3 Excess workers' compensation	9,909,500	20,146,516	9,909,500	20,146,516	13,179,002	28,528,404	13,179,002	48,674,920	8,934,295
18.1 Products liability—occurrence	48,544,661	9,019,144	48,544,661	9,019,144	178,639,490	30,626,942	178,639,490	39,646,086	21,846,686
18.2 Products liability—claims-made	180,804	1,108,653	180,804	1,108,653	1,836,585	5,086,759	1,836,585	6,195,412	1,986,549
19.1,19.2 Private passenger auto liability	493,249,939	257,924,536	493,249,939	257,924,536	502,350,680	343,049,253	502,350,680	600,973,789	110,447,437
19.3,19.4 Commercial auto liability	308,423,615	82,140,516	308,423,615	82,140,516	525,598,195	148,716,539	525,598,195	230,857,055	22,760,606
21. Auto physical damage		1,150,262		1,150,262	8,410,379	5,856,268	8,410,379	7,006,530	11,347,986
22. Aircraft (all perils)		2,991,630		2,991,630		2,439,340		5,430,970	1,267,633
23. Fidelity	5,389	1,048,579	5,389	1,048,579	644,785	8,005,450	644,785	9,054,029	582,596
24. Surety		758,331		758,331	6,602,041	46,424,446	6,602,041	47,182,777	5,922,139
26. Burglary and theft	5,000	756	5,000	756		456,069		456,825	109,037
27. Boiler and machinery	8,356,088	602,553	8,356,088	602,553	(11,984,858)	(422,956)	(11,984,858)	179,597	120,175
28. Credit		453,851		453,851		3,916,332		4,370,183	215,713
29. International									
30. Warranty					977,607	334,643	977,607	334,643	30,590
31. Reinsurance-nonproportional assumed property	X X X	15,492,559		15,492,559	X X X	33,285,196		48,777,755	1,146,104
32. Reinsurance-nonproportional assumed liability	X X X	7,453,592		7,453,592	X X X	27,224,873		34,678,465	1,831,021
33. Reinsurance-nonproportional assumed financial lines	X X X	1,140,731		1,140,731	X X X	2,626,482		3,767,213	80,259
34. Aggregate write-ins for other lines of business		(492)		(492)				(492)	22
35. TOTALS	2,606,990,553	1,295,245,663	2,616,497,199	1,285,739,017	4,108,539,798	2,151,522,567	4,111,659,369	3,434,142,013	610,523,351
DETAILS OF WRITE-IN LINES									
3401. Tuition Protection Plan		(12)		(12)				(12)	22
3402. International Branch Development		(480)		(480)				(480)	
3403.									
3498. Sum of remaining write-ins for Line 34 from overflow page									
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)		(492)		(492)				(492)	22

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct	202,382,813			202,382,813
1.2 Reinsurance assumed	126,967,878			126,967,878
1.3 Reinsurance ceded	202,424,186			202,424,186
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	126,926,505			126,926,505
2. Commission and brokerage:				
2.1 Direct, excluding contingent		154,745,608		154,745,608
2.2 Reinsurance assumed, excluding contingent		180,362,973		180,362,973
2.3 Reinsurance ceded, excluding contingent		155,019,989		155,019,989
2.4 Contingent—direct		211,238,233		211,238,233
2.5 Contingent—reinsurance assumed		31,688,580		31,688,580
2.6 Contingent—reinsurance ceded		211,238,233		211,238,233
2.7 Policy and membership fees				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)		211,777,172		211,777,172
3. Allowances to manager and agents		24,105,597		24,105,597
4. Advertising	185,387	66,909,421	19,436	67,114,244
5. Boards, bureaus and associations	526,636	3,958,247	16,426	4,501,309
6. Surveys and underwriting reports	88,087	11,459,721	8,120	11,555,928
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries	91,952,467	225,858,593	6,055,841	323,866,901
8.2 Payroll taxes	4,798,790	16,025,697	1,161,419	21,985,906
9. Employee relations and welfare	10,258,985	34,275,704	2,412,164	46,946,853
10. Insurance	13,643,587	1,127,813	83,279	14,854,679
11. Directors' fees	9,454	31,063	2,304	42,821
12. Travel and travel items	1,368,006	4,056,284	60,157	5,484,447
13. Rent and rent items	5,503,536	18,322,103	1,572,831	25,398,470
14. Equipment	5,039,421	16,008,475	1,169,121	22,217,017
15. Cost or depreciation of EDP equipment and software	3,776,188	1,599,628	749,262	6,125,078
16. Printing and stationery	295,514	1,662,904	25,071	1,983,489
17. Postage, telephone and telegraph, exchange and express	2,142,556	14,068,108	127,730	16,338,394
18. Legal and auditing	809,406	3,827,848	103,686	4,740,940
19. Totals (Lines 3 to 18)	140,398,020	443,297,206	13,566,847	597,262,073
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ 119,278		56,923,162		56,923,162
20.2 Insurance department licenses and fees		5,683,418		5,683,418
20.3 Gross guaranty association assessments		376,212		376,212
20.4 All other (excluding federal and foreign income and real estate)		9,392,484		9,392,484
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		72,375,276		72,375,276
21. Real estate expenses				
22. Real estate taxes				
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses	16,740,078	47,790,912	2,259,964	66,790,954
25. Total expenses incurred	284,064,603	775,240,566	15,826,811	(a) 1,075,131,980
26. Less unpaid expenses—current year	610,523,351	179,189,168		789,712,519
27. Add unpaid expenses—prior year	609,816,676	178,428,708		788,245,384
28. Amounts receivable relating to uninsured plans, prior year		1,352		1,352
29. Amounts receivable relating to uninsured plans, current year		2,126		2,126
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	283,357,928	774,480,880	15,826,811	1,073,665,619

DETAILS OF WRITE-IN LINES				
2401. Other expenses	16,740,078	47,790,912	2,259,964	66,790,954
2402.				
2403.				
2498. Sum of remaining write-ins for Line 24 from overflow page				
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	16,740,078	47,790,912	2,259,964	66,790,954

(a) Includes management fees of \$ 419,276,875 to affiliates and \$ 24,088,372 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 9,369,817	9,557,835
1.1 Bonds exempt from U.S. tax	(a) 15,483,142	15,032,402
1.2 Other bonds (unaffiliated)	(a) 127,440,908	126,308,278
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 3,528	3,528
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	4,038,371	4,115,427
2.21 Common stocks of affiliates		
3. Mortgage loans	(c) 6,961,428	7,043,158
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 45,083	45,208
7. Derivative instruments	(f)	
8. Other invested assets	95,762,722	95,762,722
9. Aggregate write-ins for investment income	1,173,343	1,173,343
10. Total gross investment income	260,278,342	259,041,901
11. Investment expenses		(g) 15,826,812
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h) 5,946,458
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		21,773,270
17. Net investment income (Line 10 minus Line 16)		237,268,631

DETAILS OF WRITE-IN LINES			
0901. Miscellaneous Income/(Expense)		1,173,343	1,173,343
0902.			
0903.			
0998. Summary of remaining write-ins for Line 09 from overflow page			
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)		1,173,343	1,173,343
1501.			
1502.			
1503.			
1598. Summary of remaining write-ins for Line 15 from overflow page			
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)			

- (a) Includes \$ 3,863,980 accrual of discount less \$ 17,328,042 amortization of premium and less \$ 7,507,870 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 \$ 143,919 accrual of discount less \$ 0 amortization of premium and less \$ 19,090 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 \$ 3,281 accrual of discount less \$ 12,266 amortization of premium and less \$ 873 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 15,826,812 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 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	(13,064,552)		(13,064,552)		
1.1 Bonds exempt from U.S. tax	3,865,092		3,865,092	(58,749)	
1.2 Other bonds (unaffiliated)	22,383,969		22,383,969	705,705	13,015
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)				18,292	
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	663,872		663,872	34,499,698	
2.21 Common stocks of affiliates				21,702,738	
3. Mortgage loans	(4,948)		(4,948)	9,038	
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments	(1,642)		(1,642)		
7. Derivative instruments					
8. Other invested assets	3,386,555	(9,812)	3,376,743	194,194,595	(785,751)
9. Aggregate write-ins for capital gains (losses)	(2,809)		(2,809)		
10. Total capital gains (losses)	17,225,537	(9,812)	17,215,725	251,071,317	(772,736)

DETAILS OF WRITE-IN LINES					
0901. Miscellaneous Gains/(Losses)		(2,809)		(2,809)	
0902.					
0903.					
0998. Summary of remaining write-ins for Line 09 from overflow page					
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)		(2,809)		(2,809)	

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)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks	512,951	512,945	(6)
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)	512,951	512,945	(6)
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	29,256,125	22,151,473	(7,104,652)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	315,890	163,164	(152,726)
15.3 Accrued retrospective premiums and contracts subject to redetermination	1,399,804	1,375,308	(24,496)
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans	306	82	(224)
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset			
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets			
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other-than-invested assets	5,041,529	5,381,530	340,001
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	36,526,605	29,584,502	(6,942,103)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	36,526,605	29,584,502	(6,942,103)

DETAILS OF WRITE-IN LINES			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501. Other assets	5,041,529	5,381,530	340,001
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	5,041,529	5,381,530	340,001

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

Effective January 1, 2001, and subject to any deviations prescribed or permitted by the State of Wisconsin, the accompanying financial statements of Liberty Mutual Fire Insurance Company (the "Company") have been prepared in conformity with the National Association of Insurance Commissioners ("NAIC") Accounting Practices and Procedures Manual ("APP Manual").

The Company does not have any prescribed or permitted accounting practices.

NET INCOME

		SSAP #	F/S Page	F/S Line #	2021	2020
(1)	Liberty Mutual Fire Insurance Company state basis (Page 4, Line 20, Columns 1 & 2)	X X X	X X X	X X X	100,299,673	102,604,163
(2)	State Prescribed Practices that are an increase/(decrease) from NAIC SAP:					

Details of Depreciation of Fixed Assets	SSAP #	F/S Page	F/S Line #	2021	2020
Totals (Lines 01A0201 through 01A0225)	\$			0	0

(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP:

Details of Depreciation of Home Office Property	SSAP #	F/S Page	F/S Line #	2021	2020
Totals (Lines 01A0301 through 01A0325)	\$			0	0

(4)	NAIC SAP (1 - 2 - 3 = 4)	X X X	X X X	X X X	100,299,673	102,604,163
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SURPLUS

		SSAP #	F/S Page	F/S Line #	2021	2020
(5)	Liberty Mutual Fire Insurance Company state basis (Page 3, Line 37, Columns 1 & 2)	X X X	X X X	X X X	2,161,115,333	1,863,983,868
(6)	State Prescribed Practices that are an increase/(decrease)from NAIC SAP:					

e.g., Goodwill, net, Fixed Assets, Net	SSAP #	F/S Page	F/S Line #	2021	2020
Totals (Lines 01A0601 through 01A0625)	\$			0	0

(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP:

Home Office Property	SSAP #	F/S Page	F/S Line #	2021	2020
Totals (Lines 01A0701 through 01A0725)	\$			0	0

(8)	NAIC SAP (5 - 6 - 7 = 8)	X X X	X X X	X X X	2,161,115,333	1,863,983,868
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B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. It also requires estimates in the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

C. Accounting Policy

NOTES TO FINANCIAL STATEMENTS

Premiums are earned over the terms of the related policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro-rata methods. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the Company applies the following accounting policies, where applicable:

- 1.Short term investments are carried at cost, adjusted where appropriate for amortization of premium or discount, or fair value as specified by the Purposes and Procedures Manual of the NAIC Investment Analysis Office (SVO Manual).
- 2.Bonds are carried at cost, adjusted where appropriate for amortization of premium or discount, or fair value as specified by the SVO Manual.
- 3.Common stocks are carried at fair value, except that investments in stocks of subsidiaries, controlled and affiliated ("SCA") companies are carried according to Note 1C(7).
- 4.Preferred stocks are carried at cost or fair value as specified by the SVO Manual. Preferred stocks of SCA companies are carried according to Note 1C(7).
- 5.Mortgage loans are carried at amortized cost, less impairments as specified by the SVO Manual.
- 6.Mortgage backed/asset backed securities are carried at amortized cost or fair value based on guidance in the SVO Manual. Prepayment assumptions for mortgage backed/asset backed securities are based on market expectations. The retrospective adjustment method and prospective interest method are used to value all mortgage backed/asset backed securities.
- 7.Investments in SCA companies are carried in accordance with SSAP No. 97, Investments in Subsidiary, Controlled, and Affiliated Entities, A Replacement of SSAP No. 88, and the SVO Manual.
- 8.Investments in joint ventures, partnerships, and limited liability companies are carried in accordance with SSAP No. 48, Joint Ventures, Partnerships and Limited Liability Companies, and the SVO Manual.
- 9.Derivative Securities, refer to Note 8 .
- 10.Investment income is anticipated as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property Casualty Contracts - Premiums. Refer to Note 30.
- 11.Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and an amount, based on past experience, for losses and loss adjustment expenses 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 follow current standards of practice. Any adjustments to the liability are reflected in the period that they are determined.
- 12.The Company did not change its capitalization policy in 2021
- 13.The Company has no pharmaceutical rebate receivables.

D. Going Concern

The Company is not aware of any conditions that would impact its ability to continue as a going concern.

2. Accounting Changes and Corrections of Errors

There were no material changes in accounting principles and/or correction of errors.

3. Business Combinations and Goodwill

A. Statutory Purchase Method

The Company did not enter into any statutory purchases during the year.

Not Applicable

B. Statutory Merger

The Company did not enter into any statutory mergers during the year.

C. Impairment Loss

The Company did not recognize an impairment loss during the period.

D. Subcomponents and Calculation of Adjusted Surplus and Total Admitted Goodwill

NOTES TO FINANCIAL STATEMENTS

	Calculation of Limitation Using Prior Quarter Numbers	Current Reporting Period
(1) Capital & Surplus	2,107,684,780	X X X
Less:		
(2) Admitted Positive Goodwill	0	X X X
(3) Admitted EDP Equipment & Operating System Software XX	0	X X X
(4) Admitted Net Deferred Taxes XXX	57,609,322	X X X
(5) Adjusted Capital and Surplus (Line 1-2-3-4)	2,050,075,458	X X X
(6) Limitation on amount of goodwill (adjusted capital and surplus goodwill limitation [Line 5*10%])	205,007,546	
(7) Current period reported Admitted Goodwill XXX	X X X	0
(8) Current Period Admitted Goodwill as a % of prior period Adjusted Capital and Surplus (Line 7/Line 5)	X X X	0

4. Discontinued Operations

The Company has no discontinued operations

A. Discontinued Operations Disposed of or Classified as Held for Sale
Not Applicable

B. Change in Plan of Sale of Discontinued Operation
Not Applicable

C. Nature of Any Significant Continuing Involvement with Discontinued Operations After Disposal
Not Applicable

D. Equity Interest Retained in the Discontinued Operation After Disposal
Not Applicable

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

(1) The minimum and maximum lending rates for mortgage loans for 2021 were:

Farm mortgages: N/A
Residential mortgages: 2.854% and 9.000%
Commercial mortgages: 2.150% and 6.500%

(2) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 86%.

(3) Taxes, assessments and any amounts advanced and not included in the mortgage loan total:

Current Year	Prior Year
2,209	4,307

(4) Age Analysis of Mortgage Loans and Identification of Mortgage Loans the Insurer is a Participant or Co-lender in a Mortgage Loan Agreement

a. Current Year

1. Recorded Investment (All)

	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
(a) Current Year	\$ 0	0	57,282,454	0	156,499,787	0	213,782,241
(b) 30 - 59 Days Past Due	\$ 0	0	0	0	0	0	0
(c) 60 - 89 Days Past Due	\$ 0	0	0	0	0	0	0
(d) 90 - 179 Days Past Due	\$ 0	0	0	0	0	0	0
(e) 180 + Days Past Due	\$ 0	0	0	0	0	0	0
2. Accruing Interest 90 - 179 Days Past Due							
(a) Recorded Investment	\$ 0	0	0	0	0	0	0
(b) Interest Accrued	\$ 0	0	0	0	0	0	0
3. Accruing Interest 180 + Days Past Due							
(a) Recorded Investment	\$ 0	0	0	0	0	0	0
(b) Interest Accrued	\$ 0	0	0	0	0	0	0
4. Interest Reduced							
(a) Recorded Investment	\$ 0	0	0	0	3,504,684	0	3,504,684
(b) Number of Loans	\$ 0	0	0	0	141	0	141
(c) Percent Reduced	0.000%	0.000%	0.000%	0.000%	1.100%	0.000%	1.100%
5. Participant or Co-lender in a Mortgage Loan Agreement							
(a) Recorded Investment	\$ 0	0	57,282,454	0	156,499,787	0	213,782,241

NOTES TO FINANCIAL STATEMENTS

b. Prior Year								
1. Recorded Investment								
(a) Current Year	\$	0	0	54,863,143	0	138,940,991	0	193,804,134
(b) 30 - 59 Days Past Due	\$	0	0	0	0	0	0	0
(c) 60 - 89 Days Past Due	\$	0	0	0	0	0	0	0
(d) 90 - 179 Days Past Due	\$	0	0	0	0	0	0	0
(e) 180 + Days Past Due	\$	0	0	0	0	8,433	0	8,433
2. Accruing Interest 90 - 179 Days Past Due								
(a) Recorded Investment	\$	0	0	0	0	0	0	0
(b) Interest Accrued	\$	0	0	0	0	0	0	0
3. Accruing Interest 180 + Days Past Due								
(a) Recorded Investment	\$	0	0	0	0	0	0	0
(b) Interest Accrued	\$	0	0	0	0	0	0	0
4. Interest Reduced								
(a) Recorded Investment	\$	0	0	0	0	1,903,112	0	1,903,112
(b) Number of Loans	\$	0	0	0	0	125	0	125
(c) Percent Reduced	\$	0.000%	0.000%	0.000%	0.000%	0.900%	0.000%	0.900%
5. Participant or Co-lender in a Mortgage Loan Agreement								
(a) Recorded Investment	\$	0	0	54,863,143	0	138,949,424	0	193,812,566

(5)

Investment in Impaired Loans With or Without Allowance for Credit Losses and Impaired Loans Subject to a Participant or Co-Lender Mortgage Loan Agreement for Which the Reporting Entity is Restricted from Unilaterally Foreclosing on the Mortgage Loan:

a. Current Year								
1. With Allowance for Credit Losses	\$	0	0	0	0	240,716	0	240,716
2. No Allowance for Credit Losses	\$	0	0	0	0	836,397	0	836,397
3. Total (1+2)	\$	0	0	0	0	1,077,113	0	1,077,113
4. Subject to a participant or co-lender mortgage loan agreement for which reporting entity is restricted from unilaterally foreclosing on the mortgage	\$	0	0	0	0	1,077,113	0	1,077,113
b. Prior Year								
1. With Allowance for Credit Losses	\$	0	0	0	0	237,580	0	237,580
2. No Allowance for Credit Losses	\$	0	0	0	0	576,306	0	576,306
3. Total (1+2)	\$	0	0	0	0	813,886	0	813,886
4. Subject to a participant or co-lender mortgage loan agreement for which reporting entity is restricted from unilaterally foreclosing on the mortgage	\$	0	0	0	0	813,886	0	813,886

(6)

Investment in Impaired Loans - Average Recorded Investment, Interest Income Recognized, Recorded Investment on Nonaccrual Status and Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting:

a. Current Year								
1. Average Recorded Investment	\$	0	0	0	0	799,753	0	799,753
2. Interest Income Recognized	\$	0	0	0	0	27,456	0	27,456
3. Recorded Investments on Nonaccrual Status	\$	0	0	0	0	0	0	0
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting	\$	0	0	0	0	26,599	0	26,599
b. Prior Year								
1. Average Recorded Investment	\$	0	0	0	0	677,627	0	677,627
2. Interest Income Recognized	\$	0	0	0	0	18,863	0	18,863
3. Recorded Investments on Nonaccrual Status	\$	0	0	0	0	8,433	0	8,433
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting	\$	0	0	0	0	18,850	0	18,850

(7)

Allowance for Credit Losses:

	Current Year	Prior Year
a. Balance at beginning of period	\$ 65,146	46,172
b. Additions charged to operations	\$ (5,605)	56,352
c. Direct write-downs charged against the allowances	\$ (3,433)	(37,378)
d. Recoveries of amounts previously charged off	\$ 0	0
e. Balance at end of period	\$ 56,108	65,146

(8)

Mortgage Loans Derecognized as a Result of Foreclosure:

	Current Year
a. Aggregate amount of mortgage loans derecognized	\$ 0
b. Real estate collateral recognized	\$ 0
c. Other collateral recognized	\$ 0
d. Receivables recognized from a government guarantee of the foreclosed mortgage loan	\$ 0

(9)

Interest income on impaired commercial mortgage loans is recognized until the loans are more than 90 days delinquent. Interest income and accrued interest receivable are reversed when a loan is put on non-accrual status. Interest income on loans more than 90 days delinquent is recognized in the period the cash is collected. Interest income recognition is continued when the loan becomes less than 90 days delinquent and management determines it is probable that the loan will continue to perform.

