



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2023
OF THE CONDITION AND AFFAIRS OF THE

Peerless Insurance Company

NAIC Group Code 0111 (Current) 0111 (Prior) NAIC Company Code 24198 Employer's ID Number 02-0177030

Organized under the Laws of New Hampshire, State of Domicile or Port of Entry NH
Country of Domicile United States of America

Incorporated/Organized 03/07/1901 Commenced Business 11/23/1903

Statutory Home Office 225 Borthwick Avenue, Portsmouth, NH, US 03801
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 175 Berkeley Street, Boston, MA, US 02116
(Street and Number) (City or Town, State, Country and Zip Code)
617-357-9500 (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)
617-357-9500 (Area Code) (Telephone Number)

Internet Website Address www.LibertyMutualGroup.com

Statutory Statement Contact Joel Peltokangas, 617-357-9500-41420
(Name) (Area Code) (Telephone Number)
Statutory.Compliance@LibertyMutual.com, 603-430-1653
(E-mail Address) (FAX Number)

OFFICERS

President Timothy Michael Sweeney
Executive Vice President and Treasurer Nikos Vasilakos
EVP, Chief Legal Officer and Secretary Damon Paul Hart

OTHER

Vlad Yakov Barbalat, EVP and Chief Investment Officer
Neeti Bhalla Johnson, Executive Vice President
Christopher Locke Peirce, EVP and Chief Financial Officer
Monica Alexandra Caldas, EVP and Chief Information Officer
James Michael MacPhee, Executive Vice President
Paul Sanghera, Executive Vice President and Comptroller
Melanie Marie Foley, Executive Vice President
Hamid Talal Mirza #, Executive Vice President

DIRECTORS OR TRUSTEES

Vlad Yakov Barbalat, Neeti Bhalla Johnson, Hamid Talal Mirza #
Monica Alexandra Caldas, Damon Paul Hart, Christopher Locke Peirce
Melanie Marie Foley, James Michael MacPhee, Timothy Michael Sweeney

State of Massachusetts SS
County of Suffolk

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 of Timothy Michael Sweeney

Timothy Michael Sweeney
President

Signature of Damon Paul Hart

Damon Paul Hart
EVP, Chief Legal Officer and Secretary

Signature of Nikos Vasilakos

Nikos Vasilakos
Executive Vice President and Treasurer

Subscribed and sworn to before me this 16th day of January, 2024

Signature of Notary Public

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



ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	12,424,351,454		12,424,351,454	12,465,830,053
2. Stocks (Schedule D):				
2.1 Preferred stocks	23,186,254		23,186,254	10,000,000
2.2 Common stocks	557,808,246	684,296	557,123,950	552,212,563
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	838,999,623		838,999,623	880,880,878
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$ (264,870,852) , Schedule E - Part 1), cash equivalents (\$ 464,490,896 , Schedule E - Part 2) and short-term investments (\$ 5,649,455 , Schedule DA)	205,269,499		205,269,499	499,476,175
6. Contract loans (including \$ premium notes)				
7. Derivatives (Schedule DB)	1,525,259		1,525,259	922,834
8. Other invested assets (Schedule BA)	3,571,623,379		3,571,623,379	3,240,690,966
9. Receivable for securities	39,683,701		39,683,701	26,128,472
10. Securities lending reinvested collateral assets (Schedule DL)	471,997,546		471,997,546	614,508,633
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	18,134,444,961	684,296	18,133,760,665	18,290,650,574
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	117,249,509		117,249,509	108,042,856
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	833,949,471	65,799,136	768,150,335	752,494,193
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 11,113,219 earned but unbilled premiums)	1,671,096,673	1,137,082	1,669,959,591	1,869,721,617
15.3 Accrued retrospective premiums (\$ 32,403,493) and contracts subject to redetermination (\$)	36,093,829	3,690,336	32,403,493	30,658,876
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies	(144,596)		(144,596)	(121,841)
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans	13,944	92	13,852	42,167
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	220,661,000		220,661,000	149,956,000
19. Guaranty funds receivable or on deposit	4,379,350		4,379,350	4,628,538
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	984,237,230		984,237,230	501,394,752
24. Health care (\$) and other amounts receivable				(4)
25. Aggregate write-ins for other than invested assets	314,617,703	7,248,822	307,368,881	273,417,302
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	22,316,599,074	78,559,764	22,238,039,310	21,980,885,030
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	22,316,599,074	78,559,764	22,238,039,310	21,980,885,030
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)				
2501. Other assets	14,459,326	7,248,822	7,210,504	
2502. Cash Surrender Value Life Insurance	186,032,380		186,032,380	178,710,722
2503. Equities and deposits in pools and associations	58,849,363		58,849,363	53,109,650
2598. Summary of remaining write-ins for Line 25 from overflow page	55,276,634		55,276,634	41,596,930
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	314,617,703	7,248,822	307,368,881	273,417,302