NOTES TO FINANCIAL STATEMENTS

B. Debt Restructuring

	Current Year	Prior Year
(1) Total recorded investment in restructured loans, as of year end	\$ 507,474	752,326
(2) The realized capital losses related to these loans	\$ 0	0
(3) Total contractual commitments to extend credit to debtors owing whose terms have been modified in troubled debt restructurings	\$ 0	0
(4) The Company accrues interest income on impaired loans to the extent it is deemed collectible (delinquent less than 90 days) and the loan continues to perform under its original or restructured contractual terms. Interest income on non-performing loans is generally recognized on a cash basis.		

C. Reverse Mortgages

- (1) Not Applicable
- (2) Not Applicable

D. Loan-Backed Securities

- (1) Prepayment speed assumptions are updated monthly with data sourced from the Bloomberg data service.

(2)	(1)	(2)	(3)
	Amortized C Basis Before Other-than- Temporary Impairment	Other-than- Temporary Impairment Recognized in	Fair Value 1 - 2
OTTI recognized 1st Quarter			
a. Intent to sell	\$ 0	0	0
b. Inability or lack of intent to retain the investment in the security f recover the amortized cost basis	\$ 0	0	0
c. Total 1st Quarter	\$ 0	0	0
OTTI recognized 2nd Quarter			
d. Intent to sell	\$ 0	0	0
e. Inability or lack of intent to retain the investment in the security f recover the amortized cost basis	\$ 0	0	0
f. Total 2nd Quarter	\$ 0	0	0
OTTI recognized 3rd Quarter			
g. Intent to sell	\$ 0	0	0
h. Inability or lack of intent to retain the investment in the security f recover the amortized cost basis	\$ 0	0	0
i. Total 3rd Quarter	\$ 0	0	0
OTTI recognized 4th Quarter			
j. Intent to sell	\$ 0	0	0
k. Inability or lack of intent to retain the investment in the security f recover the amortized cost basis	\$ 0	0	0
l. Total 4th Quarter	\$ 0	0	0
m. Annual Aggregate Total	\$ X X X	0	

- (3) Not Applicable

- (4) All impaired Loaned Backed Securities for which an other-than-temporary impairment has not been recognized in earnings as a realized loss as of December 31, 2021:

- a. The aggregate Amount of unrealized losses:

Less than 12 months	(1) \$ (2,669,285)
12 Months or Longer	\$ (2,542,764)

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

Less than 12 months	\$ 403,894,293
12 Months or Longer	\$ 109,125,828

- (5) The Company reviews fixed income securities for impairment on a quarterly basis. Securities are reviewed for both quantitative and qualitative considerations including, but not limited to: (a) the extent of the decline in fair value below book value, (b) the duration of the decline, (c) significant adverse changes in the financial condition or near term prospects of the investment or issuer, (d) significant change in the business climate or credit ratings of the issuer, (e) general market conditions and volatility, (f) industry factors, and (g) the past impairment of the security holding or the issuer. If the Company believes a decline in the value of a particular investment is temporary, the decline is recorded as an unrealized loss in policyholders' equity. If the decline is believed to be "other-than-temporary," and the Company believes it will not be able to collect all cash flows due on its fixed income securities, then the carrying value of the investment is written down to the expected cash flow amount and a realized loss is recorded as a credit impairment.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

NOTES TO FINANCIAL STATEMENTS

(1) The company has not entered into any repurchase agreements during the year. Refer to Note 17B for the policy on requiring collateral for securities lending.

(2) The Company has not pledged any of its assets as collateral as of December 31, 2021.

(3) Collateral Received

a. Aggregate Amount Collateral Received

1. Securities Lending

	Fair Value
Open	\$ 344,083,039
30 Days or Less	\$ 0
31 to 60 Days	\$ 0
61 to 90 Days	\$ 0
Greater Than 90 Days	\$ 0
Sub-Total	\$ 344,083,039
Securities Received	\$ 248,440,455
Total Collateral Received	\$ 592,523,494

2. Dollar Repurchase Agreement

	Fair Value
Open	\$ 0
30 Days or Less	\$ 0
31 to 60 Days	\$ 0
61 to 90 Days	\$ 0
Greater Than 90 Days	\$ 0
Sub-Total	\$ 0
Securities Received	\$ 0
Total Collateral Received	\$ 0

b. The fair value of that collateral and of the portion that it has sold or repledged \$ 592,523,494

c. All collateral is received in the form of cash and/or securities equal to or in excess of 102% of the loaned value and are maintained in a separate custody account. Cash collateral is reinvested into short-term investments as outlined in the terms of the investment agreement. Per the terms of the investment agreement the Company has the right and ability to redeem any eligible securities on short notice.

(4) Securities Lending Transactions Administered by an Affiliated Agent

Not Applicable for any LMG reporting entity

(5) Collateral Reinvestment

a. Aggregate Amount Collateral Reinvested

1. Securities Lending

	Amortized Cost	Fair Value
Open	\$ 0	0
30 Days or Less	\$ 178,687,556	178,687,556
31 to 60 Days	\$ 120,422,143	120,422,143
61 to 90 Days	\$ 44,973,341	44,973,341
91 to 120 Days	\$ 0	0
121 to 180 Days	\$ 0	0
181 to 365 Days	\$ 0	0
1 to 2 years	\$ 0	0
2 to 3 year	\$ 0	0
Greater Than 3 years	\$ 0	0
Sub-Total	\$ 344,083,040	344,083,040
Securities Received	\$ 0	0
Total Collateral Reinvested	\$ 344,083,040	344,083,040

NOTES TO FINANCIAL STATEMENTS

2. Dollar Repurcahse Agreement

Open	\$	0	0
30 Days or Less	\$	0	0
31 to 60 Days	\$	0	0
61 to 90 Days	\$	0	0
91 to 120 Days	\$	0	0
121 to 180 Days	\$	0	0
181 to 365 Days	\$	0	0
1 to 2 years	\$	0	0
2 to 3 year	\$	0	0
Greater Than 3 years	\$	0	0
Sub-Total	\$	0	0
Securities Received	\$	0	0
Total Collateral Reinvested	\$	0	0

b. The reporting entity's sources of cash that it uses to return the cash collateral is dependent on the liquidity of the current market conditions. Under current conditions, the reporting entity could liquidate all or a portion of its cash collateral reinvestment securities in order to meet the collateral calls that could come due under a worst-case scenario.

(6) The Company has not accepted collateral that it is not permitted by contract or custom to sell or re-pledge.

(7) Collateral for securities lending transactions that extend beyond one year from the reporting date:
The Company has not accepted collateral that extends beyond one year from the reporting date for securities lending transactions.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

(2) Type of Repo Trades Used

- a. Bilateral (YES/NO)
b. Tri-Party (YES/NO)

1	2	3	4
First Quarter	Second Quarter	Third Quarter	Fourth Quarter
NO	NO	NO	NO
NO	NO	NO	NO

(3) Original (Flow) & Residual Maturity

- a. Maxiumum Amount
1. Open – No Maturity
2. Overnight
3. 2 Days to 1 Week
4. > 1 Week to 1 Month
5. > 1 Month to 3 Months
6. > 3 Months to 1 Year
7. > 1 Year

FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

- b. Ending Balance
1. Open – No Maturity
2. Overnight
3. 2 Days to 1 Week
4. > 1 Week to 1 Month
5. > 1 Month to 3 Months
6. > 3 Months to 1 Year
7. > 1 Year

FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

(2) Type of Repo Trades Used

- a. Bilateral (YES/NO)
b. Tri-Party (YES/NO)

1	2	3	4
First Quarter	Second Quarter	Third Quarter	Fourth Quarter
NO	NO	NO	NO
NO	NO	NO	NO

H. Repurchase Agreements Transactions Accounted for as a Sale

(2) Type of Repo Trades Used

- a. Bilateral (YES/NO)
b. Tri-Party (YES/NO)

1	2	3	4
First Quarter	Second Quarter	Third Quarter	Fourth Quarter
NO	NO	NO	NO
NO	NO	NO	NO

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

(2) Type of Repo Trades Used

- a. Bilateral (YES/NO)
b. Tri-Party (YES/NO)

1	2	3	4
First Quarter	Second Quarter	Third Quarter	Fourth Quarter
NO	NO	NO	NO
NO	NO	NO	NO

J. Real Estate

NOTES TO FINANCIAL STATEMENTS

Not Applicable

K. Investment in Low Income Housing Tax Credit ("LIHTC")

- 1. There are six years remaining of unexpired tax credits. The required holding period for the LIHTC investment is fifteen years.
- 2. There were \$4,131,704 of LIHTC and other tax benefits recognized during the year.
- 3. The balance of the investment recognized in the statement of financial position for the current year is \$3,661,258.
- 4. The Company's LIHTC property is required to meet regulatory benchmarks to comply with the LIHTC program which include the review of tenant files. Oversight of the projects is administered by the State Housing agencies.
- 5. The carrying value of the Company's investment in LIHTC did not exceed 10% of its admitted assets.
- 6. The Company did not recognize any impairment loss on its LIHTC investment during the year.
- 7. The Company did not write-down its LIHTC investment or reclassify the LIHTC during the year due to the forfeiture or ineligibility of tax credits.

L. Restricted Assets

NOTES TO FINANCIAL STATEMENTS

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted						
	Current Year					6 Total From Prior Year	7 Increase/ (Decrease) (5 minus 6)
	1	2	3	4	5		
	Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separat Account (S/A) Restricted Ass	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)		
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	\$ 344,083,039	0	0	0	344,083,039	123,329,418	220,753,621
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	\$ 6,750,000	0	0	0	6,750,000	6,750,000	0
j. On deposit with states	\$ 203,750,284	0	0	0	203,750,284	204,776,000	-1,025,716
k. On deposit with other regulatory bodies	\$ 19,648,350	0	0	0	19,648,350	19,460,767	187,583
l. Pledged as collateral to FHLB (including assets backing funding agreements)	\$ 153,043,793	0	0	0	153,043,793	150,189,816	2,853,977
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. Total Restricted Assets	\$ 727,275,466	0	0	0	727,275,466	504,506,001	222,769,465

(a) Subset of Column 1

(b) Subset of Column 3

Restricted Asset Category	Current Year			
	8	9	Percentage	
	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	10	11
			Gross (Admitt Nonadmitted) Restricted to Total Assets (Admitted Restricted to T Admitted Asset (d)
a. Subject to contractual obligation for which liability is not shown	\$ 0	0	0.000	0.000
b. Collateral held under security lending agreements	\$ 0	344,083,039	4.056	4.073
c. Subject to repurchase agreements	\$ 0	0	0.000	0.000
d. Subject to reverse repurchase agreements	\$ 0	0	0.000	0.000
e. Subject to dollar repurchase agreements	\$ 0	0	0.000	0.000
f. Subject to dollar reverse repurchase agreements	\$ 0	0	0.000	0.000
g. Placed under option contracts	\$ 0	0	0.000	0.000
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	\$ 0	0	0.000	0.000
i. FHLB capital stock	\$ 0	6,750,000	0.080	0.080
j. On deposit with states	\$ 0	203,750,284	2.402	2.412
k. On deposit with other regulatory bodies	\$ 0	19,648,350	0.232	0.233
l. Pledged as collateral to FHLB (including assets backing funding agreements)	\$ 0	153,043,793	1.804	1.812
m. Pledged as collateral not captured in other categories	\$ 0	0	0.000	0.000
n. Other restricted Assets	\$ 0	0	0.000	0.000
o. Total Restricted Assets	\$ 0	727,275,466	8.574	8.610

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

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

NOTES TO FINANCIAL STATEMENTS

(4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statement.

Collateral Assets	1 Book/Adjusted Carrying Value (BACV)	2 Fair Value	3 % of BACV to Total Assets (Admitted and Nonadmitted*)	4 % of BACV to Total Admitted Assets**
General Account:				
a. Cash, Cash Equivalents and Short-Term Investments	\$ 0	0	0.000	0.000
b. Schedule D, Part 1	\$ 0	0	0.000	0.000
c. Schedule D, Part 2, Section 1	\$ 0	0	0.000	0.000
d. Schedule D, Part 2, Section 2	\$ 0	0	0.000	0.000
e. Schedule B	\$ 0	0	0.000	0.000
f. Schedule A	\$ 0	0	0.000	0.000
g. Schedule BA, Part 1	\$ 0	0	0.000	0.000
h. Schedule DL, Part 1	\$ 344,083,039	344,083,039	4.056	4.073
i. Other	\$ 0	0	0.000	0.000
j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	\$ 344,083,039	344,083,039	4.056	4.073
Separate Account:				
k. Cash, Cash Equivalents and Short-Term Investments	\$ 0	0	0.000	0.000
l. Schedule D, Part 1	\$ 0	0	0.000	0.000
m. Schedule D, Part 2, Section 1	\$ 0	0	0.000	0.000
n. Schedule D, Part 2, Section 2	\$ 0	0	0.000	0.000
o. Schedule B	\$ 0	0	0.000	0.000
p. Schedule A	\$ 0	0	0.000	0.000
q. Schedule BA, Part 1	\$ 0	0	0.000	0.000
r. Schedule DL, Part 1	\$ 0	0	0.000	0.000
s. Other	\$ 0	0	0.000	0.000
t. Total Collateral Assets (k+l+m+n+o+p+q+r+s)	\$ 0	0	0.000	0.000

* j = Column 1 divided by Asset Page, Line 26 (Column 1)
t = Column 1 divided by Asset Page, Line 27 (Column 1)

** j = Column 1 divided by Asset Page, Line 26 (Column 3)
t = Column 1 divided by Asset Page, Line 27 (Column 3)

	<u>1</u> Amount	<u>2</u> % of Liability to Total Liabilities*
u. Recognized Obligation to Return Collateral Assets (General Account)	\$ 344,083,039	5.474
v. Recognized Obligation to Return Collateral Asset (Separate Account)	\$ 0	0.000

* u = Column 1 divided by Liability Page, Line 26 (Column 1)
v = Column 1 divided by Liability Page, Line 27 (Column 1)

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
99	0
3,335,858	0

(1) Number of CUSIPs
(2) Aggregate Amount of Investment Income

R. Reporting Entity's Share of Cash Pool by Asset type.

NOTES TO FINANCIAL STATEMENTS

Percent Share
0.00
5.85
0.00
5.85

	Asset Type
(1)	Cash
(2)	Cash Equivalents
(3)	Short-Term Investments
(4)	Total

6. Joint Ventures, Partnerships and Limited Liability Companies

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

The Company's investment in joint ventures, partnerships, or limited liability companies does not exceed 10% of its admitted assets.

B. B. Writedowns for Impairments of Joint Ventures, Partnerships, & LLCs

The Company's limited partnership investment is reported in accordance with SSAP No. 48. These limited partnerships are valued by the equity method using traditional private equity valuation measures. Interim poor performance which indicates a probable inability to recover the carrying amount of the assets leads to impairment losses being recognized by management. The Company did not realize any impairment losses during the year.

7. Investment Income

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

B. No amounts were excluded as of December 31, 2021.

8. Derivative Instruments

A. Derivatives under SSAP No. 86—Derivatives

- (1)

The Company's investment activities do not include derivatives. However, the Company may acquire derivatives as additions to bond, common stock, or preferred stock investments. These derivatives are ancillary to the overall investment and are immaterial to the underlying investment portfolio.
- (2)

Not Applicable
- (3)

Not Applicable
- (4)

Not Applicable
- (5)

Not Applicable
- (6)

Not Applicable
- (7)

Not Applicable

B. Derivatives under SSAP No. 108—Derivative Hedging Variable Annuity Guarantees

- (1)

Discussion of hedged item/hedging instruments and hedging strategy:

Not Applicable

9. Income Taxes

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

(1)	12/31/2021			12/31/2020		
	(1)	(2)	(3)	(4)	(5)	(6)
			(Col 1 + 2)			(Col 4 + 5)
	Ordinary	Capital	Total	Ordinary	Capital	Total
a. Gross Deferred Tax Assets	\$ 145,813,000	8,352,000	154,165,000	136,321,000	10,633,000	146,954,000
b. Statutory Valuation Allowance Adjustments	\$ 0	0	0	0	0	0
c. Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 145,813,000	8,352,000	154,165,000	136,321,000	10,633,000	146,954,000
d. Deferred Tax Assets Nonadmitted	\$ 0	0	0	0	0	0
e. Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 145,813,000	8,352,000	154,165,000	136,321,000	10,633,000	146,954,000
f. Deferred Tax Liabilities	\$ 47,192,000	70,856,000	118,048,000	41,583,000	37,784,000	79,367,000
g. Net Admitted Deferred Tax Assets / (Net Deferred Tax Liability) (1e - 1f)	\$ 98,621,000	(62,504,000)	36,117,000	94,738,000	(27,151,000)	67,587,000

NOTES TO FINANCIAL STATEMENTS

(1)

		Change		
		(7)	(8)	(9)
		(Col 1 - 4)	(Col 2- 5)	(Col 7 + 8)
		Ordinary	Capital	Total
a.	Gross Deferred Tax Assets	\$ 9,492,000	(2,281,000)	7,211,000
b.	Statutory Valuation Allowance Adjustments	\$ 0	0	0
c.	Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 9,492,000	(2,281,000)	7,211,000
d.	Deferred Tax Assets Nonadmitted	\$ 0	0	0
e.	Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 9,492,000	(2,281,000)	7,211,000
f.	Deferred Tax Liabilities	\$ 5,609,000	33,072,000	38,681,000
g.	Net Admitted Deferred Tax Assets /			
	(Net Deferred Tax Liability) (1e - 1f)	\$ 3,883,000	(35,353,000)	(31,470,000)

(2)

		12/31/2021			12/31/2020		
		(1)	(2)	(3)	(4)	(5)	(6)
				(Col 1 + 2)			(Col 4 + 5)
		Ordinary	Capital	Total	Ordinary	Capital	Total
	Admission Calculation Components SSAP No. 101						
a.	Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 81,376,178	0	81,376,178	54,452,984	0	54,452,984
b.	Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	\$ 25,028,444	0	25,028,444	45,168,482	0	45,168,482
1.	Adjusted Gross Deferred Tax Assets to be Realized Following the Balance Sheet Date.	\$ 25,028,444	0	25,028,444	45,168,482	0	45,168,482
2.	Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	\$ X X X	X X X	320,792,729	X X X	X X X	277,596,247
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.	\$ 39,408,378	8,352,000	47,760,378	36,699,534	10,633,000	47,332,534
d.	Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 145,813,000	8,352,000	154,165,000	136,321,000	10,633,000	146,954,000

(2)

		Change		
		(1)	(2)	(3)
		(Col 1 - 4)	(Col 2- 5)	(Col 7 + 8)
		Ordinary	Capital	Total
	Admission Calculation Components SSAP No. 101			
a.	Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 26,923,194	0	26,923,194
b.	Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	\$ (20,140,038)	0	(20,140,038)
1.	Adjusted Gross Deferred Tax Assets to be Realized Following the Balance Sheet Date.	\$ (20,140,038)	0	(20,140,038)
2.	Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	\$ X X X	X X X	43,196,482
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.	\$ 2,708,844	(2,281,000)	427,844
d.	Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 9,492,000	(2,281,000)	7,211,000

(3)

		2021	2020
a.	Ratio Percentage Used to Determine Recover Period And Threshold Limitation Amount.	559.30%	505.90%
b.	Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 2,161,115,333.000	1,796,396,869.000

(4)

		12/31/2021	12/31/2020	Change
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NOTES TO FINANCIAL STATEMENTS

Impact of Tax-Planning Strategies		(1)	(2)	(3)	(4)	(5)	(6)
a. Determination of Adjusted Gross Deferred Tax Assets and Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.		Ordinary	Capital	Ordinary	Capital	(Col 1 - 3) Ordinary	(Col 2 - 4) Capital
1. Adjusted Gross DTAs Amount From Note 9A1(c)	\$	145,813,000	8,352,000	136,321,000	10,633,000	9,492,000	(2,281,000)
2. Percentage of Adjusted Gross DTAs By Tax Character Attributable To The Impact of Tax Planning Strategies		0.000	0.000	0.000	0.000	0.000	0.000
3. Net Admitted Adjusted Gross DTAs Amount from Note 9A1(e)	\$	145,813,000	8,352,000	136,321,000	10,633,000	9,492,000	(2,281,000)
4. Percentage of Net Admitted Adjusted Gross DTAs by Tax Character Attributable To The Impact of Tax Planning Strategies		0.000	0.000	0.000	0.000	0.000	0.000

b. Does the Company's Tax-planning Strategies include the use of reinsurance? NO

B. Regarding deferred tax liabilities that are not recognized:

The Company does not have any DTLs described in SSAP No. 101 Income Taxes, a Replacement of SSAP No. 10R and SSAP No. 10, paragraph 23.

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

		(1)	(2)	(3)
		12/31/2021	12/31/2020	(Col 1 - 2) Change
(1) Current Income Tax				
a. Federal	\$	44,790,108	10,716,751	34,073,357
b. Foreign	\$	0	0	0
c. Subtotal	\$	44,790,108	10,716,751	34,073,357
d. Federal Income Tax on net capital gains	\$	3,615,892	23,449,529	(19,833,637)
e. Utilization of capital loss carry-forwards	\$	0	0	0
f. Other	\$	0	0	0
g. Federal and foreign income taxes incurred	\$	48,406,000	34,166,280	14,239,720

(2) Deferred Tax Assets:

a. Ordinary				
1. Discounting of unpaid losses	\$	57,587,000	56,015,000	1,572,000
2. Unearned premium reserve	\$	62,848,000	58,385,000	4,463,000
3. Policyholder reserves	\$	0	0	0
4. Investments	\$	4,742,000	4,779,000	(37,000)
5. Deferred acquisition costs	\$	0	0	0
6. Policyholder dividends accrual	\$	0	0	0
7. Fixed assets	\$	2,753,000	0	2,753,000
8. Compensation and benefits accrual	\$	2,422,000	2,538,000	(116,000)
9. Pension accrual	\$	0	0	0
10. Receivables - nonadmitted	\$	7,671,000	6,213,000	1,458,000
11. Net operating loss carry-forward	\$	0	0	0
12. Tax credit carry-forward	\$	0	70,000	(70,000)
13 Other (including items <5% of total ordinary tax assets)	\$	7,790,000	8,321,000	(531,000)
99. Subtotal	\$	145,813,000	136,321,000	9,492,000
b. Statutory valuation allowance adjustment	\$	0	0	0
c. Nonadmitted	\$	0	0	0
d. Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$	145,813,000	136,321,000	9,492,000

e. Capital:

(1) Investments	\$	8,352,000	10,633,000	(2,281,000)
(2) Net capital loss carry-forward	\$	0	0	0
(3) Real estate	\$	0	0	0
(4) Other (including items <5% of total capital tax assets)	\$	0	0	0
(99) Subtotal	\$	8,352,000	10,633,000	(2,281,000)
f. Statutory valuation allowance adjustment	\$	0	0	0
g. Nonadmitted	\$	0	0	0
h. Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$	8,352,000	10,633,000	(2,281,000)
i. Admitted deferred tax assets (2d + 2h)	\$	154,165,000	146,954,000	7,211,000

NOTES TO FINANCIAL STATEMENTS

- (3) Deferred Tax Liabilities:
- a. Ordinary

1. Investments	\$	4,970,000	4,529,000	441,000
2. Fixed assets	\$	26,540,000	22,706,000	3,834,000
3. Deferred and uncollected premium	\$	0	0	0
4. Policyholder reserves	\$	9,561,000	11,952,000	(2,391,000)
5. Other Compensation	\$	3,867,000	0	3,867,000
6. Other (including items <5% of total ordinary tax liabilities)	\$	2,254,000	2,396,000	(142,000)
99. Subtotal	\$	47,192,000	41,583,000	5,609,000

- b. Capital:

1. Investments	\$	70,856,000	37,784,000	33,072,000
2. Real Estate	\$	0	0	0
3. Other (including items <5% of total capital tax liabilities)	\$	0	0	0
99. Subtotal	\$	70,856,000	37,784,000	33,072,000

c. Deferred tax liabilities (3a99 + 3b99)	\$	118,048,000	79,367,000	38,681,000
(4) Net deferred tax assets/liabilities (2i - 3c)	\$	36,117,000	67,587,000	(31,470,000)

- D. Effective tax rates differ from the current statutory rate of 21% principally due to the effects of discounting of unpaid losses and loss adjustment expenses, tax exempt income, intercompany dividends, LP & LLC income, limits on unearned premium reserve deductions, amortization, partnership income/loss, loss reserve transitional adjustment and revisions to prior year estimates.
- E. The Company has no net operating loss or tax credit carry-forwards available to offset future net income subject to Federal income tax.
- (1) The amount of Federal income taxes incurred and available for recoupment in the event of future losses is \$45,008,000 from the current year and \$35,969,000 from the preceding year.
- (2) The Company does not have deposits admitted under Section 6603 of the Internal Revenue Code.
- F. The method of federal income tax allocation is subject to a written agreement. Allocation is based upon separate return calculations with credit applied for losses as appropriate. The Company has the enforceable right to recoup prior year payments in the event of future losses.

The Company's Federal income tax return is consolidated with the following entities:

Andover, Inc.	Liberty Mutual Holding Company Inc.
America First Insurance Company	Liberty Mutual Insurance Company
America First Lloyd's Insurance Company	Liberty Mutual Personal Insurance Company
American Economy Insurance Company	Liberty Mutual Technology Group, Inc.
American Fire and Casualty Company	Liberty Northwest Insurance Corporation
American States Insurance Company	Liberty Personal Insurance Company
American States Insurance Company of Texas	Liberty RE (Bermuda) Limited
American States Lloyds Insurance Company	Liberty Sponsored Insurance (Vermont), Inc.
American States Preferred Insurance Company	Liberty Surplus Insurance Corporation
Barrier Ridge LLC	LIH-RE of America Corporation
Berkeley Management Corporation	LIU Specialty Insurance Agency Inc.
Colorado Casualty Insurance Company	LM General Insurance Company
Consolidated Insurance Company	LM Insurance Corporation
Diversified Settlements, Inc.	LM Property and Casualty Insurance Company
Emerald City Insurance Agency, Inc.	LMCRT-FRE-01 IC
Employers Insurance Company of Wausau	LMHC Massachusetts Holdings Inc.
Excelsior Insurance Company	Managed Care Associates Inc.
Excess Risk Reinsurance Inc.	Mid-American Fire & Casualty Company
F.B. Beattie & Co., Inc.	Nationale Borg Reinsurance N.V.
First National Insurance Company of America	North Pacific Insurance Company
First State Agency Inc.	Ocasco Budget, Inc.
General America Corporation	OCI Printing, Inc.
General America Corporation of Texas	Ohio Casualty Corporation
General Insurance Company of America	Ohio Security Insurance Company
Golden Eagle Insurance Corporation	Open Seas Solutions, Inc.
Gulf States AIF, Inc.	Oregon Automobile Insurance Company
Hawkeye-Security Insurance Company	Peerless Indemnity Insurance Company
Indiana Insurance Company	Peerless Insurance Company
Insurance Company of Illinois	Pymatuning, Inc.
Ironshore Holdings (US) Inc.	Rianoc Research Corporation
Ironshore Indemnity Inc.	SAFECARE Company, Inc.
Liberty Specialty Markets Bermuda Limited	Safeco Corporation
Ironshore Management Inc.	Safeco General Agency, Inc.
Ironshore Services Inc.	Safeco Insurance Company of America

NOTES TO FINANCIAL STATEMENTS

Ironshore Specialty Insurance Company	Safeco Insurance Company of Illinois
Ironshore Surety Holdings Inc.	Safeco Insurance Company of Indiana
LEXCO Limited	Safeco Insurance Company of Oregon
Liberty-USA Corporation	Safeco Lloyds Insurance Company
Liberty Energy Canada, Inc.	Safeco National Insurance Company
Liberty Financial Services, Inc.	Safeco Properties, Inc.
Liberty Hospitality Group, Inc.	Safeco Surplus Lines Insurance Company
Liberty Insurance Corporation	San Diego Insurance Company
Liberty Insurance Holdings, Inc.	SCIT, Inc.
Liberty Insurance Underwriters Inc.	The First Liberty Insurance Corporation
Liberty International Holdings Inc.	The Midwestern Indemnity Company
Liberty Life Holdings Inc.	The National Corporation
Liberty Lloyds of Texas Insurance Company	The Netherlands Insurance Company
Liberty Management Services, Inc.	The Ohio Casualty Insurance Company
Liberty Mexico Holdings Inc.	Wausau Business Insurance Company
Liberty Mutual Agency Corporation	Wausau General Insurance Company
Liberty Mutual Credit Risk Transfer PCC Inc.	Wausau Underwriters Insurance Company
Liberty Mutual Fire Insurance Company	West American Insurance Company
Liberty Mutual Group Asset Management Inc.	Winmar Company, Inc.
Liberty Mutual Group Inc.	Workgrid Software, Inc.

- G.

The Company does not expect the Federal and Foreign income tax loss contingencies, as determined in accordance with SSAP No. 5R, Liabilities, Contingencies and Impairments of Assets, with the modifications provided in SSAP No. 101, Income Taxes – A Replacement of SSAP No. 10R and SSAP No. 10, to significantly increase within twelve months of the reporting date.
- H.

Repatriation Transition Tax

Not applicable.
- I.

Alternative Minimum Tax Credit

Not Applicable
10.

Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A.

All the outstanding shares of capital stock of the Company are held by Liberty Mutual Group Inc. ("LMGI"), a Massachusetts company. The ultimate parent of LMGI is Liberty Mutual Holding Company Inc. ("LMHC"), a Massachusetts company.

B.

Transactions between the Company and its affiliates are listed on Schedule Y Part 2.

As of December 31, 2021, the Company had the following capital transactions with its parent and subsidiaries:

1.

Received capital contributions of

\$ -

2.

Received return of capital distributions of

\$ -

3.

Contributed capital in the amount of

\$ -

4.

Received dividends in the amount of

\$91,517,406

C.

Transactions with related party who are not reported on Schedule Y

Not Applicable

D.

At December 31, 2021, the Company reported a net \$16,127,873 due from affiliates. In general, the terms of the intercompany arrangements require settlement at least quarterly.
- 14.14

NOTES TO FINANCIAL STATEMENTS

E. Refer to Note 26 for information regarding the Inter-Company Reinsurance Agreement.

The Company is a party to a management services agreement, (the "Agreement") with Liberty Mutual Insurance Company ("LMIC"). Under the Agreement, LMIC may provide the Company with office space, supplies, equipment, telephone and wire services, the use of computers and similar machines and services of personnel employed by LMIC and LMGI. Services provided include, but are not limited to, risk underwriting, claims processing, claims adjustments, policyholder services, contract management and administration. LMIC is reimbursed for the cost of all services which it provides under the Agreement.

The Company is a party to a cash management agreement with Liberty Mutual Insurance Company ("LMIC") whereby LMIC provides services to the Company.

The Company is a party to an investment management agreement with Liberty Mutual Group Asset Management Inc. ("LMGAM") and an investment management agreement with Liberty Mutual Investment Advisors LLC ("LMIA"). Under the agreements, LMGAM and LMIA provide services to the Company.

There is an "Agent-Company Agreement" between the Company and Helmsman Insurance Agency LLC ("Helmsman") whereby Helmsman is appointed a property-casualty insurance agent of the Company and provides usual and customary services of an insurance agent on all insurance contracts placed by Helmsman with the Company.

The Company is party to revolving credit agreements under which the Company may lend funds to the following affiliated SCA companies for the purpose of accommodating fluctuations in daily cash flow and to promote efficient management of investments:

Company	Credit Line
Liberty Mutual Insurance Company¶	\$130,000,000
Liberty Mutual Group Inc.	\$130,000,000
Peerless Insurance Company	\$130,000,000
Safeco Insurance Company of America¶	\$130,000,000
The Ohio Casualty Insurance Company	\$130,000,000
Employers Insurance Company of Wausau¶	\$125,000,000

There were no outstanding borrowings as of December 31, 2021.

The Company is party to revolving credit agreements under which the Company may borrow funds from the following SCA companies for the purpose of accommodating fluctuations in daily cash flow and to promote efficient management of investments:

Company	Credit Line
Liberty Mutual Insurance Company	\$130,000,000
Liberty Mutual Group Inc.	\$130,000,000
Peerless Insurance Company	\$130,000,000
Safeco Insurance Company of America	\$130,000,000
The Ohio Casualty Insurance Company	\$130,000,000
Employers Insurance Company of Wausau ¶	\$125,000,000

There were no outstanding borrowings as of December 31, 2021.

The Company is a party to a Federal Tax Sharing Agreement between LMHC and affiliates (Refer to Note 9F).

The Company paid \$33,371,701 under the LMHC Tax Sharing Agreement and paid \$15,826,812 under the LMGAM and LMIA investment management agreements. Pursuant to the Inter Company Reinsurance Agreement with LMIC (Refer to Note 26), the expenses incurred under the Liberty Mutual management services agreement are allocated to the Company in accordance with the Company's "Pool" participation percentage.

- F. The Company has not made any guarantees or initiated any undertakings for the benefit of affiliates which result in a material contingent exposure of the Company's or affiliates' assets or liabilities.
- G. The Company is a member of a holding company structure as illustrated in Schedule Y Part 1.
- H. The Company does not own shares of any upstream intermediate or ultimate parent, either directly or indirectly via a downstream subsidiary, controlled or affiliated company
- I. The Company does not own investments in subsidiary, controlled or affiliated companies that exceed 10% of its admitted assets.
- J. The Company did not recognize any impairment write down for its SCA companies during the statement period.
- K. The Company does not use CARVM in calculating its investment in its foreign subsidiaries.
- L. The company utilizes the look-through approach for the valuation of the following downstream non-insurance holding companies:

Carrying Value
Ohio Casualty Corporation¶ \$150,586,535

The company has limited the value of its investment in these companies to the value contained in the audited financial statements. All liabilities, commitments, contingencies, guarantees or obligations of the downstream non-insurance holding company, which are required to be recorded as liabilities, commitments, contingencies, guarantees or obligations under applicable accounting guidance, are reflected in the company's determination of the carrying value of the investment in the downstream non-insurance holding company.

M. All SCA Investments

NOTES TO FINANCIAL STATEMENTS

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

	SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
	b. SSAP No. 97 8b(ii) Entities				
01.	Ohio Casualty Corporation	6.000	150,586,535	150,073,585	512,951
	Total SSAP No. 97 8b(ii) Entities	X X X	150,586,535	150,073,585	512,951
	c. SSAP No. 97 8b(iii) Entities				
01.	St. James/Arlington Real Estate Limited Partnership	5.000	39,195,318	39,195,318	0
02.	Liberty Mutual Investment Holdings LLC	10.000	575,857,442	575,857,442	0
03.	LMAT Holdings LLC	10.000	20,409,366	20,409,366	0
04.	Georgia Tax Credit Fund LM L.P.	74.995	2,490,684	2,490,684	0
05.	Raymond James Tax Credit Funds, Inc.	100.000	962,298	962,298	0
	Total SSAP No. 97 8b(iii) Entities	X X X	638,915,108	638,915,108	0

(2) NAIC Filing Response Information

SCA Entity (Should be same entities as shown in M(1) above.)	Type of NAIC Filing *	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received Y / N	NAIC Disallowe Entities Valuation Method, Resubmission Required Y / N	Code **
b. SSAP No. 97 8b(ii) Entities						
01. Ohio Casualty Corporation (filed for non-P&C only)	S2	11/11/2021	128,370,851	Yes	No	i
Total SSAP No. 97 8b(ii) Entities	X X X	X X X	128,370,851	X X X	X X X	X X X

N. Investment in Insurance SCAs

Not Applicable

O. SCA Loss Tracking

Not Applicable

11 Debt

A. Debt (Including Capital Notes)

The Company has no debt, including capital notes.

B. FHLB (Federal Home Loan Bank) Agreements

(1) The Company is a member of the Federal Home Loan Bank (FHLB) of Chicago. Through its membership, the Company has conducted business activity (borrowings) with the FHLB. On March 21, 2012, the Company borrowed \$150,000,000 under the agreement with a maturity date of March 22, 2032. The borrowing is fully collateralized. Interest on the borrowing accrues at an annual rate of 3.91%. For December year-to-date, the Company has incurred and paid expense of \$5,946,458. It is part of the Company's strategy to utilize these funds as backup liquidity. The Company has determined the actual maximum borrowing capacity as \$1,000,000,000 per Board of Directors consent.

(2) FHLB Capital Stock

a. Aggregate Totals

1. Current Year

	(1) Total 2+3	(2) General Account	(3) Protected Cell Accounts
(a) Membership Stock - Class A	\$ 0	0	0
(b) Membership Stock - Class B	\$ 2,442,300	2,442,300	0
(c) Activity Stock	\$ 4,307,700	4,307,700	0
(d) Excess Stock	\$ 0	0	0
(e) Aggregate Total (a + b + c + d)	\$ 6,750,000	6,750,000	0
(f). Actual or est. Borrowing Capacity as Determined by the Insurer	\$ 1,000,000,000	X X X	X X X

NOTES TO FINANCIAL STATEMENTS

2. Prior Year-end

	(1) Total 2+3	(2) General Account	(3) Protected Cell Accounts
(a) Membership Stock - Class A	\$ 0	0	0
(b) Membership Stock - Class B	\$ 2,386,800	2,386,800	0
(c) Activity Stock	\$ 4,363,200	4,363,200	0
(d) Excess Stock	\$ 0	0	0
(e) Aggregate Total (a + b + c + d)	\$ 6,750,000	6,750,000	0
(f) Actual or est. Borrowing Capacity as Determined by the Insurer	\$ 1,000,000,000	X X X	X X X

b. Membership Stock (Class A and B) Eligible and Not Eligible for Redemption

	1 Current Year Total (2 + 3 + 4 + 5 + 6)	2 Not Eligible for Redemption	Eligible for Redemption			
			3 Less Than 6 Months	4 6 Months to Less Than 1 Year	5 1 to Less Than 3 Years	6 3 to 5 Years
1. Class A	\$ 0	0	0	0	0	0
2. Class B	\$ 2,442,300	2,442,300	0	0	0	0

(3) Collateral Pledged to FHLB

a. Amount Pledged as of Reporting Date

	1 Fair Value	2 Carrying Value	3 Aggregate Total Borrowing
1. Current Year Total General and Protected Cell (Lines 2 + 3)	\$ 157,379,457	153,043,793	150,000,000
2. Current Year General Account (Total Pledged)	\$ 157,379,457	153,043,793	150,000,000
3. Current Year Protected Cell (Total Pledged)	\$ 0	0	0
4. Prior Year-end Total General and Protected Cell (Total Pledged)	\$ 158,661,201	153,959,839	150,000,000

b. Maximum Amount Pledged During Reporting Period

	1 Fair Value	2 Carrying Value	3 Amount Borrowed at Time of Max. Collateral
1. Current Year Total General and Protected Cell (Lines 2 + 3)	\$ 157,379,457	153,043,793	150,000,000
2. Current Year General Account (Maximum Pledged)	\$ 157,379,457	153,043,793	150,000,000
3. Current Year Protected Cell (Maximum Pledged)	\$ 0	0	0
4. Prior Year-end Total General and Protected Cell (Maximum Pledged)	\$ 165,896,658	160,516,890	150,000,000

(4) Borrowing From FHLB

a. Amount as of the Reporting Date

1. Current Year

	1 Total 2+3	2 General Account	3 Protected Cell Account	4 Funding Agreements Reserves Established
(a) Debt	\$ 150,000,000	150,000,000	0	X X X
(b) Funding Agreements	\$ 0	0	0	0
(c) Other	\$ 0	0	0	X X X
(d) Aggregate Total (a + b + c)	\$ 150,000,000	150,000,000	0	0

2. Prior Year-end

	1 Total 2+3	2 General Account	3 Protected Cell Account	4 Funding Agreements Reserves Established
(a) Debt	\$ 150,000,000	150,000,000	0	X X X
(b) Funding Agreements	\$ 0	0	0	0
(c) Other	\$ 0	0	0	X X X
(d) Aggregate Total (a + b + c)	\$ 150,000,000	150,000,000	0	0

NOTES TO FINANCIAL STATEMENTS

b. Maximum Amount during Reporting Period (Current Year)

	1	2	3
	Total	General	Protected Cell
	2+3	Account	Accounts
1. Debt	\$ 150,000,000	150,000,000	0
2. Funding Agreements	\$ 0	0	0
3. Other	\$ 0	0	0
4. Aggregate Total (1 + 2 + 3)	\$ 150,000,000	150,000,000	0

c. FHLB- Prepayment Obligations

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

C.

There were no outstanding borrowings as of December 31, 2021

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

A. Defined Benefit Plans

Eligible employees may participate in the Liberty Mutual Retirement Benefit Plan for U.S. Employees; the Supplemental Income at Retirement Plan (SIRP) which has both a defined benefit component and defined contribution component; the Employees' Thrift Incentive Plan (defined-contribution savings); and the U.S. postretirement health and life insurance benefit plans sponsored by a Holding Company, Liberty Mutual Group Inc. (LMGI).

Also, eligible employees may participate in non-contributory defined benefit plans, contributory defined contribution pension plans and health care and life insurance postretirement benefits plans sponsored by Liberty Mutual Insurance Company (LMIC).

The Company has no legal obligation for these plans. Accordingly, these plans' assets and obligations are not disclosed in this note. The costs of the LMGI plans are allocated by LMGI to LMIC, pursuant to an Employee Benefit Plan Cost-Sharing Agreement, and a portion of the LMGI and LMIC benefit plan costs, in turn, are allocated to the Company through the Liberty Mutual Second Amended and Restated Inter-Company Reinsurance Agreement, as described in Note 26.

B.

(1) Information about Plan Assets
Not Applicable

C.

(1) Fair Value Measurements at December 31,2021
Not Applicable

D.