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	9,800,297,880	9,554,866,446
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	142,229,406	134,784,562
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	1,739,117,030	1,626,590,896
4. Commissions payable, contingent commissions and other similar charges	154,872,937	172,274,046
5. Other expenses (excluding taxes, licenses and fees)	149,884,560	239,017,526
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	56,612,484	64,894,930
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	73,805,454	22,798,459
7.2 Net deferred tax liability		
8. Borrowed money \$0 and interest thereon \$0		127,435,226
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 410,140,959 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	4,119,585,324	4,053,343,283
10. Advance premium	28,630,017	29,442,048
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders	524,079	551,718
12. Ceded reinsurance premiums payable (net of ceding commissions)	3,835,756	2,720,827
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	12,420,199	11,947,695
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$ certified) (Schedule F, Part 3, Column 78)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding	4	4
19. Payable to parent, subsidiaries and affiliates	3,670,775	35,532,453
20. Derivatives	23,139,267	31,805,884
21. Payable for securities	43,050,632	30,876,555
22. Payable for securities lending	471,997,546	614,508,633
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	(96,428,895)	(135,495,075)
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	16,727,244,455	16,617,896,116
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	16,727,244,455	16,617,896,116
29. Aggregate write-ins for special surplus funds	83,803,503	78,278,441
30. Common capital stock	8,848,635	8,848,635
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	2,066,113,364	2,066,113,364
35. Unassigned funds (surplus)	3,352,029,353	3,209,748,474
36. Less treasury stock, at cost:		
36.1 .....0 shares common (value included in Line 30 \$)		
36.2 .....0 shares preferred (value included in Line 31 \$)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	5,510,794,855	5,362,988,914
38. TOTALS (Page 2, Line 28, Col. 3)	22,238,039,310	21,980,885,030
DETAILS OF WRITE-INS		
2501. Other liabilities	591,653,166	572,993,320
2502. Retroactive reinsurance reserves	(818,584,017)	(813,988,725)
2503. Amounts held under uninsured plans	130,501,956	105,500,330
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	(96,428,895)	(135,495,075)
2901. Special surplus from retroactive reinsurance	83,803,503	78,278,441
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	83,803,503	78,278,441
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above)		