Narrative description of expected long term rate of return assumption
Not Applicable

E.

Defined Contribution Plan
Not Applicable

F.

Multiemployer Plans
Not Applicable

G.

Consolidated/Holding Company Plans
Not Applicable

H.

Postemployment benefits and Compensated Absences
Not Applicable

I.

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

13 Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

NOTES TO FINANCIAL STATEMENTS

- A.

The Company has 100,000 shares authorized, issued and outstanding as of December 31, 2021. All shares have a stated par value of \$100.

The Company has 100,000 shares authorized of Series A Preferred Stock, 1,000 shares issued and outstanding as of December 31, 2021 All shares have a stated par value of \$0.01.
- B.

On December 31, 2008, the Company issued 1,000 preferred shares at an issuance price of \$200,000,000 to its parent, LMGI at a discount of 25%. Dividends, based on the issuance price, are cumulative and payable on a quarterly basis.
- C.

There are no dividend restrictions.
- D.

The Company paid dividends to its parent in 2021 of:

Month	Ordinary
March	\$3,750,000
June	\$3,750,000
September	\$3,750,000
December	\$3,750,000
Total	\$15,000,000

- E.

The maximum amount of dividends that can be paid by Wisconsin-domiciled insurance companies to shareholders without prior approval of the Insurance Commissioner is the lesser of (a) 10% of surplus, or the greater of (b) or (c); (b) net income for calendar year preceding date of dividend less realized gains for that calendar year, or (c) the aggregate of net income for three calendar years preceding the date of dividend less realized gains for those calendar years less dividends paid/credited within the first two of the preceding three calendar years. The maximum dividend payout that may be made without prior approval in 2022 is \$71,699,841.
- F.

The Company does not have restricted unassigned surplus.
- G.

The Company had no advances to surplus.
- H.

The Company does not hold stock for special purposes.
- I.

The Company does not hold special surplus funds.
- J.

The portion of unassigned funds (surplus) represented or reduced by

cumulative unrealized gains and losses: \$ 328,584,184

after applicable deferred taxes of (\$4,835,187)
- K.

The company issued the following surplus debentures or similar obligations:

Not Applicable
- L.

The impact of any restatement due to prior quasi-reorganizations is as follows:

Not Applicable
- M.

Quasi-Reorganization

Not Applicable

14. Liabilities, Contingencies and Assessments

- A.

Contingent Commitments

Refer to Note 10E
- B.

Assessments

(1)

The Company is subject to guaranty fund and other assessments by the states in which it writes business. Guaranty fund assessments and premium-based assessments are presumed probable when the premium on which the assessments are expected to be based are written. In the case of loss-based assessments, the event that obligates the entity is an entity incurring the losses on which the assessments are expected to be based.

The Company has accrued a liability for guaranty funds and other assessments of \$6,930,767 that is offset by future premium tax credits of \$119,278. Current guaranty fund assessments and assessments based on losses paid are expected to be paid out in the next two years, while premium tax offsets are realized over the period determined by each individual state once the guaranty fund assessment has been paid. The Company continues to remit payment relating to prior year insolvencies.

(2)

a.

Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end

\$ 174,401

NOTES TO FINANCIAL STATEMENTS

b.	Decreases current year:		
01.	Premium tax offset applied	\$	174,401
c.	Increases current year:		
01.	Premium tax offset increase	\$	119,278
d.	Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	\$	119,278

C. Gain Contingencies

Not Applicable

D.	Claims related extra contractual obligations and bad faith losses stemming from lawsuits	
	Claims related ECO and bad faith losses paid during the reporting period	\$ 17,789,948
	Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period: (a) 0-25 claims (b) 26-50 claims (c) 51-100 claims (d) 101-500 claims (e) More than 500 claims	
	Answer (A, B, C, D, or E):	B
	Indicate whether claim count information is disclosed (f) per claim or (g) per claimant	
	Answer (F or G):	F

E. Product Warranties

Not Applicable

F. Joint and Several Liabilities

The Company is not a participant in any joint and several liabilities.

G. All Other Contingencies

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

As disclosed in Note 9 F, the Company is a member of a controlled group for federal income tax purposes, and that group includes LMGI. LMGI is the plan sponsor of the Liberty Mutual Retirement Benefit Plan, a qualified plan under federal law. Pursuant to federal law, if LMGI has not made the minimum required contributions with respect to the Liberty Mutual Retirement Benefit Plan, the Company, jointly and severally with all other members of the controlled group, would be contingently liable to make such contributions.

15. Leases.

A. Lessee Leasing Arrangements

- a. See below
- (1)
- a. The Company leases office space, plant and equipment under various non-cancelable operating lease arrangements. The Company's minimum lease obligations, including sales-leaseback transactions, under these agreements are as follows:
- b. See below
- c. See below
- (2)
- a. At January 1, 2022, the minimum aggregate rental commitments are as follows: (Dollars in thousands)

	Operating Leases
Year Ending December 31 Operating Leases	
2022 (as seen in Notes text)	\$ 5,418,369
2023 (as seen in Notes text)	\$ 5,735,281
2024 (as seen in Notes text)	\$ 5,542,382
2025 (as seen in Notes text)	\$ 3,697,144
2026 (as seen in Notes text)	\$ 2,487,128
2027 & thereafter	\$ 3,427,104
Total	\$ 26,307,408

NOTES TO FINANCIAL STATEMENTS

(3) The amount of liability the Company recognized in its financial statements for lease agreements for which it is no longer using the leased property benefits is \$8,486,723.

The Company's sales-leaseback transactions are included in the operating lease obligations.

- B. Leasing as a Significant Part of Lessors's Business Activites
- a. Leasing is not a significant part of the Company's business activities.

16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

The Company is not exposed to financial instruments with off-balance sheet risk or concentration of credit risk.

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

A. Transfers of Receivables Reported as Sales

- (1) The Company did not have any transfers of receivables reported as sales
- (2) Not applicable

B. Transfers and Servicing of Financial Assets

- (1) The Company participates in a Securities Lending Program to generate additional income, whereby certain fixed income and mortgage backed securities are loaned for a period of time from the Company's portfolio to qualifying third parties, via a lending agent. The company does not participate in term loans; therefore, the company does not have contractual collateral transactions that extend beyond one year from the reporting date. Borrowers of these securities provide collateral equal to or in excess of 102% of the market value of the loaned securities. Acceptable collateral may be in the form of cash or U.S. Government securities, such as Treasuries and Agency Bonds. The market value of the loaned securities is monitored and additional collateral is obtained if the market value of the collateral falls below 102% of the market value of the loaned securities. Additionally, the lending agent indemnifies the Company against borrower defaults. Cash collateral is carried as an asset with an offsetting liability on the balance sheet, as the collateral is unrestricted and the Company can exercise discretion as to how the collateral is invested. The loaned securities remain a recorded asset of the Company. At December 31, 2021 the total fair value of securities on loan was \$ 546,254,520.87 with corresponding collateral value of \$ 592,523,494.34 of which \$ 344,083,039.46 represents cash collateral that was reinvested.

C. Wash Sales:

- (1) 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 has no direct premiums written or produced through managing general agents or third party administrators.

20. Fair Value Measurements

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

Fair value is the price that would be received to sell an asset or would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Company primarily uses the market approach which generally utilizes market transaction data for identical or similar instruments.

Included in various investment related line items in the financial statements are certain financial instruments carried at fair value. Other financial instruments are periodically measured at fair value, such as when impaired, or, for certain bonds and preferred stock, when carried at the lower of cost or market.

The hierarchy level assigned to each security in the Company's portfolio is based on the Company's assessment of the transparency and reliability of the inputs used in the valuation of each instrument at the measurement date. The highest priority is given to unadjusted quoted prices in active active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Securities are classified based on the lowest level of input that is significant to the fair value measurement. The Company recognizes transfers between levels at the end of each reporting period. The three hierarchy levels are defined as follows:

- Level 1 — Valuations based on unadjusted observable quoted market prices in active markets for identical assets or liabilities that the Company has the ability to access.
- Level 2 — Valuations based on observable inputs (other than Level 1 prices), such as quoted prices for similar assets or liabilities at the measurement date, quoted prices in markets that are not active, or other inputs that are observable, either directly or indirectly.
- Level 3 — Valuations based on inputs that are unobservable and significant to the overall fair value measurement and involve measurement judgment. The unobservable inputs reflect the Company's estimates of the assumptions that market participants would use in valuing the assets and liabilities.

NOTES TO FINANCIAL STATEMENTS

(1) Fair Value Measurements at Reporting Date

(1)		(2)	(3)	(4)	(6)	(7)
Description		(Level 1)	(Level 2)	(Level 3)	Net Asset Value	Total
a. Assets at fair Value						
01.	Bonds	\$ 0	0	0	0	0
02.	Residential MBS	\$ 0	0	0	0	0
03.	Commercial MBS	\$ 0	0	0	0	0
04.	Other MBS and ABS	\$ 0	6,050,954	0	0	6,050,954
05.	U.S. State and municipal	\$ 0	0	0	0	0
06.	Corporate and other	\$ 0	134,686,899	4,156,086	0	138,842,985
07.	Foreign government securities	\$ 0	481,256	0	0	481,256
09.	Preferred Stocks	\$ 0	0	0	0	0
11.	Common Stocks	\$ 229,912,726	0	6,750,003	0	236,662,729
Total assets at fair value		\$ 229,912,726	141,219,109	10,906,089	0	382,037,924

		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
		Beginning Balance at 01/01/2021	Transfers in- to Level 3 (a)	Transfers out of Level 3 (b)	Total gains and (losses) included in Net income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2021
Assets:											
Bonds	\$	0	0	0	0	0	0	0	0	0	0
Corporate and other	\$	4,456,418	10,747,735	(10,747,735)	35,323	(116,454)	2,954,425	0	(3,173,626)	0	4,156,086
Common Stocks	\$	6,750,000	0	0	0	(17,872)	17,875	0	0	0	6,750,003
Total	\$	11,206,418	10,747,735	(10,747,735)	35,323	(134,326)	2,972,300	0	(3,173,626)	0	10,906,089

(3) The Company holds NAIC designated 6 fixed maturity securities at the lower of amortized cost or fair value defined by SSAP No. 26, Bonds and NAIC designated 4-6 preferred stocks at the lower of cost or fair value as defined by SSAP No. 32, Investments in Preferred Stock. Market fluctuations cause securities to change from being held at cost or amortized cost to fair value or vice versa. These changes result in a transfer in or out of Level 3. In addition, the Company also transfers securities into or out of level 3 as a result of re-evaluation of the observability of pricing inputs.

NOTES TO FINANCIAL STATEMENTS

(4) Inputs and Techniques Used for Fair Value

Fixed Maturities

At each valuation date, the Company uses various valuation techniques to estimate the fair value of its fixed maturities portfolio. The primary method for valuing the Company’s securities is through independent third-party valuation service providers. For positions where valuations are not available from independent third-party valuation service providers, the Company utilizes broker quotes and internal pricing methods to determine fair values. The Company obtains a single non-binding price quote from a broker familiar with the security who, similar to the Company’s valuation service providers, may consider transactions or activity in similar securities, as applicable, among other information. The brokers providing price quotes are generally from the brokerage divisions of leading financial institutions with market making, underwriting and distribution expertise regarding the security subject to valuation. The evaluation and prioritization of these valuation sources is systematic and predetermined resulting in a single quote or price for each financial instrument. The following describes the techniques generally used to determine the fair value of the Company’s fixed maturities by asset class:

U.S. Government and Agency Securities

U.S. government and agency securities consist primarily of bonds issued by the U.S. Treasury and mortgage pass-through agencies such as the Federal Home Loan Bank, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. As the fair values of the Company’s U.S. Treasury securities are based on active markets and unadjusted market prices, they are classified within Level 1. The fair value of U.S. government agency securities is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, reported trades, bids, offers and credit spreads. Accordingly, the fair value of U.S. government agency securities is classified within Level 2.

Mortgage-Backed Securities

The Company’s portfolio of residential mortgage-backed securities (“MBS”) and commercial MBS are originated by both agencies and non-agencies, the majority of which are pass-through securities issued by U.S. government agencies. The fair value of MBS is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, contractual cash flows, prepayment speeds, collateral performance and credit spreads. Accordingly, the fair value of MBS is primarily classified within Level 2.

Asset-Backed Securities

Asset-backed securities (“ABS”) include mostly investment-grade bonds backed by pools of loans with a variety of underlying collateral, including automobile loan receivables, credit card receivables, and collateralized loan obligation securities originated by a variety of financial institutions. The fair value of ABS is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, contractual cash flows, prepayment speeds, collateral performance and credit spreads. Accordingly, the fair value of ABS is primarily classified within Level 2.

Municipal Securities

The Company’s municipal portfolio is comprised of bonds issued by U.S. domiciled state and municipal entities. The fair value of municipal securities securities is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, binding broker quotes, issuer ratings, reported trades and credit spreads. Accordingly, the fair value of municipal securities is primarily classified within Level 2.

Corporate debt and other

Corporate debt securities consist primarily of investment-grade debt of a wide variety of corporate issuers and industries. The fair value of corporate and other securities is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, new issuances, issuer ratings, reported trades of identical or comparable securities, bids, offers and credit spreads. Accordingly, the fair value of corporate and other securities is primarily classified within Level 2. In the event third-party vendor valuation is not available, prices are determined using non-binding price quotes from a broker familiar with the security. In this instance, the valuation inputs are generally unobservable and the fair value is classified within Level 3.

Foreign government securities

Foreign government securities include bonds issued or guaranteed by foreign governments. The fair value of foreign government securities is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, binding broker quotes, issuer ratings, reported trades of identical or comparable securities and credit spreads. Accordingly, the fair value of foreign government securities is primarily classified within Level 2. In the event third-party vendor valuation is not available, prices are determined using non-binding price quotes from a broker familiar with the security. In this instance, the valuation inputs are generally unobservable and the fair value is classified within Level 3.

Common and Preferred Stocks

Common stocks are recorded at fair value and preferred stocks are reported at cost or fair value, depending on their NAIC designation. Common stocks with fair values based on quoted market prices in active markets are classified in Level 1. Common stocks with fair values determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active are classified in Level 2. The fair value of preferred stock is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active. Accordingly, the fair value of preferred stock is primarily classified within Level 2.

Other Invested Assets

Other invested assets include limited partnership investments, other equity method investments and other alternative investments, which are not subject to these disclosures and therefore are excluded from the table in this note.

Derivatives

Derivatives can be exchange-traded or traded over-the-counter (“OTC”). OTC derivatives are valued using market transactions and other market evidence whenever possible, including market based inputs to models, model calibration to market clearing transactions, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. When models are used, the selection of a particular model to value an OTC derivative depends on the contractual terms of, and specific risks inherent in the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation models require a variety of inputs, including contractual terms, market prices and rates, yield curves, credit curves, measures of volatility, prepayment rates and correlations of such inputs. For OTC derivatives that trade in liquid markets, such as generic forwards, swaps and options, model inputs can generally be corroborated by observable market data by correlation or other means, and model selection does not involve significant management judgement. The fair value of derivatives using models with observable inputs are classified as Level 2 within the fair value hierarchy and the fair value of derivatives using models with unobservable inputs are classified as Level 3 within the fair value hierarchy.

B. Other Fair Value Disclosures

Not Applicable

C. Aggregate Fair Value of All Financial Instruments

Type of Financial Instrument		Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
01	Cash, Cash Equivalents & Short Term	\$ 190,960,473	190,952,082	(6,421,311)	84,975,221	2,472,847	109,933,716	0
02	Bonds	\$ 5,697,711,915	5,568,500,835	826,083,070	4,636,758,414	234,870,431	0	0
03	Preferred Stock	\$ 79,740	79,740	0	50,310	29,430	0	0
04	Common Stock	\$ 236,662,729	236,662,729	229,912,726	0	6,750,003	0	0
05	Securities Lending	\$ 344,085,542	344,083,039	0	344,085,542	0	0	0
06	Mortgage Loans	\$ 213,726,133	213,782,241	0	0	213,726,133	0	0
Total		\$ 6,683,226,532	6,554,060,666	1,049,574,485	5,065,869,487	457,848,844	109,933,716	0

NOTES TO FINANCIAL STATEMENTS

Type of Financial Instrument		Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Practicable (Carrying Value)
07	Surplus Notes	\$ 0	0	0	0	0	0	0
Total		\$ 6,683,226,532	6,554,060,666	1,049,574,485	5,065,869,487	457,848,844	109,933,716	0

D. Reasons Not Practical to Estimate Fair Value

Not Applicable

E. Instruments Measures at Net Asset Value (NAV)

(1) The Company elected to use NAV for all money market mutual funds in lieu of fair value as NAV is more readily available. These funds are backed by high quality, very liquid short-term instruments and the probability is remote that the funds would be sold for a value other than NAV

21. Other items

A. Unusual or Infrequent Items

The Company has no unusual or infrequent items to report.

B. Troubled Debt Restructuring

Not Applicable

C. Other Disclosures

1. Florida Special Disability Trust Fund

- a. The Company took a credit in the determination of its loss reserves of \$9,248,571 in 2021 and \$9,554,480 in 2020.
b. The Company received payments from the Special Disability Trust Fund of \$588,628 in 2021 and \$617,581 in 2020.
c. The amount the Company was assessed by the Special Disability Trust Fund was \$69,109 in 2021 and \$87,098 in 2020.

D. Business Interruption Insurance Recoveries

Not Applicable

E. State Transferable Tax Credits

(1) Description of State Transferrable Tax Credits

Carrying value of transferable and non-transferable state tax credits gross of any related state tax liabilities and total unused transferable and non-transferable state tax credits by state and in total

(1)	Description of State Transferable Tax Credits	State	Carrying Value	Unused Amount
01.	HUB Credit	NJ	1,358,382	1,358,382
02.	Film Credit	RI	323,750	323,750

(2) Method of Estimating Utilization of Remaining Transferable and Non-transferable State Tax Credits

The Company estimated the utilization of the remaining transferable and non-transferable State Tax credits by projecting future premium taking into account policy growth and rate changes, projecting future tax liability based on projected premium, tax rates and tax credits, and comparing projected future tax liability to the availability of remaining transferable and non-transferable state tax credits.

(3) Impairment Loss

The Company has not recognized any impairment losses associate with its transferable and non-transferable state tax credits during the reporting period.

(4) State Tax Credits Admitted and Nonadmitted

	Total Admitted	Total Non-Admitted
a. Transferable	0	0
b. Non-transferable	0	0

F. Subprime-Mortgage-Related Risk Exposure

NOTES TO FINANCIAL STATEMENTS

(1) The Company has not purchased securities characterized by the market as subprime. The Company looks at such factors as average FICO scores, loan to value ratios, and levels of documentation when evaluating securities.

(2) Direct exposure through investments in subprime mortgage loans.

	1	2	3	4	5
	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Value of Land and Buildings	Other-Than- Temporary Impairment Losses Recognized	Default Rate
a. Mortgages in the process of foreclosure	0	0	0	0	0
b. Mortgages in good standing	0	0	0	0	0
c. Mortgages with restructure terms	0	0	0	0	0
d. Total	0	0	0	0	

(3) Direct exposure through other investments.

	1	2	3	4
	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other-Than- Temporary Impairment Losses Recognized
a. Residential mortgage-backed securities	0	0	0	0
b. Commercial mortgage-backed securities	0	0	0	0
c. Collateralized debt obligations	0	0	0	0
d. Structured securitie	0	0	0	0
e. Equity investment in SCAs *	0	0	0	0
f. Other assets	0	0	0	0
g. Total	0	0	0	0

*ABC Company's subsidiary XYZ Company has investments in subprime mortgages. These investments comprise ____% of the companies invested assets. 0.000

(4) Underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage.

	1	2	3	4
	Losses Paid in the Current Year	Losses Incurred in the Current Year	Case Reserves at End of Current Period	IBNR Reserves at End of Current Period
a. Mortgage Guaranty Coverage	0	0	0	0
b. Financial Guaranty Coverage	0	0	0	0
c. Other Lines (specify):				
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
d. Total	0	0	0	0

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

The Company evaluated subsequent events through February 22, 2022, the date the annual statement was available to be issued.

There were no events subsequent to December 31, 2021 that would require disclosure.

The Company did not receive any assessments under the Affordable Care Act.

NOTES TO FINANCIAL STATEMENTS

23. Reinsurance

A. Unsecured Reinsurance Recoverables

Excluding amounts arising pursuant to the Intercompany Reinsurance Agreements, there are no unsecured reinsurance recoverables with an individual reinsurer which exceed 3% of policyholder's surplus.

B. Reinsurance Recoverable in Dispute

Not Applicable

C. REINSURANCE ASSUMED AND CEDED

(1) Report the maximum amount of return commission which would have been due reinsurers....

Assumed		Ceded		Net	
Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
(1)	(2)	(3)	(4)	(5)	(6)
\$ 1,457,114,535	0	1,640,445,988	0	(183,331,453)	0
\$ 271,711	62,285	0	0	271,711	62,285
\$ 1,457,386,246	62,285	1,640,445,988	0	(183,059,742)	62,285
\$ 1,640,174,278					

a. Affiliates

b. All Other

c. TOTAL

d. Direct Unearned Premium Reserve

Line (c) of Column 3 must Equal page 3, Line 9, first inside amt.