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	8,032,869,488	7,699,751,735
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	5,239,665,470	4,972,667,112
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	913,623,043	827,233,598
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	2,269,272,118	2,212,425,995
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Lines 2 through 5)	8,422,560,631	8,012,326,705
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(389,691,143)	(312,574,970)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	632,341,848	444,802,247
10. Net realized capital gains (losses) less capital gains tax of \$(24,815,575) (Exhibit of Capital Gains (Losses))	(111,011,144)	(26,470,641)
11. Net investment gain (loss) (Lines 9 + 10)	521,330,704	418,331,606
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ 2,364,338 amount charged off \$ 53,682,334)	(51,317,996)	(53,962,204)
13. Finance and service charges not included in premiums	46,113,658	46,724,459
14. Aggregate write-ins for miscellaneous income	(9,405,649)	36,089,621
15. Total other income (Lines 12 through 14)	(14,609,987)	28,851,876
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	117,029,574	134,608,512
17. Dividends to policyholders	2,896,197	2,785,921
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)	114,133,377	131,822,591
19. Federal and foreign income taxes incurred	88,663,575	82,625,710
20. Net income (Line 18 minus Line 19)(to Line 22)	25,469,802	49,196,881
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	5,362,988,914	5,403,056,555
22. Net income (from Line 20)	25,469,802	49,196,881
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 21,567,049	10,904,550	(141,224,565)
25. Change in net unrealized foreign exchange capital gain (loss)	3,994,274	(3,113,877)
26. Change in net deferred income tax	92,272,049	57,762,749
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	15,165,266	(2,688,829)
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		
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)	147,805,941	(40,067,641)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	5,510,794,855	5,362,988,914
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page		
0599. Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above)		
1401. Other income/(expense)	(16,553,898)	18,288,263
1402. Retroactive reinsurance gain/(loss)	7,148,249	17,801,358
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	(9,405,649)	36,089,621
3701.		
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above)		

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	8,293,380,597	7,385,471,062
2. Net investment income	649,985,706	483,142,061
3. Miscellaneous income	(29,263,793)	5,865,543
4. Total (Lines 1 through 3)	8,914,102,510	7,874,478,666
5. Benefit and loss related payments	4,970,682,953	4,120,233,650
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	3,190,015,206	2,986,949,143
8. Dividends paid to policyholders	2,923,836	2,924,719
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	12,841,005	94,257,369
10. Total (Lines 5 through 9)	8,176,463,000	7,204,364,881
11. Net cash from operations (Line 4 minus Line 10)	737,639,510	670,113,785
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	3,216,036,246	6,217,327,300
12.2 Stocks	13,071,612	460,607,378
12.3 Mortgage loans	314,271,303	215,875,851
12.4 Real estate		
12.5 Other invested assets	97,786,698	3,085,008,872
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(1,260,396)	2,349
12.7 Miscellaneous proceeds	154,685,164	2,993,780
12.8 Total investment proceeds (Lines 12.1 to 12.7)	3,794,590,627	9,981,815,530
13. Cost of investments acquired (long-term only):		
13.1 Bonds	3,730,807,891	6,295,926,051
13.2 Stocks	13,183,498	193,680,179
13.3 Mortgage loans	271,496,439	325,679,651
13.4 Real estate		
13.5 Other invested assets	520,969,368	3,566,664,804
13.6 Miscellaneous applications	14,157,654	237,902,174
13.7 Total investments acquired (Lines 13.1 to 13.6)	4,550,614,850	10,619,852,859
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)	(756,024,222)	(638,037,329)
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	(127,435,226)	127,435,226
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(148,386,736)	89,273,292
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(275,821,962)	216,708,518
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)	(294,206,674)	248,784,974
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	499,476,173	250,691,199
19.2 End of period (Line 18 plus Line 19.1)	205,269,499	499,476,173

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

20.0001.		
20.0002. 2 - Net investment income	1,807,782	327,285
20.0003. 12.1 - Proceeds from investments sold, matured or repaid - Bonds	497,636,644	183,411,041
20.0004. 12.2 - Proceeds from investments sold, matured or repaid - Stocks	6,718,801	13,522,071
20.0005. 12.5 - Proceeds from investments sold, matured or repaid - Other invested assets		11,919,530
20.0006. 13.1 - Cost of Investment Acquired - Bonds	17,984,095	577,634,997
20.0007. 13.2 - Cost of Investment Acquired - Stocks	12,874,135	13,522,071
20.0008. 13.5 - Cost of Investment Acquired - Other invested assets	2,221,633	12,482,529
20.0009. 16.6 Other cash provided (applied)	(473,083,363)	394,459,670