(2) Additional or return commission ... on any form of profit sharing arrangements

Certain contracts provide for additional or return commissions based on the actual loss experience of the produced or reinsured business. Amounts accrued at December 31, 2021 are as follows:

REINSURANCE

Direct	Assumed	Ceded	Net
\$ 164,988,270	40,276,135	164,988,270	40,276,135
\$ 0	0	0	0
\$ 0	0	0	0
\$ 164,988,270	40,276,135	164,988,270	40,276,135

a. Contingent Commission

b. Sliding Scale Adjustments

c. Other Profit Commission Arrangements

d. TOTAL

D. UNCOLLECTIBLE REINSURANCE

(1) The company has written off in the current year reinsurance balances due (from the companies listed below) in the amount of which is reflected as:

\$ 78,457

a. Losses incurred

b. Loss adjustment expenses incurred

c. Premiums earned

d. Other

\$ 140,162
\$ 13,717
\$ (75,422)
\$ 0

e.

Company		Amount	
01.	Liberty Mutual Insurance Company, 23043	\$	78,457
02.	TOTAL	\$	78,457

E. COMMUTATION OF CEDED REINSURANCE

The company has reported in its operations in the current year as a result of commutation of reinsurance with the companies listed below, amounts that are reflected as:

(1)	Losses Incurred	\$ (6,037)
(2)	Loss adjustment expenses incurred	\$ 0
(3)	Premiums Earned	\$ 0
(4)	Other	\$ 0

(5)

Company		Amount	
01.	Liberty Mutual Insurance Company, 23043	\$	(6,037)
02.	TOTAL	\$	(6,037)

F. RETROACTIVE REINSURANCE

NOTES TO FINANCIAL STATEMENTS

(1)

		Reported Company	
		As:	
		Assumed	Ceded
a.	Reserves Transferred:		
1.	Initial Reserves	\$ (205,459,076)	0
2.	Adjustments - Prior Year(s)	\$ (83,390,242)	0
3.	Adjustments - Current Year	\$ 40,396,481	0
4.	Current Total	\$ (248,452,837)	0
b.	Consideration Paid or Received:		
1.	Initial Consideration	\$ (219,258,414)	0
2.	Adjustments - Prior Year(s)	\$ (4,469,738)	0
3.	Adjustments - Current Year	\$ 46,168,886	0
4.	Current Total	\$ (177,559,266)	0
c.	Paid Losses Reimbursed or Recovered:		
1.	Prior Year(s)	\$ 32,163,320	0
2.	Current Year	\$ 409,952	0
3.	Current Total	\$ 32,573,272	0
d.	Special Surplus from Retroactive Reinsurance:		
1.	Initial Surplus Gain or Loss	\$ (11,036,411)	0
2.	Adjustments - Prior Year(s)	\$ 40,080,340	0
3.	Adjustments - Current Year	\$ 6,117,895	0
4.	Current Year Restricted Surplus	\$ 28,510,778	0
5.	Cumulative Total Transferred to Unassigned Funds	\$ 63,672,602	0
e.	All cedents and reinsurers involved in all transactions included in summary totals above:		

Column 1: Cedents and Reinsurers Company Name

		Assumed Amt	Ceded Amt
01	Liberty Mutual Insurance Company, 23043	\$ (248,452,836)	0
Total*		\$ (248,452,836)	0

* Total amounts must agree with totals in a. 4 above. Include the NAIC Company Code or Alien Insurer Identification Number for each insurer listed

- g.

There are no Paid Loss/Loss Adjustment Expense amounts recoverable or amounts recoverable from unauthorized reinsurers:

There are no reinsurance contracts covering losses that have occurred prior to the inception of the contract that have not been accounted for in conformity with the NAIC Accounting Practices and Procedures Manual.

The following are material retroactive reinsurance agreements that the company has entered into recently:

On November 5, 2019, the company entered into a reinsurance transaction with National Indemnity Company ("NICO"), a subsidiary of Berkshire Hathaway Inc, on a combined aggregate excess of loss agreement for certain U.S. Business Lines and National Insurance workers compensation liabilities, commercial auto liability and general liability excluding umbrella and warranty.

In conjunction with the Ironshore acquisition and effective May 1, 2017, Ironshore entered into a reinsurance transaction with National Indemnity Company ("NICO"), a subsidiary of Berkshire Hathaway Inc., on a combined aggregate excess of loss agreement providing coverage for substantially all of Ironshore's reserves related to losses occurring prior to January 1, 2017. This agreement is being accounted for as retroactive reinsurance.

On July 17, 2014, Liberty Mutual Insurance reached a definitive agreement with NICO, on a combined aggregate adverse development cover for substantially all of Liberty Mutual Insurance's U.S. workers compensation, asbestos and environmental liabilities. The agreement, accounted for as retroactive reinsurance, is effective January 1, 2014.
- G.

Reinsurance Accounted for as a Deposit

The Company has not entered into any reinsurance agreements that have been accounted for as deposits as of December 31, 2021.
- H.

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

The Company has not entered into any agreements which have been approved by their domiciliary regulator and have qualified pursuant to SSAP No. 62R, Property and Casualty Reinsurance to receive P&C Run-off Accounting Treatment.
- I.

Certified Reinsurer Rating Downgraded or Status Subject to Revocation

b. The Company does not transact business with Certified Reinsurers.
- (2)

Reporting Entity's Certified Reinsurer Rating Downgraded or Status Subject to Revocation

b. The Company is not a Certified Reinsurer.
- J.

Reinsurance Agreements Qualifying for Reinsurer Aggregation

Not Applicable
- K.

Reinsurance Credit

The Company has not entered into any agreements covering health business.

NOTES TO FINANCIAL STATEMENTS

- A. Accrued retrospective premiums reported in Line 15.3 of the asset page have been determined based upon loss experience on business subject to such experience rating adjustment.
- B. The Company records accrued retrospective premium as an adjustment to earned premium.
- C. For detail of net premium written subject to retrospective rating features refer to Schedule P, Part 7A.
- D. Medical loss ratio rebates required pursuant to the Public Health Service Act.
Not Applicable

- E.
- (1) For Ten Percent (10%) Method of determining Non-admitted
Ten Percent of the amount of accrued retrospective premiums not offset by retrospective return premiums, other liabilities to the same party (other than loss and loss adjustment expense reserves), or collateral as permitted by SSAP No. 66, Retrospectively Rated Contracts, has been nonadmitted.

a. Total accrued retro premiums	\$ 13,835,637
b. Unsecured amount	\$ 0
c. Less: Nonadmitted amount (10%)	\$ 1,399,804
d. Less: Nonadmitted for any person for whom agents' balances	\$ 0
e. Admitted amount (a) - (c) - (d)	\$ 12,435,833

- F.
- (1) Did the reporting entity write accident and health insurance premium which
is subject to the Affordable Care Act risk sharing provisions (YES/NO)?
- NO
- The Company did not receive any assessments under the Affordable Care Act.

25. Changes in Incurred Losses and Loss Adjustment Expenses

- A. Incurred loss and loss adjustment expense attributable to insured events on prior years increased through the fourth quarter of 2021. The increase was driven by reserve adjustments on General Liability and Reinsurance - Nonproportional Assumed Property lines. These increases were partially offset by decreases in reserve estimates for Workers' Compensation, Auto Physical Damage, Homeowners', Special Property, Private Passenger Auto, and Commercial Multi-Peril lines. Prior estimates are revised as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements

The Company is a member of the Liberty Mutual Second Amended and Restated Intercompany Reinsurance Agreement consisting of the following affiliated companies:

		NAIC Company Number	Pooling Companies	Line of Business
Lead Company:	Liberty Mutual Insurance Company ("LMIC")	23043	50.00%	All Lines
Affiliated	Peerless Insurance Company ("PIC")	24198	20.00%	All Lines
Pool Companies:	Employers Insurance Company of Wausau ("EICOW")	21458	8.00%	All Lines
	Liberty Mutual Fire Insurance Company ("LMFIC")	23035	8.00%	All Lines
	The Ohio Casualty Insurance Company ("OCIC")	24074	8.00%	All Lines
	Safeco Insurance Company of America ("SICOA")	24740	6.00%	All Lines
	American Economy Insurance Company ("AEIC")	19690	0.00%	All Lines
	America First Insurance Company ("AFIC")	12696	0.00%	All Lines
	America Fire and Casualty Company ("AFCIC")	24066	0.00%	All Lines
	America First Lloyd's Insurance Company ("AFLIC")	11526	0.00%	All Lines
	American States Insurance Company ("ASIC")	19704	0.00%	All Lines
	American States Insurance Company of Texas ("ASICT")	19712	0.00%	All Lines
	American States Lloyd's Insurance Company ("ASLCO")	31933	0.00%	All Lines
	American States Preferred Insurance Company ("ASPCO")	37214	0.00%	All Lines
	Colorado Casualty Insurance Company ("CCIC")	41785	0.00%	All Lines
	Consolidated Insurance Company ("CIC")	22640	0.00%	All Lines
	Excelsior Insurance Company ("EIC")	11045	0.00%	All Lines
	First National Insurance Company of America ("FNICA")	24724	0.00%	All Lines
	The First Liberty Insurance Corporation ("FST")	33588	0.00%	All Lines
	General Insurance Company of America ("GICA")	24732	0.00%	All Lines
	Golden Eagle Insurance Corporation ("GEIC")	10836	0.00%	All Lines
	Hawkeye-Security Insurance Company ("HSIC")	36919	0.00%	All Lines
	Insurance Company of Illinois ("ICIL")	26700	0.00%	All Lines
	Indiana Insurance Company ("IIC")	22659	0.00%	All Lines
	Ironshore Indemnity Inc. ("III")	23647	0.00%	All Lines
	Ironshore Specialty Insurance Company ("ISIC")	25445	0.00%	All Lines
	Liberty Insurance Corporation ("LIC")	42404	0.00%	All Lines

NOTES TO FINANCIAL STATEMENTS

	Liberty Insurance Underwriters, Inc. ("LIU")	19917	0.00%	All Lines
	Liberty County Mutual Insurance Company ("LCMIC")	19544	0.00%	All Lines
	LM General Insurance Company ("LMGIC")	36447	0.00%	All Lines
	Liberty Lloyd's of Texas Insurance Company ("LLOT")	11041	0.00%	All Lines
	LM Insurance Corporation ("LMC")	33600	0.00%	All Lines
	Liberty Mutual Mid-Atlantic Insurance Company ("LMMAIC")	14486	0.00%	All Lines
	Liberty Mutual Personal Insurance Company ("LMPICO")	12484	0.00%	All Lines
	Liberty Northwest Insurance Corporation ("LNW")	41939	0.00%	All Lines
	Liberty Personal Insurance Company ("LPIC")	11746	0.00%	All Lines
	Liberty Surplus Insurance Corporation ("LSI")	10725	0.00%	All Lines
	Mid-American Fire & Casualty Company ("MAFCC")	23507	0.00%	All Lines
	Montgomery Mutual Insurance Company ("MMIC")	14613	0.00%	All Lines
	The Midwestern Indemnity Company ("MWIC")	23515	0.00%	All Lines
	National Insurance Association ("NIA")	27944	0.00%	All Lines
	The Netherlands Insurance Company ("NIC")	24171	0.00%	All Lines
	North Pacific Insurance Company ("NPIC")	23892	0.00%	All Lines
	Ohio Security Insurance Company ("OSIC")	24082	0.00%	All Lines
	Oregon Automobile Insurance Company ("OAIC")	23922	0.00%	All Lines
	Peerless Indemnity Insurance Company ("PIIC")	18333	0.00%	All Lines
	Safeco Insurance Company of Illinois ("SICIL")	39012	0.00%	All Lines
	Safeco Insurance Company of Indiana ("SICIN")	11215	0.00%	All Lines
	Safeco Insurance Company of Oregon ("SICOR")	11071	0.00%	All Lines
	Safeco Lloyds Insurance Company ("SLICO")	11070	0.00%	All Lines
	Safeco National Insurance Company ("SNIC")	24759	0.00%	All Lines
	Safeco Surplus Lines Insurance Company ("SSLIC")	11100	0.00%	All Lines
	Wausau Business Insurance Company ("WBIC")	26069	0.00%	All Lines
	Wausau General Insurance Company ("WGIC")	26425	0.00%	All Lines
	Wausau Underwriters Insurance Company ("WUIC")	26042	0.00%	All Lines
100% Quota Share	West American Insurance Company ("WAIC")	44393	0.00%	All Lines
Affiliated Companies:	LM Property and Casualty Insurance Company ("LMPAC")	32352	0.00%	All Lines

Under the terms of the Reinsurance Agreements, the sequence of transactions is as follows:

- A. Except for WBIC, WGIC and WUIC, each Affiliated Pool Company cedes its underwriting activity to the Lead Company. WBIC, WGIC and WUIC cede 100% of its direct underwriting activity to EICOW.
- B. After recording the assumed affiliate transactions noted above, the Lead Company records 100% of its external assumed and ceded reinsurance activity.
- C. The Lead Company's remaining underwriting activity, after processing all internal and external reinsurance, is retroceded to the pool members in accordance with each company's pool participation percentage, as noted above.
- D. There were no members that are parties to reinsurance agreements with non-affiliated reinsurers covering business subject to the pooling agreement and have a contractual right of direct recovery from the non-affiliated reinsurer per the terms of such reinsurance agreements.
- E. There were no discrepancies between entries regarding pooled business on the assumed and ceded reinsurance schedules of the Lead Company and corresponding entries on the assumed and ceded reinsurance schedules of other pooled participants.
- F. The write-off of uncollectible reinsurance is pooled and the provision for reinsurance is recognized by the entity placing the outbound external reinsurance.
- G. Amounts due (to)/from affiliated entities participating in the Liberty Mutual Second Amended and Restated Intercompany Reinsurance Agreement as of December 31, 2021:

Affiliate	Amount
Liberty Mutual Insurance Company	\$11,098,722

27. Structured Settlements

- A. As a result of purchased annuities with the claimant as payee, the Company no longer carries reserves after applying Intercompany Reinsurance Agreement percentages. The Company is contingently liable should the issuers of the purchased annuities fail to perform under the terms of the annuities. The amount of unrecorded loss contingencies related to the purchased annuities as of December 31, 2021 is as follows:

		Loss Reserves	Unrecorded Loss
		Elim. by Annu.	Contingencies
Disclose the amount of reserves no longer carried	\$	74,717,493	74,717,493

- B. A summary of purchased structured settlement annuities exceeding 1% of policyholders' surplus and whereby the Company has not obtained a release of liability from the claimant is as follows:

NOTES TO FINANCIAL STATEMENTS

Life Insurance Company and Location		Licensed in Company's State of Domicile	Statement Value (ie:Present Value) of Annuities
01.	Prudential Insurance Company New Jersey	YES	39,214,007

28. Health Care Receivables

Not Applicable

29. Participating Policies

Not Applicable

30. Premium Deficiency Reserves

01.	Liability carried for premium deficiency reserves	\$	(1) 0
02.	Date of the most recent evaluation of this liability		12/31/2021
03.	Was anticipated investment income utilized in the calculation?	Yes [] No [X]	

31. High Deductible

As of December 31, 2021, the amount of reserve credit recorded for high dollar deductible policies on unpaid losses was \$564,505,200 and the amount billed and recoverable on paid claims was \$23,833,040. There are no unsecured high dollar deductible recoverables from professional employer organizations included in these amounts.

- A. Reserve Credit Recorded on Unpaid Claims and Amount Billed and Recoverable on Paid Claims for High Deductibles
Not Applicable
- B. Unsecured High Deductible Recoverables for Individual Obligor's Part of a Group Under the Same
Not Applicable

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

For Workers' Compensation, the Company discounts its reserves for unpaid losses using a tabular discount on the long-term annuity portion of certain workers compensation claims. The tabular discount is based on Unit Statistical Plan tables as approved by the respective states at an annual discount rate of 4.0%. The December 31, 2021 liabilities include \$6,191,698,551 of such discounted reserves. The Company recognized \$13,093,324 of interest accretion in the Statement of Income for the current year related to tabular discount on Workers' Compensation. The December 31, 2021 liabilities subject to discount were carried at a value representing a discount of \$112,028,195 net of all reinsurance.

A. TABULAR DISCOUNT

Schedule P Lines of Business:

Schedule P, Part 1*		
	Tabular Disc. CASE	Tabular Disc. IBNR
01. HOME OWNERS / FARMOWNERS	\$ 0	0
02. PRIVATE PASSENGER AUTO LIABILITY/MEDICAL	\$ 0	0
03. COMMERCIAL AUTO/TRUCK LIABILITY/MEDICAL	\$ 0	0
04. WORKERS' COMPENSATION	\$ 29,956,645	12,925,465
05. COMMERCIAL MULTIPLE PERIL	\$ 0	0
06. MEDICAL PROFESSIONAL LIABILITY - OCCURRENCE	\$ 0	0
07. MEDICAL PROFESSIONAL LIABILITY - CLAIMS-MADE	\$ 0	0
08. SPECIAL LIABILITY	\$ 0	0
09. OTHER LIABILITY - OCCURRENCE	\$ 0	0

NOTES TO FINANCIAL STATEMENTS

10. OTHER LIABILITY - CLAIMS-MADE	\$	0	0
11. SPECIAL PROPERTY	\$	0	0
12. AUTO PHYSICAL DAMAGE	\$	0	0
13. FIDELITY, SURETY	\$	0	0
14. OTHER (INCLUDING CREDIT, A&H)	\$	0	0
15. INTERNATIONAL	\$	0	0
16. REINSURANCE NONPROPORTIONAL ASSUMED PROPERTY	\$	0	0
17. REINSURANCE NONPROPORTIONAL ASSUMED LIABILITY	\$	0	0
18. REINSURANCE NONPROPORTIONAL ASSUMED FINANCIAL LINES	\$	0	0
19. PRODUCTS LIABILITY - OCCURRENCE	\$	0	0
20. PRODUCTS LIABILITY - CLAIMS-MADE	\$	0	0
21. FINANCIAL GUARANTY/MORTGAGE GUARANTY	\$	0	0
22. WARRANTY	\$	0	0
23. TOTAL	\$	29,956,645	12,925,465

* Must exclude medical loss reserves and all loss adjustment expense reserves.

B. NON-TABULAR DISCOUNT
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

Factors Contributing to Uncertainty in Establishing Adequate Reserves

The process of establishing reserves for asbestos and environmental claims is subject to greater uncertainty than the establishment of reserves for liabilities relating to other types of insurance claims. A number of factors contribute to this greater uncertainty surrounding the establishment of asbestos and environmental reserves, including, without limitation: (i) the lack of available and reliable historical claims data as an indicator of future loss development, (ii) the long waiting periods between exposure and manifestation of any bodily injury or property damage, (iii) the difficulty in identifying the source of asbestos or environmental contamination, (iv) the difficulty in properly allocating liability for asbestos or environmental damage, (v) the uncertainty as to the number and identity of insured with potential exposure, (vi) the cost to resolve claims, and (vii) the collectability of reinsurance.

The uncertainties associated with establishing reserves for asbestos and environmental claims and claim adjustment expenses are compounded by the differing, and at times inconsistent, court rulings on environmental and asbestos coverage issues involving: (i) the differing interpretations of various insurance policy provisions and whether asbestos and environmental losses are or were ever intended to be covered, (ii) when the loss occurred and what policies provide coverage, (iii) whether there is an insured obligation to defend, (iv) whether a compensable loss or injury has occurred, (v) how policy limits are determined, (vi) how policy exclusions are applied and interpreted, (vii) the impact of entities seeking bankruptcy protection as a result of asbestos-related liabilities, (viii) whether clean-up costs are covered as insured property damage, and (ix) applicable coverage defenses or determinations, if any, including the determination as to whether or not an asbestos claim is a products/completed operation claim subject to an aggregate limit and the available coverage, if any, for that claim. The uncertainties cannot be reasonably estimated, but could have a material impact on the Company's future operating results and financial condition.

In 2021, the Company and its affiliated pool members completed asbestos ground-up and aggregate environmental reserve studies. These studies were completed by a multi-disciplinary team of internal claims, legal, reinsurance and actuarial personnel, and included all major business segments of the Company's direct, assumed, and ceded A&E unpaid claim liabilities. As part of the internal review, policyholders with the largest direct asbestos unpaid claim liabilities were individually evaluated using the Company's proprietary stochastic ground-up model, which is consistent with published actuarial methods of asbestos reserving. Among the factors reviewed in depth by the team of specialists were the type of business, level of exposure, coverage limits, geographic distribution of products, injury type, jurisdiction and legal defenses. Reinsurance recoveries for these policyholders were then separately evaluated by the Company's reinsurance and actuarial personnel. A&E unpaid claim liabilities for all other policyholders were evaluated using aggregate methods that utilized information and experience specific to these policyholders. The studies resulted in an increase to reserves of \$150,000,000 including: \$68,000,000 of asbestos reserves, and \$82,000,000 of pollution reserves.

Uncertainty Regarding Reserving Methodologies

As a result of the significant uncertainty inherent in determining a company's asbestos and environmental liabilities and establishing related reserves, the amount of reserves required to adequately fund the Company's asbestos and environmental claims cannot be accurately estimated using conventional reserving methodologies based on historical data and trends. As a result, the use of conventional reserving methodologies frequently has to be supplemented by subjective considerations including managerial judgment. In that regard, the estimation of asbestos claims and associated liabilities and the analysis of environmental claims considered prevailing applicable law and certain inconsistencies of court decisions as to coverage, plaintiffs' expanded theories of liability, and the risks inherent in major litigation and other uncertainties, the Company believes that in future periods it is possible that the outcome of the continued uncertainties regarding asbestos and environmental related claims could result in a liability that differs from current reserves by an amount that could be material to the Company's future operating results and financial condition.

Effect of Uncertainty in Reserving For Asbestos and Environmental Claims on Company's Financial Condition

The methods of determining estimates for reported and unreported losses and establishing resulting reserves and related reinsurance recoverables are periodically reviewed and updated, and adjustments resulting from this review are reflected in income currently.

The following tables summarize the activity for the Company's asbestos and environmental claims and claim adjustment expenses, a component of the Company's unpaid claims and claim adjustment expenses, for the years ended December 31, 2021, 2020, 2019, 2018 and 2017 before consideration of the NICO Reinsurance Transaction. Refer to Note 23f.

(1)	Direct:	2017	2018	2019	2020	2021
a.	Beginning reserves:	\$ 123,910,271	117,517,690	122,040,368	125,241,554	122,002,694
b.	Incurred losses and loss adjustment expense	\$ 14,187,334	24,731,200	20,318,318	11,456,134	9,988,797
c.	Calendar year payments for losses & loss adj expenses	\$ 20,579,915	20,208,522	17,117,132	14,694,994	15,700,857
d.	Ending reserves	\$ 117,517,690	122,040,368	125,241,554	122,002,694	116,290,634

NOTES TO FINANCIAL STATEMENTS

(2)	Assumed Reinsurance:		2017	2018	2019	2020	2021
a.	Beginning reserves:	\$	40,951,919	42,449,229	39,700,375	36,458,464	35,175,999
b.	Incurred losses and loss adjustment expense	\$	4,053,333	(371,535)	(1,190,498)	134,693	(167,926)
c.	Calendar year payments for losses & loss adj expenses	\$	2,556,023	2,377,319	2,051,413	1,417,159	1,611,672
d.	Ending reserves	\$	42,449,229	39,700,375	36,458,464	35,175,998	33,396,401

(3)	Net of Ceded Reinsurance:		2017	2018	2019	2020	2021
a.	Beginning reserves:	\$	54,527,879	53,760,540	54,007,284	62,360,017	67,450,732
b.	Incurred losses and loss adjustment expense	\$	4,983,089	6,869,767	16,061,925	20,016,764	5,388,891
c.	Calendar year payments for losses & loss adj expenses	\$	5,750,429	6,623,022	7,709,193	14,803,082	6,233,258
d.	Ending reserves	\$	53,760,539	54,007,285	62,360,016	67,573,699	66,606,365

B.	State the amount of the ending reserves for Bulk + IBNR included in A (Loss & LAE):					
(1)	Direct Basis	\$	77,410,324			
(2)	Assumed Reinsurance Basis	\$	23,651,294			
(3)	Net of Ceded Reinsurance Basis	\$	42,724,501			

C.	State the amount of the ending reserves for loss adjustment expenses included in A (Case, Bulk + IBNR):					
(1)	Direct Basis	\$	68,928,122			
(2)	Assumed Reinsurance Basis	\$	835,423			
(3)	Net of Ceded Reinsurance Basis	\$	32,513,077			

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

(1)	Direct:		2017	2018	2019	2020	2021
a.	Beginning reserves:	\$	29,816,048	30,911,571	33,153,967	35,448,375	42,080,355
b.	Incurred losses and loss adjustment expense	\$	5,145,707	8,736,239	8,953,565	11,400,434	7,290,052
c.	Calendar year payments for losses & loss adj expenses	\$	4,050,184	6,493,842	6,659,157	4,768,455	7,377,795
d.	Ending reserves	\$	30,911,571	33,153,968	35,448,375	42,080,354	41,992,612

(2)	Assumed Reinsurance:		2017	2018	2019	2020	2021
a.	Beginning reserves:	\$	3,336,937	4,068,948	3,598,731	3,412,079	3,478,616
b.	Incurred losses and loss adjustment expense	\$	970,817	(65,695)	276,374	281,781	(132,968)
c.	Calendar year payments for losses & loss adj expenses	\$	238,806	404,522	463,026	215,244	356,572
d.	Ending reserves	\$	4,068,948	3,598,731	3,412,079	3,478,616	2,989,076

(3)	Net of Ceded Reinsurance:		2017	2018	2019	2020	2021
a.	Beginning reserves:	\$	20,482,901	22,012,201	22,599,873	24,626,661	30,754,262
b.	Incurred losses and loss adjustment expense	\$	4,078,121	3,997,444	6,889,606	9,748,212	6,477,958
c.	Calendar year payments for losses & loss adj expenses	\$	2,548,821	3,409,772	4,862,818	3,620,611	5,668,961
d.	Ending reserves	\$	22,012,201	22,599,873	24,626,661	30,754,262	31,563,259

E.	State the amt. of the ending res. for Bulk + IBNR included in D (Loss & LAE):					
(1)	Direct Basis	\$	29,076,172			
(2)	Assumed Reinsurance Basis	\$	1,594,481			
(3)	Net of Ceded Reinsurance Basis	\$	21,852,526			

F.	State the amt. of the ending res. for loss adj. exp. included in D (Case, Bulk + IBNR):					
(1)	Direct Basis	\$	17,460,430			
(2)	Assumed Reinsurance Basis	\$	251,746			
(3)	Net of Ceded Reinsurance Basis	\$	12,337,827			

34. Subscriber Savings Accounts

Not applicable

35. Multiple Peril Crop Insurance

Not Applicable

36. Financial Guaranty Insurance

A. The expected future premiums shown below are based on various prepayment, collection and other assumptions and circumstances as of December 31, 2021, and actual premiums earned or collected could differ materially. In addition, the expected future premiums shown below do not give effect to policy terminations that have occurred, or may occur, after December 31, 2021, which could materially reduce the actual premiums collected.

NOTES TO FINANCIAL STATEMENTS

(1) Installment contracts:
Financial guarantee insurance contacts where premiums are received as installed payments over the period of the contract, rather than at inception:

b. Schedule of premiums (undiscounted) expected to be collected under all installment contracts:

1.		
1st Quarter 2022	\$	850,541
2nd Quarter 2022	\$	165,739
3rd Quarter 2022	\$	170,608
4th Quarter 2022	\$	175,979
Year 2023	\$	690,304
Year 2024	\$	635,169
Year 2025	\$	525,803
Year 2026	\$	407,993
2.		
2027 through 2031	\$	974,809
2032 through 2036	\$	246,590
2037 through 2041	\$	83,414

c. Roll forward of the expected future premiums (undiscounted), including:

1. Expected future premiums - Beginning of Year	\$	2,562,903
2. Less - Premium payments received for existing installment contracts	\$	0
3. Add - Expected premium payments for new installment contracts	\$	2,364,047
4. Adjustments to the expected future premium payments	\$	0
5. Expected future premiums - End of Year	\$	4,926,950

(2) Non-installment contacts:

b. Schedule of the future expected earned premium revenue on non-installment contracts
as of the latest date of the statement of financial position:

1.		
1st Quarter 2022	\$	558,578
2nd Quarter 2022	\$	60,851
3rd Quarter 2022	\$	44,774
4th Quarter 2022	\$	35,240
Year 2023	\$	73,141
Year 2024	\$	20,595
Year 2025	\$	2,981
Year 2026	\$	0
2.		
2027 through 2031	\$	0
2032 through 2036	\$	0
2037 through 2041	\$	0

(3) Claim liability:

a. The company does not discount the claim liability.

b. Significant components of the change in the claim liability for the period:

Components		
1. Accretion of the discount	\$	0
2. Change in timing	\$	0
3. New reserves for defaults of insured contracts	\$	(3,482)
4. Change in deficiency reserves	\$	(194)
5. Change in incurred but not reported claims	\$	634,485
6. Total	\$	630,809

NOTES TO FINANCIAL STATEMENTS

(4) Description of the insurance enterprise's risk management activities used to track and monitor deteriorating insured financial obligations:

a. Description of each grouping or category used to track and monitor deteriorating insured financial obligations

Category A: Includes insured financial obligations that are still currently performing (that is, insured contractual payments are made on time but the likelihood of an event of default has increased since the financial guarantee insurance contract was first issued), but if economic conditions persist for an extended period of time, they may not be performing in the future. The issuer of the insured financial obligation may have experienced credit deterioration as a result of a general economic downturn. As a result, the present value of expected net cash outflows may exceed the unearned premium revenue of the financial guarantee insurance contract sometime in the future.

Category B: Includes insured financial obligations that are currently characterized as potentially nonperforming and may require action by the insurance enterprise to avoid or mitigate an event of default.

Category C: Includes insured financial obligations that are characterized as nonperforming and for which actions to date by the insurance enterprise have not been successful in avoiding or mitigating an event of default. The insurance enterprise continues its efforts to cure the claim, but an event of default is imminent.

Category D: Includes insured financial obligations where an event of default has occurred.

B. Schedule of insured financial obligations at the end of the period:

Surveillance Categories				
A	B	C	D	Total
1. Number of policies	0	0	1	593
2. Remaining weighted-average contract period (in years)	0	0	1	X X X

Insured contractual payments outstanding:

3a. Principal	\$	217,651,258	0	0	100,020	217,751,278
3b. Interest	\$	0	0	0	0	0
3c. Total	\$	217,651,258	0	0	100,020	217,751,278
4. Gross claim liability	\$	722,598	0	0	(243)	722,355
Less:						
5a. Gross potential recoveries	\$	7,259	0	0	0	7,259
5b. Discount, net	\$	0	0	0	0	0
6. Net claim liability	\$	715,339	0	0	(243)	715,096
7. Unearned premium revenue	\$	3,974,301	0	0	300	3,974,601
8. Reinsurance recoverables	\$	0	0	0	0	0

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 ☒ No ☐

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 ☒ No ☐ N/A ☐

1.3 State Regulating?

Wisconsin

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

Yes ☐ No ☒

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

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

Yes ☐ No ☒

2.2 If yes, date of change:

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

12/31/2018

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

12/31/2018

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

06/23/2020

3.4 By what department or departments?

State of Wisconsin Office of the Commissioner of Insurance

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

Yes ☒ No ☐ N/A ☐

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

Yes ☒ No ☐ N/A ☐

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

4.11 sales of new business?

Yes ☒ No ☐

4.12 renewals?

Yes ☒ No ☐

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

4.21 sales of new business?

Yes ☐ No ☒

4.22 renewals?

Yes ☐ No ☒

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒

If yes, complete and file the merger history data file with the NAIC.

GENERAL INTERROGATORIES

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

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

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

Yes [] No [X]

6.2 If yes, give full information:

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

Yes [] No [X]

7.2 If yes,

7.21 State the percentage of foreign control.

0.00 %

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?

Yes [] No [X]

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

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

Yes [] No [X]

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

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

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

Yes [] No [X]

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

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

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

Ernst & Young, LLP

200 Clarendon Street

Boston, MA 02116

GENERAL INTERROGATORIES

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

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

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

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

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

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

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification? Stephanie Neyenhouse FCAS, MAAA 175 Berkeley Street, Boston, MA 02116 Vice President and Chief Actuary, Liberty Mutual Group Inc.

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [X] No []

12.11	Name of real estate holding company	St. James/Arlington Real Estat
12.12	Number of parcels involved	7
12.13	Total book/adjusted carrying value	\$ 39,195,318

12.2 If yes, provide explanation: Liberty Mutual Fire Insurance Company directly owns 5% of St James/Arlington Real Estate LP

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

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

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

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

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

GENERAL INTERROGATORIES

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?

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.

Yes [X] No []

14.11 If the response to 14.1 is no, please explain:

14.2 Has the code of ethics for senior managers been amended?

Yes [] No [X]

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

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

Yes [] No [X]

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

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?

Yes [] No [X]

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

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Cred	4 Amount
0			0
0			0
0			0

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof?

Yes [X] No []

17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?

Yes [X] No []

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

Yes [X] No []

FINANCIAL

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

Yes [] No [X]

GENERAL INTERROGATORIES

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

20.11 To directors or other officers

20.12 To stockholders not officers

20.13 Trustees, supreme or grand (Fraternal only)

\$

0

\$

0

\$

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

20.22 To stockholders not officers

20.23 Trustees, supreme or grand (Fraternal only)

\$

0

\$

0

\$

0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?

Yes [] No [X]

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

21.21 Rented from others

21.22 Borrowed from others

21.23 Leased from others

21.24 Other

\$

0

\$

0

\$

0

\$

0

22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?

Yes [] No [X]

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment

22.22 Amount paid as expenses

22.23 Other amounts paid

\$

0

\$

0

\$

0

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [X] No []

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$

0

24.1 Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days?

Yes [] No [X]

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)

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 [X] No []

25.02 If no, give full and complete information, relating thereto:

25.03 For security 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)

See note 17B

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.

\$

592,523,494

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

\$

0

GENERAL INTERROGATORIES

25.06

Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?

Yes ☒ No ☐ N/A ☐

25.07

Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?

Yes ☒ No ☐ 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?

Yes ☒ No ☐ N/A ☐

25.09

For the reporting entity's security 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

\$ 344,083,039

25.092

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

\$ 344,083,039

25.093

Total payable for securities lending reported on the liability page

\$ 344,083,039

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 ☒ No ☐

26.2

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

26.21

Subject to repurchase agreements

\$ 0

26.22

Subject to reverse repurchase agreements

\$ 0

26.23

Subject to dollar repurchase agreements

\$ 0

26.24

Subject to reverse dollar repurchase agreements

\$ 0

26.25

Placed under option agreements

\$ 0

26.26

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

\$ 0

26.27

FHLB Capital Stock

\$ 6,750,000

26.28

On deposit with states

\$ 203,750,284

26.29

On deposit with other regulatory bodies

\$ 19,648,350

26.30

Pledged as collateral - excluding collateral pledged to an FHLB

\$ 0

26.31

Pledged as collateral to FHLB - including assets backing funding agreements

\$ 153,043,793

26.32

Other

\$ 0

26.3

For category (26.26) provide the following:

1	2	3
Nature of Restriction	Description	Amount
		0
		0
		0

27.1

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

Yes ☐ 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.

Yes ☐ No ☐ N/A ☒

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

27.3

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

Yes ☐ No ☐

27.4

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

27.41

Special accounting provision of SSAP No. 108

Yes ☐ No ☐

27.42

Permitted accounting practice

Yes ☐ No ☐

27.43

Other accounting guidance

Yes ☐ No ☐

27.5

By responding YES to 27.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting

15.5

GENERAL INTERROGATORIES

entity attests to the following:

Yes [] No []

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

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

Yes [] No [X]

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

\$ 0

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

Yes [X] No []

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

1 Name of Custodian(s)	2 Custodian's Address

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)

29.03 Have there been any changes, including name changes, in the custodian(s) identified in 29.01 during the current year?

Yes [] No [X]

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

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

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

1 Name Firm or Individual	2 Affiliation
Liberty Mutual Group Asset Management Inc.	A
Liberty Mutual Investment Advisors, LLC	A
StanCorp	U
Napier Park Global Capital	U

GENERAL INTERROGATORIES

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

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

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

1	2	3	4	5
Name Firm or Individual	Central Registration Depository Number	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed
N/A	Liberty Mutual Group	N/A	N/A	DS
N/A	Liberty Mutual Invest	N/A	N/A	DS
N/A	StanCorp	N/A	N/A	DS
N/A	Napier Park Global C	N/A	SEC	DS

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

30.2 If yes, complete the following schedule:

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

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

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation
		0	
		0	
		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	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1 Bonds	5,571,337,288	5,691,830,044	120,492,756
31.2 Preferred stocks	79,740	79,740	0
31.3 Totals	5,571,417,028	5,691,909,784	120,492,756

31.4 Describe the sources or methods utilized in determining the fair values:
The primary source for reported fair values is our pricing vendor, Interactive Data Corporation, followed by backfill from Reuters, Bloomberg, Barclays, Merrill Lynch, and Markit for Term Loan securities. Lastly, management determines fair value based on quoted market prices of similar financial instruments or by using industry recognized valuation techniques.

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

32.2 If the answer to 32.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [] No []

GENERAL INTERROGATORIES

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

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

33.2 If no, list exceptions:

34 By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:

a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.

b. Issuer or obligor is current on all contracted interest and principal payments.

c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities? Yes [] No [X]

35 By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

a. The security was purchased prior to January 1, 2018.

b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.

c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.

d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities? Yes [] No [X]

36. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

a. The shares were purchased prior to January 1, 2019.

b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.

c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.

d. The fund only or predominantly holds bonds in its portfolio.

e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.

f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [] No [X]

37. By rolling/renewing short-term or cash-equivalent investments with continued reporting on Schedule DA, part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:

a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.

b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.

c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.

d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 37.a - 37.c are reported as long-term investments.

Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? Yes [] No [X] N/A []

OTHER

38.1 Amount of payments to trade associations, service organizations and statistical or Rating Bureaus, if any? \$ 4,605,780

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

1 Name	2 Amount Paid
INSURANCE SERVICES OFFICE INC	\$ 1,501,595
	\$ 0
	\$ 0

GENERAL INTERROGATORIES

39.1 Amount of payments for legal expenses, if any? \$ 2,910,416

39.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
	\$ 0
	\$ 0
	\$ 0

40.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 279,068

40.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
	\$ 0
	\$ 0
	\$ 0

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

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

Yes [] No [X]

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

\$ 0

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

\$ 0

1.31 Reason for excluding

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

\$ 0

1.5 Indicate total incurred claims on all Medicare Supplement insurance.

\$ 0

1.6 Individual policies:

Most current three years:

1.61 Total premium earned

\$ 0

1.62 Total incurred claims

\$ 0

1.63 Number of covered lives

0

All years prior to most current three years:

1.64 Total premium earned

\$ 0

1.65 Total incurred claims

\$ 0

1.66 Number of covered lives

0

1.7 Group policies:

Most current three years:

1.71 Total premium earned

\$ 0

1.72 Total incurred claims

\$ 0

1.73 Number of covered lives

0

All years prior to most current three years:

1.74 Total premium earned

\$ 0

1.75 Total incurred claims

\$ 0

1.76 Number of covered lives

0

2. Health Test:

1

2

Current Year

Prior Year

2.1 Premium Numerator

\$ 6,746,597

\$ 13,441,151

2.2 Premium Denominator

\$ 2,592,182,364

\$ 2,539,224,808

2.3 Premium Ratio (2.1 / 2.2)

0.00

0.01

2.4 Reserve Numerator

\$ 10,557,224

\$ 12,957,778

2.5 Reserve Denominator

\$ 5,509,662,139

\$ 5,202,345,891

2.6 Reserve Ratio (2.4 / 2.5)

0.00

0.00

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

Yes [X] No []

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

3.21 Participating policies

\$ 1,584,952,161

3.22 Non-participating policies

\$ 1,649,745,406

4. For Mutual reporting entities and Reciprocal Exchanges only:

4.1 Does the reporting entity issue assessable policies?

Yes [] No [X]

4.2 Does the reporting entity issue non-assessable policies?

Yes [] No [X]

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?

Yes [] No [X]

5.2 If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation

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

5.22 As a direct expense of the exchange

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

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

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

Yes [] No []

5.5 If yes, give full information

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 loss:

The Company purchases a combination of per risk excess of loss reinsurance and excess of loss per event catastrophe reinsurance.

16

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

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

Yes ☒ No ☐ N/A ☐

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

Yes ☐ No ☒

11.2 If yes, give full information

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

12.11 Unpaid losses

\$ (125,633)

12.12 Unpaid underwriting expenses (including loss adjustment expenses)

\$ 6,129,540

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?

\$ 336,620

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

Yes ☐ No ☒ N/A ☐

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

12.41 From

0.00 %

12.42 To

0.00 %

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

Yes ☒ No ☐

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

12.61 Letters of Credit

\$ 233,595,590

12.62 Collateral and other funds

\$ 67,511,731

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

\$ 9,600,000

13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?

Yes ☒ No ☐

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

1

14.1 Is the company a cedant in a multiple cedant reinsurance contract?

Yes ☒ No ☐

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

Premiums and recoverables were allocated pursuant to allocation agreements, including the intercompany pooling agreement.