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

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

20.0010.
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ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business	1	2	3	4
	Net Premiums Written per Column 6, Part 1B	Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire	261,550,690	104,231,571	125,196,778	240,585,483
2.1 Allied lines	320,226,486	107,838,871	119,905,129	308,160,228
2.2 Multiple peril crop	13,530,325			13,530,325
2.3 Federal flood	(4,492)	(43,042)		(47,534)
2.4 Private crop				
2.5 Private flood	17,563,248	6,335,351	7,932,732	15,965,867
3. Farmowners multiple peril	65,010,984	29,641,228	32,780,514	61,871,698
4. Homeowners multiple peril	1,863,199,060	953,884,165	1,022,988,045	1,794,095,180
5.1 Commercial multiple peril (non-liability portion)	286,641,358	160,766,602	147,165,611	300,242,350
5.2 Commercial multiple peril (liability portion)	226,466,977	104,597,777	102,089,918	228,974,837
6. Mortgage guaranty				
8. Ocean marine	51,715,225	23,162,572	22,819,092	52,058,705
9. Inland marine	275,747,894	87,500,786	91,372,910	271,875,769
10. Financial guaranty	9,635,008	11,473,325	16,262,746	4,845,588
11.1 Medical professional liability - occurrence	23,958,153	10,187,720	11,768,188	22,377,685
11.2 Medical professional liability - claims-made	45,839,143	22,160,323	23,832,522	44,166,944
12. Earthquake	30,432,534	12,408,710	13,895,408	28,945,837
13.1 Comprehensive (hospital and medical) individual				
13.2 Comprehensive (hospital and medical) group	(428,400)	4,600,088	(183,881)	4,355,569
14. Credit accident and health (group and individual)				
15.1 Vision only				
15.2 Dental only				
15.3 Disability income				
15.4 Medicare supplement				
15.5 Medicaid Title XIX				
15.6 Medicare Title XVIII				
15.7 Long-term care				
15.8 Federal employees health benefits plan				
15.9 Other health	24,343,551	1,726,347	7,137,210	18,932,688
16. Workers' compensation	341,320,642	69,406,922	58,514,047	352,213,516
17.1 Other liability - occurrence	637,538,178	322,604,160	291,329,256	668,813,082
17.2 Other liability - claims-made	241,025,270	167,893,516	156,558,428	252,360,359
17.3 Excess workers' compensation	23,250,537	8,749,328	11,045,127	20,954,737
18.1 Products liability - occurrence	41,412,701	27,504,999	28,402,674	40,515,026
18.2 Products liability - claims-made	6,491,389	3,483,918	3,036,464	6,938,843
19.1 Private passenger auto no-fault (personal injury protection)	127,710,598	72,595,675	63,920,884	136,385,389
19.2 Other private passenger auto liability.....	1,329,782,229	682,988,678	651,569,173	1,361,201,734
19.3 Commercial auto no-fault (personal injury protection)	29,369,314	3,646,671	8,134,307	24,881,678
19.4 Other commercial auto liability.....	339,521,701	150,453,765	154,290,583	335,684,884
21.1 Private passenger auto physical damage	953,344,350	571,567,366	591,236,200	933,675,516
21.2 Commercial auto physical damage	88,326,274	41,353,958	40,190,647	89,489,585
22. Aircraft (all perils)	3,922,803	2,019,746	2,076,659	3,865,890
23. Fidelity	6,377,382	1,308,881	1,145,040	6,541,223
24. Surety	294,518,273	168,781,594	190,230,711	273,069,155
26. Burglary and theft	201,237	88,017	91,618	197,636
27. Boiler and machinery	19,411,031	7,377,323	8,785,312	18,003,042
28. Credit	14,682,509	16,375,567	15,176,017	15,882,059
29. International				
30. Warranty	244			244
31. Reinsurance - nonproportional assumed property	38,495,103	4,237,002	5,578,137	37,153,967
32. Reinsurance - nonproportional assumed liability	28,213,001	14,633,082	14,404,845	28,441,238
33. Reinsurance - nonproportional assumed financial lines	14,626,435	29,667,479	31,699,673	12,594,241
34. Aggregate write-ins for other lines of business		2,379	2,373	6
35. TOTALS	8,094,968,946	4,007,212,420	4,072,381,096	8,029,800,271
DETAILS OF WRITE-INS				
3401. Tuition Protection Plan		2,379	2,373	6
3402. -				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)		2,379	2,373	6