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

Yes ☐ No ☒

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

Yes ☒ No ☐

14.5 If the answer to 14.4 is no, please explain:

N/A

15.1 Has the reporting entity guaranteed any financed premium accounts?

Yes ☐ No ☒

15.2 If yes, give full information

16.1 Does the reporting entity write any warranty business?

Yes ☒ No ☐

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

	1	2	3	4	5
	Direct Losses Incurred	Direct Losses Unpaid	Direct Written Premium	Direct Premium Unearned	Direct Premium Earned
16.11 Home	\$ 95,937	\$ 977,607	\$ 0	\$ 0	\$ 0
16.12 Products	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
16.13 Automobile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
16.14 Other*	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

* Disclose type of coverage:

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

17.1

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

Yes [] No [X]

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

17.11

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

\$0

17.12

Unfunded portion of Interrogatory 17.11

\$0

17.13

Paid losses and loss adjustment expenses portion of Interrogatory 17.11

\$0

17.14

Case reserves portion of Interrogatory 17.11

\$0

17.15

Incurred but not reported portion of Interrogatory 17.11

\$0

17.16

Unearned premium portion of Interrogatory 17.11

\$0

17.17

Contingent commission portion of Interrogatory 17.11

\$0

18.1

Do you act as a custodian for health savings accounts?

Yes [] No [X]

18.2

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

\$0

18.3

Do you act as an administrator for health savings accounts?

Yes [] No [X]

18.4

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

\$0

19.

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

Yes [X] No []

19.1

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

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

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
	2021	2020	2019	2018	2017
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	2,821,530,145	2,756,445,604	2,835,659,088	2,966,797,588	3,086,112,683
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	1,415,394,804	1,324,046,230	1,406,645,249	1,506,881,564	1,430,483,091
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,552,742,977	1,528,311,395	1,575,571,693	1,633,256,971	1,685,307,541
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	111,209,760	117,987,466	110,758,658	99,440,857	79,778,442
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	30,829,195	62,959,351	28,579,230	42,166,373	28,361,559
6. Total (Line 35)	5,931,706,881	5,789,750,046	5,957,213,918	6,248,543,353	6,310,043,316
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	1,204,805,471	1,111,437,937	1,115,197,429	1,120,596,401	1,083,514,288
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	554,739,825	592,684,521	610,439,658	593,118,389	415,268,301
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	801,721,775	747,950,558	722,049,456	698,219,900	682,462,988
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	103,716,087	110,334,372	105,204,584	92,376,475	74,409,793
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	30,829,195	62,959,351	28,579,230	42,166,373	28,361,559
12. Total (Line 35)	2,695,812,353	2,625,366,739	2,581,470,357	2,546,477,538	2,284,016,929
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(105,477,649)	(132,832,844)	(93,246,746)	9,667,789	(226,160,272)
14. Net investment gain (loss) (Line 11)	250,864,422	234,047,892	200,908,263	420,088,110	158,988,471
15. Total other income (Line 15)	882,850	13,402,780	11,605,561	(27,048,950)	14,660,929
16. Dividends to policyholders (Line 17)	1,179,842	1,296,914	1,002,538	1,315,293	1,087,484
17. Federal and foreign income taxes incurred (Line 19)	44,790,108	10,716,751	15,009,279	(6,013,347)	(22,615,089)
18. Net income (Line 20)	100,299,673	102,604,163	103,255,261	407,405,003	(30,983,267)
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	8,446,976,564	7,583,566,513	7,032,602,683	6,545,646,258	6,038,929,326
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	175,875,233	162,646,525	149,584,940	135,501,603	130,281,967
20.2 Deferred and not yet due (Line 15.2)	622,848,635	599,842,653	589,021,668	573,572,798	556,086,480
20.3 Accrued retrospective premiums (Line 15.3)	12,435,833	12,297,464	23,736,389	27,724,964	31,156,268
21. Total liabilities excluding protected cell business (Page 3, Line 26)	6,285,861,231	5,719,582,647	5,206,633,485	4,860,608,526	4,626,141,753
22. Losses (Page 3, Line 1)	3,434,142,012	3,210,857,989	2,861,132,338	2,677,185,459	2,622,655,277
23. Loss adjustment expenses (Page 3, Line 3)	610,523,351	609,816,676	584,124,274	549,248,034	522,741,759
24. Unearned premiums (Page 3, Line 9)	1,457,114,535	1,351,793,120	1,281,143,437	1,256,228,712	1,200,504,734
25. Capital paid up (Page 3, Lines 30 & 31)	10,000,010	10,000,010	10,000,010	10,000,000	10,000,000
26. Surplus as regards policyholders (Page 3, Line 37)	2,161,115,333	1,863,983,869	1,825,969,198	1,685,037,732	1,412,787,575
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	381,368,399	483,540,272	289,898,649	494,241,288	84,331,427
Risk-Based Capital Analysis					
28. Total adjusted capital	2,161,115,333	1,863,983,869	1,825,969,198	1,685,037,732	1,547,457,924
29. Authorized control level risk-based capital	386,388,736	355,078,580	363,465,168	340,999,560	342,722,284
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	74.9	79.5	84.0	83.5	77.6
31. Stocks (Lines 2.1 & 2.2)	5.2	4.8	2.1	2.9	5.4
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	2.9	3.0	3.2	3.3	3.2
33. Real estate (Lines 4.1, 4.2 & 4.3)					
34. Cash, cash equivalents and short-term investments (Line 5)	2.6	2.5	(0.3)	0.3	2.6
35. Contract loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)	9.8	7.9	7.3	7.4	8.8
38. Receivables for securities (Line 9)	0.0	0.4	0.4	0.1	0.0
39. Securities lending reinvested collateral assets (Line 10)	4.6	1.9	3.3	2.4	2.3
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	150,586,535	128,883,798	119,476,401	110,336,028	237,848,342
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)					114,936,626
46. Affiliated mortgage loans on real estate					
47. All other affiliated	638,915,109	448,531,912	371,581,066	339,942,827	336,861,572
48. Total of above Lines 42 to 47	789,501,644	577,415,710	491,057,467	450,278,855	689,646,540
49. Total investment in parent included in Lines 42 to 47 above					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	36.5	31.0	26.9	26.7	48.8

FIVE – YEAR HISTORICAL DATA
(Continued)

	1	2	3	4	5
	2021	2020	2019	2018	2017
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	242,881,654	89,777,922	49,068,318	(76,596,400)	19,065,151
52. Dividends to stockholders (Line 35)	(15,000,000)	(150,000,000)	(15,000,000)	(15,000,000)	(15,000,000)
53. Change in surplus as regards policyholders for the year (Line 38)	297,131,465	38,014,671	140,931,465	272,250,158	(61,793,439)
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	1,532,282,444	1,592,913,039	1,896,204,721	2,014,836,297	1,917,603,134
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	770,978,370	602,238,132	794,018,235	974,542,637	939,188,747
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	815,263,975	717,879,984	768,923,618	799,102,431	778,672,970
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	19,816,846	28,384,679	26,051,213	14,795,610	10,255,765
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	39,761,028	179,371	7,280,874	15,113,730	9,148,369
59. Total (Line 35)	3,178,102,663	2,941,595,205	3,492,478,661	3,818,390,705	3,654,868,985
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	584,308,447	563,559,014	646,204,862	636,465,719	515,580,178
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	300,622,673	281,385,824	342,662,981	326,898,738	240,835,371
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	461,583,390	383,273,539	392,494,215	383,378,734	369,831,167
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	19,800,878	27,502,424	25,711,615	14,696,393	9,679,582
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	39,761,028	179,371	7,280,874	15,113,730	9,148,369
65. Total (Line 35)	1,406,076,416	1,255,900,172	1,414,354,547	1,376,553,314	1,145,074,667
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	63.2	62.9	62.5	57.8	66.0
68. Loss expenses incurred (Line 3)	11.0	11.8	12.6	12.2	13.5
69. Other underwriting expenses incurred (Line 4)	29.9	30.5	28.6	29.6	30.8
70. Net underwriting gain (loss) (Line 8)	(4.1)	(5.2)	(3.6)	0.4	(10.3)
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0	28.7	29.0	27.8	29.2	29.0
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	74.2	74.7	75.1	70.0	79.5
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	124.7	140.8	141.4	151.1	161.7
One Year Loss Development (\$000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	15,107	76,379	69,279	(57,253)	70,421
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0)	0.8	4.2	4.1	(4.1)	4.8
Two Year Loss Development (\$000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12)	117,883	147,952	5,537	31,341	75,699
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)	6.5	8.8	0.4	2.1	5.4

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure

Yes [] No []

requirements of SSAP No. 3, Accounting Changes and Correction 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	X X X	X X X	X X X	47,578	17,684	18,503	6,663	3,360	411	563	44,683	X X X
2. 2012	2,343,039	517,631	1,825,408	1,348,475	285,964	104,347	18,608	168,978	1,042	98,442	1,316,186	X X X
3. 2013	2,473,756	557,259	1,916,497	1,286,460	283,936	96,978	15,968	168,211	1,467	78,971	1,250,278	X X X
4. 2014	2,537,001	561,476	1,975,525	1,307,338	284,116	95,525	13,501	165,448	1,859	64,646	1,268,835	X X X
5. 2015	2,620,309	608,305	2,012,004	1,377,442	309,296	95,880	11,582	165,580	1,953	90,075	1,316,071	X X X
6. 2016	2,688,041	610,019	2,078,022	1,413,068	308,346	88,132	10,315	171,292	3,447	52,433	1,350,384	X X X
7. 2017	2,817,107	610,150	2,206,957	1,589,692	362,573	83,903	9,174	170,361	1,107	62,249	1,471,102	X X X
8. 2018	2,943,695	457,551	2,486,144	1,457,941	229,574	67,970	4,188	170,278	151	81,346	1,462,276	X X X
9. 2019	3,041,780	485,363	2,556,417	1,365,832	237,464	48,799	3,570	163,940	137	83,371	1,337,400	X X X
10. 2020	3,098,243	558,960	2,539,283	1,164,621	263,414	26,952	2,724	153,822	81	67,345	1,079,176	X X X
11. 2021	3,256,333	665,198	2,591,135	966,194	243,198	9,573	1,031	124,202	78	55,613	855,662	X X X
12. Totals	X X X	X X X	X X X	13,324,641	2,825,565	736,562	97,324	1,625,472	11,733	735,054	12,752,053	X X X

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and		23	24	25			
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR							Other Unpaid		
	13	14	15	16	17	18	19	20	21	22				Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded						
1. Prior	434,365	155,505	407,895	124,440	28,190	15,530	131,701	39,957	6,616	33	2,110	673,302	X X X			
2. 2012	35,403	8,396	72,812	5,364	1,704	526	8,165	579	1,303		643	104,522	X X X			
3. 2013	33,082	6,841	81,887	10,977	1,453	336	7,594	738	4,885		993	110,009	X X X			
4. 2014	37,257	9,726	51,638	12,055	1,779	359	10,601	902	2,859		1,045	81,092	X X X			
5. 2015	42,629	10,187	67,868	15,747	2,726	386	12,466	536	3,371		3,113	102,204	X X X			
6. 2016	68,097	20,041	82,559	18,201	5,164	763	14,800	1,107	10,582		2,026	141,090	X X X			
7. 2017	105,257	13,955	122,379	28,649	6,733	1,416	25,496	1,726	14,529	9	4,816	228,639	X X X			
8. 2018	154,837	22,561	192,396	43,601	6,344	489	35,796	1,497	15,209		8,266	336,434	X X X			
9. 2019	220,056	39,959	284,650	40,011	7,157	663	50,239	1,718	23,974		9,209	503,725	X X X			
10. 2020	223,442	34,457	529,882	86,180	6,593	1,062	62,229	3,790	27,301		13,790	723,958	X X X			
11. 2021	278,555	25,614	796,919	157,261	5,708	890	84,238	4,884	62,901		58,053	1,039,672	X X X			
12. Totals	1,632,980	347,242	2,690,885	542,486	73,551	22,420	443,325	57,434	173,530	42	104,064	4,044,647	X X X			

	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	X X X	X X X	X X X	X X X	X X X	X X X			X X X	562,315	110,987
2. 2012	1,741,187	320,479	1,420,708	74.313	61.913	77.830				94,455	10,067
3. 2013	1,680,550	320,263	1,360,287	67.935	57.471	70.978				97,151	12,858
4. 2014	1,672,445	322,518	1,349,927	65.922	57.441	68.333				67,114	13,978
5. 2015	1,767,962	349,687	1,418,275	67.472	57.485	70.491				84,563	17,641
6. 2016	1,853,694	362,220	1,491,474	68.961	59.378	71.774				112,414	28,676
7. 2017	2,118,350	418,609	1,699,741	75.196	68.608	77.017				185,032	43,607
8. 2018	2,100,771	302,061	1,798,710	71.365	66.017	72.349				281,071	55,363
9. 2019	2,164,647	323,522	1,841,125	71.164	66.656	72.020				424,736	78,989
10. 2020	2,194,842	391,708	1,803,134	70.842	70.078	71.010				632,687	91,271
11. 2021	2,328,290	432,956	1,895,334	71.500	65.087	73.147				892,599	147,073
12. Totals	X X X	X X X	X X X	X X X	X X X	X X X			X X X	3,434,137	610,510

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

SCHEDULE P – PART 2 – SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	One Year	Two Year
1. Prior	1,918,184	1,977,004	1,976,063	1,981,733	1,987,357	2,004,360	1,969,161	2,000,649	2,014,722	2,026,580	11,858	25,931
2. 2012	1,248,525	1,257,940	1,246,220	1,238,932	1,243,834	1,248,199	1,253,257	1,253,825	1,253,934	1,253,047	(887)	(778)
3. 2013	X X X	1,163,937	1,176,443	1,168,162	1,167,921	1,179,691	1,181,847	1,180,897	1,188,781	1,190,090	1,309	9,193
4. 2014	X X X	X X X	1,177,539	1,174,188	1,170,624	1,183,501	1,182,843	1,185,080	1,184,966	1,184,902	(64)	(178)
5. 2015	X X X	X X X	X X X	1,210,896	1,221,146	1,233,857	1,225,582	1,243,764	1,251,777	1,252,590	813	8,826
6. 2016	X X X	X X X	X X X	X X X	1,258,211	1,269,904	1,267,746	1,276,771	1,294,868	1,314,195	19,327	37,424
7. 2017	X X X	X X X	X X X	X X X	X X X	1,508,184	1,490,013	1,492,250	1,500,072	1,517,490	17,418	25,240
8. 2018	X X X	X X X	X X X	X X X	X X X	X X X	1,585,016	1,591,513	1,614,283	1,614,050	(233)	22,537
9. 2019	X X X	X X X	X X X	X X X	X X X	X X X	X X X	1,664,362	1,662,071	1,654,050	(8,021)	(10,312)
10. 2020	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	1,649,219	1,622,806	(26,413)	X X X
11. 2021	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	1,709,095	X X X	X X X
12. Totals											15,107	117,883

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
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		
1. Prior	000	404,801	688,823	881,995	1,005,151	1,089,983	1,162,324	1,234,369	1,286,541	1,328,275	X X X	X X X
2. 2012	536,379	805,565	928,650	1,013,722	1,069,991	1,099,952	1,122,229	1,136,104	1,142,589	1,148,250	X X X	X X X
3. 2013	X X X	505,541	747,922	866,445	954,595	1,003,723	1,041,205	1,060,426	1,075,201	1,083,534	X X X	X X X
4. 2014	X X X	X X X	537,311	773,286	893,306	967,889	1,039,272	1,075,446	1,093,062	1,105,246	X X X	X X X
5. 2015	X X X	X X X	X X X	556,624	804,759	919,237	1,030,046	1,095,317	1,130,359	1,152,444	X X X	X X X
6. 2016	X X X	X X X	X X X	X X X	590,914	830,782	980,254	1,085,614	1,144,288	1,182,539	X X X	X X X
7. 2017	X X X	X X X	X X X	X X X	X X X	640,252	978,852	1,135,137	1,218,134	1,301,848	X X X	X X X
8. 2018	X X X	X X X	X X X	X X X	X X X	X X X	682,134	1,030,092	1,180,158	1,292,149	X X X	X X X
9. 2019	X X X	X X X	X X X	X X X	X X X	X X X	X X X	708,244	1,002,941	1,173,597	X X X	X X X
10. 2020	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	644,343	925,435	X X X	X X X
11. 2021	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	731,538	X X X	X X X

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
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1. Prior	915,603	767,510	618,362	535,242	490,618	470,675	401,677	393,172	380,891	382,775
2. 2012	456,760	262,928	180,912	133,765	107,880	98,333	87,978	83,465	79,725	75,537
3. 2013	X X X	431,436	251,153	178,363	127,545	113,436	94,921	84,749	81,496	78,329
4. 2014	X X X	X X X	409,915	239,683	161,492	117,853	78,039	64,176	55,203	50,423
5. 2015	X X X	X X X	X X X	419,096	246,134	174,145	96,939	77,400	73,137	64,862
6. 2016	X X X	X X X	X X X	X X X	434,385	246,497	140,380	80,906	76,481	79,006
7. 2017	X X X	X X X	X X X	X X X	X X X	574,999	268,746	165,220	150,057	118,530
8. 2018	X X X	X X X	X X X	X X X	X X X	X X X	602,448	334,760	261,312	183,236
9. 2019	X X X	X X X	X X X	X X X	X X X	X X X	X X X	664,507	431,338	293,135
10. 2020	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	753,055	501,800
11. 2021	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	719,582

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN
Allocated By States and Territories

		1		Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		Active Status (a)		2	3	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges Not Included in Premiums	Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
States, Etc.				Direct Premiums Written	Direct Premiums Earned						
1.	Alabama	AL	L	25,263,421	27,187,787	(102)	17,593,495	12,383,535	77,637,887	46,459	
2.	Alaska	AK	L	10,326,034	9,805,411	(16)	3,081,554	14,229,021	36,400,104	8,171	
3.	Arizona	AZ	L	46,263,102	45,924,537	(210)	22,713,839	31,353,365	86,632,272	41,713	
4.	Arkansas	AR	L	11,602,267	12,476,252	(53)	17,085,949	31,922,095	42,136,809	37,705	
5.	California	CA	L	555,161,294	566,574,132	(643,234)	308,239,642	300,242,859	1,023,780,286	1,352,315	
6.	Colorado	CO	L	37,576,578	36,333,785	(299)	11,218,489	13,001,089	73,429,435	59,009	
7.	Connecticut	CT	L	61,113,926	63,182,782	740	26,405,547	22,147,146	119,579,386	328,746	
8.	Delaware	DE	L	22,508,332	21,486,409	(60)	8,976,096	8,245,791	23,481,530	90,734	
9.	District of Columbia	DC	L	6,068,768	6,295,350	263	2,179,137	7,725,465	18,247,349	23,346	
10.	Florida	FL	L	137,677,400	143,660,360	1,167,257	95,267,120	91,416,137	316,058,553	341,401	
11.	Georgia	GA	L	85,529,954	82,254,270	2,844	42,256,029	49,782,051	146,160,257	102,507	
12.	Hawaii	HI	L	73,393,989	70,824,664	259	41,469,997	42,853,795	47,420,034	225,067	
13.	Idaho	ID	L	9,239,163	9,263,282	246	2,471,368	2,855,638	13,431,078	36,015	
14.	Illinois	IL	L	93,397,378	81,543,985	(56,946)	42,162,244	44,477,521	243,548,016	132,923	
15.	Indiana	IN	L	63,501,620	51,991,960	11,391	16,888,031	28,885,238	80,077,003	2,237	
16.	Iowa	IA	L	11,182,627	10,296,451	(1,802)	4,414,823	6,324,882	30,919,212	8,824	
17.	Kansas	KS	L	12,903,723	13,134,883	(11)	3,769,220	7,865,485	32,023,404	26,929	
18.	Kentucky	KY	L	53,193,645	40,572,423	(37,532)	12,096,781	13,291,163	81,611,534	90,251	
19.	Louisiana	LA	L	58,574,492	59,886,126	(2,583)	102,274,520	124,917,060	115,852,140	77,359	
20.	Maine	ME	L	25,423,951	25,307,540	190,178	8,111,417	6,925,592	26,003,981	101,670	
21.	Maryland	MD	L	52,666,021	51,717,146	(1,776)	26,781,506	25,296,433	99,507,423	108,885	
22.	Massachusetts	MA	L	139,374,389	154,919,357	(129)	53,354,470	67,979,130	228,336,653	596,226	
23.	Michigan	MI	L	38,907,995	40,149,024	(13,721)	35,507,942	(12,963,913)	283,217,743	121,595	
24.	Minnesota	MN	L	38,121,380	34,975,531	283	18,357,279	8,236,135	133,498,451	71,861	
25.	Mississippi	MS	L	30,357,592	27,400,293	(12,177)	19,522,030	18,599,729	42,677,338	14,286	
26.	Missouri	MO	L	30,255,924	28,552,801		13,708,077	15,092,891	79,078,171	41,032	
27.	Montana	MT	L	14,391,572	14,342,888	(67)	4,692,228	4,358,234	16,990,409	83,701	
28.	Nebraska	NE	L	6,879,190	7,144,055	(5)	3,282,294	4,070,517	15,102,865	11,219	
29.	Nevada	NV	L	36,505,326	33,212,169		11,072,378	18,367,958	54,593,894	75,155	
30.	New Hampshire	NH	L	25,471,793	25,668,229	621	6,741,720	2,510,213	35,022,709	173,133	
31.	New Jersey	NJ	L	219,694,157	185,752,560	118,356	112,510,058	110,026,410	364,677,881	794,950	
32.	New Mexico	NM	L	14,795,926	15,780,869	(6,392)	6,788,247	6,765,029	31,271,322	30,124	
33.	New York	NY	L	356,245,144	339,118,884	(24,534)	175,312,458	233,949,214	864,929,660	1,776,466	
34.	North Carolina	NC	L	128,543,849	121,850,699	617	60,715,507	64,478,430	152,860,936	171,890	
35.	North Dakota	ND	L	3,071,361	3,203,216	1	2,805,831	490,364	4,834,093	6,562	
36.	Ohio	OH	L	72,348,117	65,218,827	(20)	17,147,260	(57,700,009)	48,494,127	264,451	
37.	Oklahoma	OK	L	17,119,331	19,535,277	(36,985)	10,030,613	12,283,223	67,399,179	33,706	
38.	Oregon	OR	L	24,589,233	25,851,941	213	10,589,267	5,177,701	40,845,354	59,457	
39.	Pennsylvania	PA	L	99,549,614	100,060,760	(4,626)	45,133,045	49,211,454	264,371,325	378,336	
40.	Rhode Island	RI	L	20,216,922	19,803,695	(53)	9,140,590	8,527,093	31,529,718	110,468	
41.	South Carolina	SC	L	31,359,864	32,466,363	743	30,661,512	24,815,499	59,408,030	105,061	
42.	South Dakota	SD	L	4,547,533	4,315,791	31	1,490,865	637,867	9,792,716	7,047	
43.	Tennessee	TN	L	45,494,126	42,829,985	4,164	89,507,480	96,335,030	134,483,854	64,963	
44.	Texas	TX	L	193,890,855	209,117,079	1,369,186	125,042,318	162,836,247	649,055,550	27,386	
45.	Utah	UT	L	22,210,681	23,720,405	(773)	12,450,668	17,636,239	39,647,341	74,984	
46.	Vermont	VT	L	10,719,420	10,422,924	187	4,834,508	1,766,562	17,234,548	58,403	
47.	Virginia	VA	L	34,393,606	35,949,519	152	8,767,925	7,470,813	66,021,755	78,959	
48.	Washington	WA	L	75,225,383	79,366,819	(8)	36,945,966	30,698,925	79,539,903	531,440	
49.	West Virginia	WV	L	9,180,179	9,710,660		3,966,798	5,756,448	12,639,582	41,621	
50.	Wisconsin	WI	L	33,741,805	30,748,579	344,755	35,551,479	48,588,292	140,181,792	81,250	
51.	Wyoming	WY	L	4,822,366	3,846,330	(11)	1,230,855	1,228,905	6,351,853	7,219	
52.	American Samoa	AS	N								
53.	Guam	GU	N								
54.	Puerto Rico	PR	L	226,665	265,547		70,500	8,414,677	610,518		
55.	U.S. Virgin Islands	VI	N			2	23,500	8,499	100,000		
56.	Northern Mariana Islands	MP	N								
57.	Canada	CAN	N				679,332	(604,012)			
58.	Aggregate Other Alien	OT	X X X	(121,408)	(146,073)		1,151,886	1,771,219	6,793,382		
59.	Totals	(a) 52		3,234,697,575	3,174,874,538	2,368,364	1,784,243,690	1,852,962,374	6,715,530,345	9,135,217	

DETAILS OF WRITE-INS										
58001.	ZZZ OTHER ALIEN	X X X	(121,408)	(146,073)		1,151,886	1,771,219	6,793,382		
58002.		X X X								
58003.		X X X								
58998.	Summary of remaining write-ins for Line 58 from overflow page	X X X								
58999.	Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X	(121,408)	(146,073)		1,151,886	1,771,219	6,793,382		

Explanation of basis of allocation of premiums by states, etc.

(a) Active Status Counts	
L – Licensed or Chartered - Licensed insurance carrier or domiciled RRG	52
E – Eligible - Reporting entities eligible or approved to write surplus lines in the state	
D - Domestic Surplus Lines Insurer (DSLII) - Reporting entities authorized to write surplus lines in the state of domicile	
R - Registered - Non-domiciled RRGs	
Q - Qualified - Qualified or accredited reinsurer	
N – None of the above - Not allowed to write business in the state (other than their state of domicile - See DSLII)	5

Explanation of basis of allocation of premiums by states, etc.

*Location of coverage - Fire, Allied Lines, Homeowners Multi Peril, Commercial Multi Peril, Earthquake, Boiler and Machinery	
*States employee's main work place - Worker's Compensation	
*Location of Principal place of garaging of each individual car - Auto Liability, Auto Physical Damage	
*Principal Location of business or location of coverage - Liability other than Auto, Fidelity, Warranty	
*Point of origin of shipment or principal location of assured - Inland Marine	
*State in which employees regularly work - Group Accident and Health	
*Location of Court or Obligee - Surety	
*Address of Assured - Other Accident and Health	
* Location of Properties covered - Burglary and Theft	
*Principal Location of Assured - Ocean Marine, Credit	
*Primary residence of Assured- Aircraft (all perils)	

LIBERTY MUTUAL HOLDING COMPANY INC. (MA) 04-3583681

- LMHC MASSACHUSETTS HOLDINGS INC.** (MA) 04-3583680
 - LIBERTY MUTUAL GROUP INC.** (MA) 04-3583679
 - LIBERTY CORPORATE SERVICES LLC** (MA) 04-5265640
 - COMPARISON INSURANCE AGENCY, LLC** (DE) 87-3584108
 - COPPER GIANTS LLC** (DE) 87-3132837
 - LIBERTY MUTUAL TECHNOLOGY GROUP, INC.** (DE) 81-4106347
 - LIBERTY INFORMATION TECHNOLOGY LIMITED** (NORTHERN IRELAND) 52-5304652
 - WORKGRID SOFTWARE, INC.** (DE) 35-2604562
 - LIBERTY MUTUAL AUTO AND HOME SERVICES LLC** (MA) 46-2915664
 - LIBERTY LIFE HOLDINGS INC.** (DE) 04-3025735
 - LIBERTY FINANCIAL SERVICES, INC.** (MA) 04-2880152
 - LIBERTY MUTUAL MANAGED CARE LLC** (MA) 04-5217691
 - HELMSMAN MANAGEMENT SERVICES LLC** (MA) 04-2791584
 - HELMSMAN INSURANCE AGENCY, LLC** (MA) 04-2433707
 - LIU SPECIALTY INSURANCE AGENCY INC.** (TX) 75-2621007
 - KETER CONSULTING LLC** (DE) 77-0682632
 - WORKGRID SOFTWARE, INC.** (DE) 35-2604562
 - BERKELEYST. JAMES II LLC** (DE) 27-0526872
 - BERKELEYST. JAMES REAL ESTATE LLC** (DE) 27-0526893
 - LIBERTY MUTUAL GROUP ASSET MANAGEMENT INC.** (DE) 45-2105640
 - LIBERTY MUTUAL INVESTMENT ADVISORS LLC** (MA) 04-5475271
 - IRONSHORE HOLDINGS (U.S.) INC. (DELAWARE)**
 - IRONSHORE INSURANCE SERVICES LLC (NEW YORK)**
 - EXCESS RISK REINSURANCE INC.** (MISSISSIPPI)
 - MANAGED CARE ASSOCIATES INC.** (MISSISSIPPI)
 - IRONSHORE MANAGEMENT INC. (DELAWARE)**
 - IRONSHORE SPECIALTY INSURANCE COMPANY (ARIZONA)**
 - IRONSHORE INDEMNITY INC. (ILLINOIS)**
 - IRONSHORE INC. (CAYMAN ISLANDS)**
 - IRONSHORE SURETY HOLDINGS INC. (DELAWARE)**
 - LEXON SURETY GROUP LLC (FLORIDA)**
 - IRONSHORE SERVICES INC. (DELAWARE)**
 - LIBERTY SPECIALTY MARKETS BERLUDA AGENCY LIMITED (BERMUDA)**
 - IRONSHORE INVESTMENT HOLDINGS LTD. (BERMUDA)**
 - IRONSHORE INVESTMENT BL LTD. (BERMUDA)**
 - IRONSHORE INVESTMENT RL LTD. (BERMUDA)**
 - LIBERTY SPECIALTY MARKETS AUSTRALIA PTY LIMITED (AUSTRALIA)**
 - IRONSHORE CANADA LTD. (CANADA)**
 - LIBERTY CORPORATE CAPITAL (TWO) LTD. (UK)**
 - SYNDICATE 4000**
 - SAVANNAH SAVANNAH INSURANCE AGENCY PTY LTD. (AUSTRALIA)**
 - IRONSHORE AUSTRALIA HOLDINGS PTY LTD (AUSTRALIA)**
 - IRONSHORE INTERNATIONAL LTD (UK)**
 - PEMBROKE JV LTD (UK)**
 - SYNDICATE 2014**
 - IRONSHORE AGENCY LTD (UK)**
 - IRONSHORE CC (TWO) LTD (UK)**
 - LIBERTY PERSONAL INSURANCE COMPANY (NH)** 38-1742556
 - LIBERTY MUTUAL FIRE INSURANCE COMPANY (WI)** 04-1524000
 - BARCO ASSIGNMENTS LTD (BARBADOS)** 98-0475108
 - LIBERTY MUTUAL PERSONAL INSURANCE COMPANY (NH)** 04-1023480
 - EMPLOYERS INSURANCE COMPANY OF WAUSAU (WI)** 39-0264050
 - PYMATUNING, INC. (OH)** 87-1978998
 - LIBERTY MUTUAL FINANCE EUROPE DESIGNATED ACTIVITY COMPANY (IRELAND)** 5461683PH
 - ANDOVER, INC.** (OH) 87-1851967
- LIBERTY MUTUAL HOLDING COMPANY INC.** (MA) 04-3583681
 - LIBERTY MUTUAL SCHOLARSHIP FOUNDATION (MA)** 04-5549596
 - LIBERTY MUTUAL INSURANCE COMPANY - PAC (MA)**
 - LIBERTY MUTUAL FOUNDATION INC.** (MA) 14-1895520
 - FUNDACION SEGUROS CARACAS (VENEZUELA)** J-29632712-2

PART 1 - ORGANIZATIONAL CHART

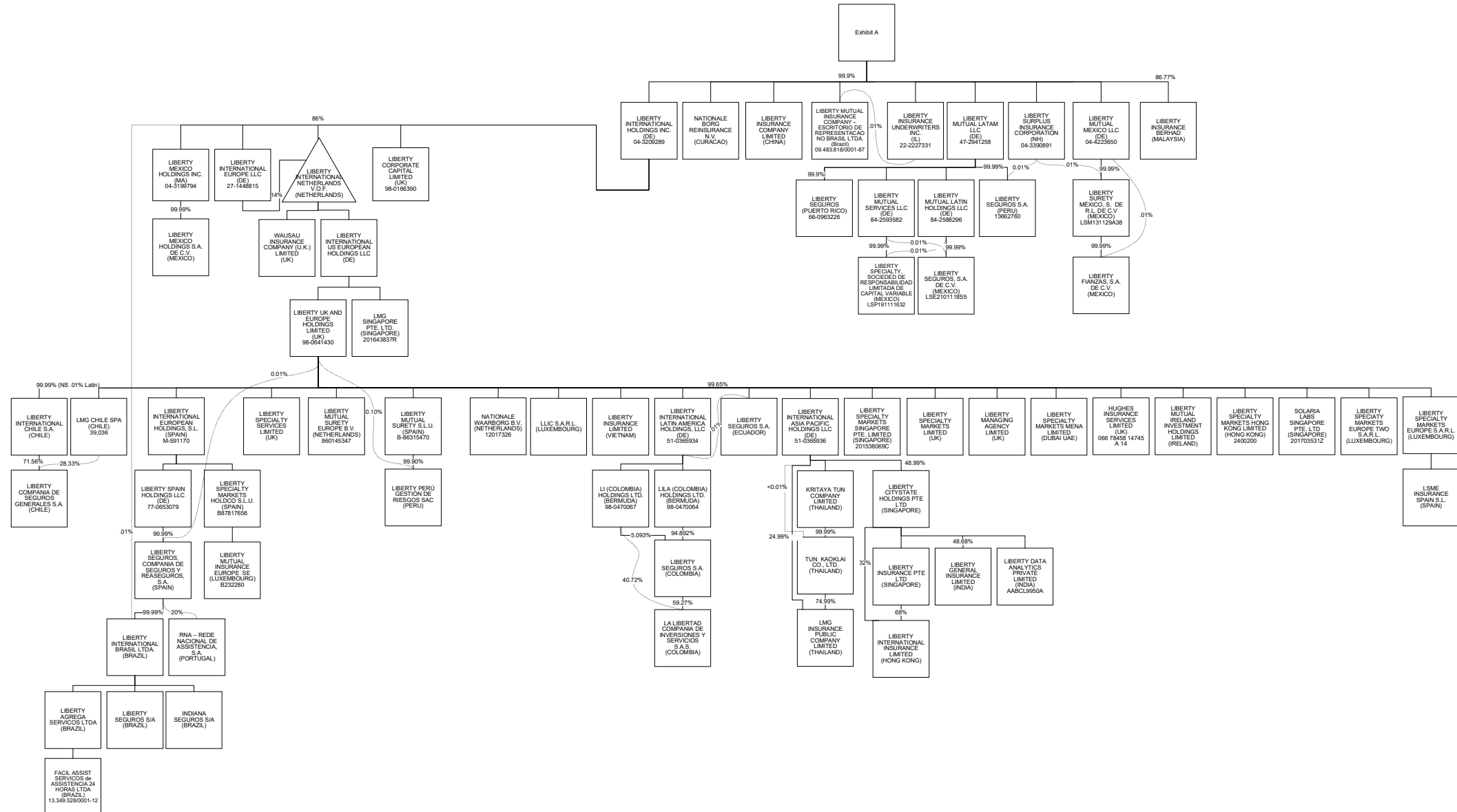
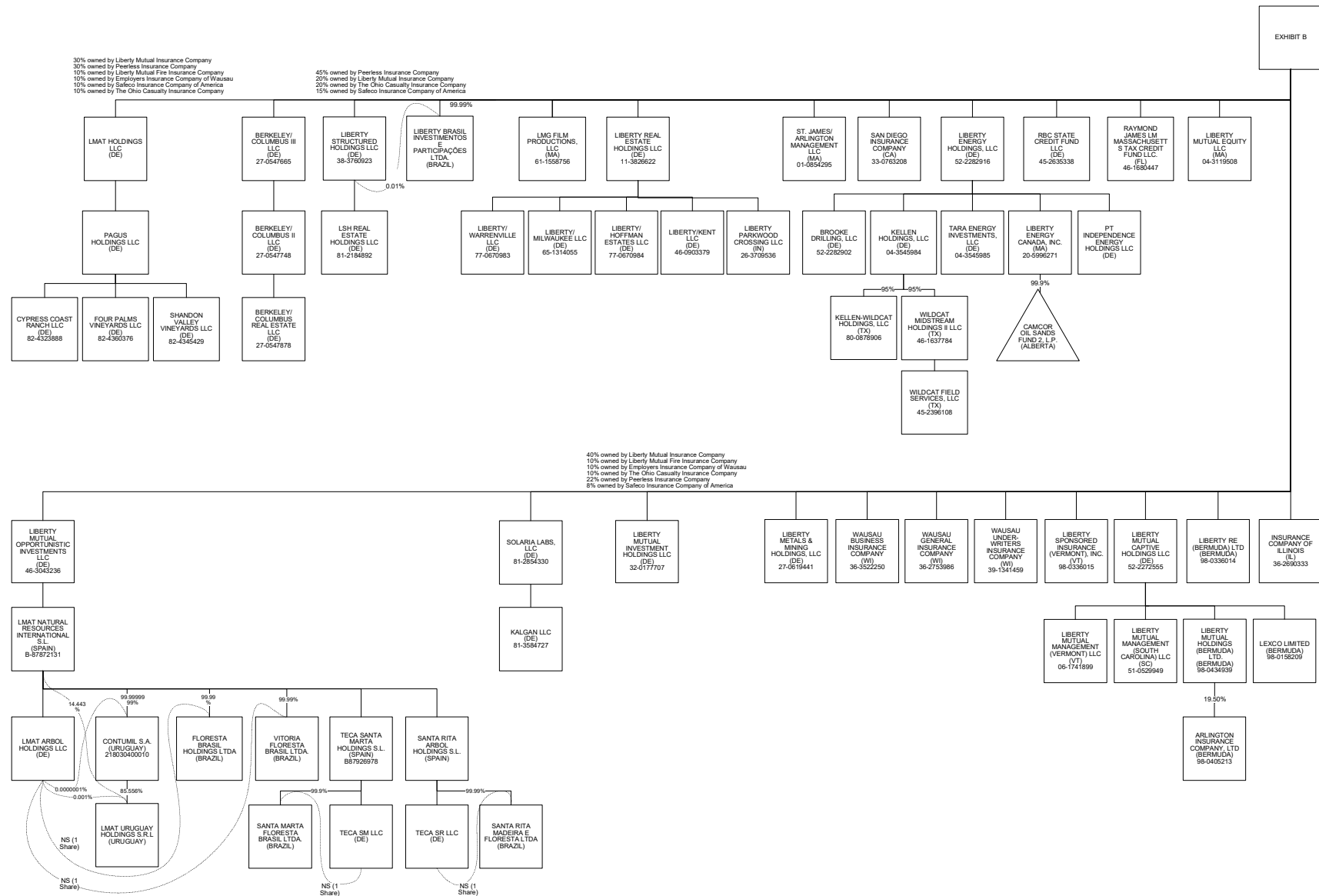
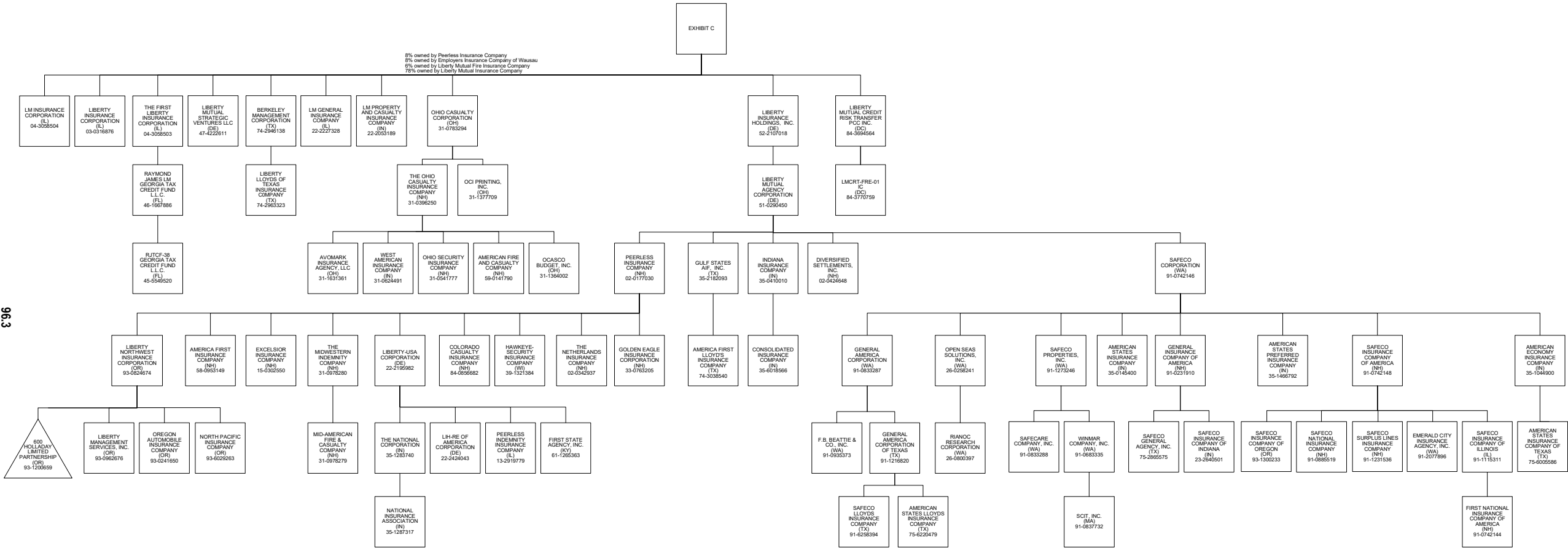


EXHIBIT B



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

PART 1 - ORGANIZATIONAL CHART



OVERFLOW PAGE FOR WRITE-INS

Page 2 - Continuation

ASSETS

	Current Year			Prior Year
	1	2	3	4
REMAINING WRITE-INS AGGREGATED AT LINE 25 FOR OTHER THAN INVESTED ASSETS	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
2504. Other assets	5,943,513	5,041,529	901,984	100,626
2597. Totals (Lines 2504 through 2596) (Page 2, Line 2598)	5,943,513	5,041,529	901,984	100,626