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire	123,247,206	1,949,572			125,196,778
2.1 Allied lines	109,820,053	10,085,076			119,905,129
2.2 Multiple peril crop					
2.3 Federal flood	3,816,047	(3,816,047)			
2.4 Private crop					
2.5 Private flood	7,843,684	89,048			7,932,732
3. Farmowners multiple peril	32,780,721	(207)			32,780,514
4. Homeowners multiple peril	1,024,167,166	(1,179,121)			1,022,988,045
5.1 Commercial multiple peril (non-liability portion)	132,705,417	14,458,855	1,338		147,165,611
5.2 Commercial multiple peril (liability portion)	104,406,726	2,700,138	(5,016,946)		102,089,918
6. Mortgage guaranty					
8. Ocean marine	15,677,879	7,141,213			22,819,092
9. Inland marine	57,813,237	33,559,673			91,372,910
10. Financial guaranty	16,262,746				16,262,746
11.1 Medical professional liability - occurrence	9,402,496	2,365,692			11,768,188
11.2 Medical professional liability - claims-made	18,399,407	5,433,115			23,832,522
12. Earthquake	13,350,304	545,104			13,895,408
13.1 Comprehensive (hospital and medical) individual					
13.2 Comprehensive (hospital and medical) group	(180,670)	(3,211)			(183,881)
14. Credit accident and health (group and individual)					
15.1 Vision only					
15.2 Dental only					
15.3 Disability income	(17,857)	17,857			
15.4 Medicare supplement					
15.5 Medicaid Title XIX					
15.6 Medicare Title XVIII					
15.7 Long-term care					
15.8 Federal employees health benefits plan	1,194	(1,194)			
15.9 Other health	7,076,360	60,850			7,137,210
16. Workers' compensation	154,441,208	(54,123,080)	(4,198,358)	(37,605,722)	58,514,047
17.1 Other liability - occurrence	309,336,798	(17,694,592)	(1,391,348)	1,078,398	291,329,256
17.2 Other liability - claims-made	40,069,721	116,496,842	(8,135)		156,558,428
17.3 Excess workers' compensation	10,304,184	451,378		289,566	11,045,127
18.1 Products liability - occurrence	14,202,278	14,514,147	(499,771)	186,020	28,402,674
18.2 Products liability - claims-made	1,054,600	1,981,864			3,036,464
19.1 Private passenger auto no-fault (personal injury protection)	67,099,902	(3,179,018)			63,920,884
19.2 Other private passenger auto liability	652,232,659	(663,486)			651,569,173
19.3 Commercial auto no-fault (personal injury protection)	7,791,344	342,939	24		8,134,307
19.4 Other commercial auto liability	155,813,618	(1,483,740)	2,795	(42,090)	154,290,583
21.1 Private passenger auto physical damage	591,474,867	(238,667)			591,236,200
21.2 Commercial auto physical damage	40,621,472	(430,825)			40,190,647
22. Aircraft (all perils)	(36,328)	2,112,986			2,076,659
23. Fidelity	1,415,204	(270,165)			1,145,040
24. Surety	13,989,527	176,241,184			190,230,711
26. Burglary and theft	92,796	(1,178)			91,618
27. Boiler and machinery	8,312,784	472,528			8,785,312
28. Credit	11,234,179	3,941,838			15,176,017
29. International					
30. Warranty					
31. Reinsurance - nonproportional assumed property	(484,343)	6,062,480			5,578,137
32. Reinsurance - nonproportional assumed liability	15,082,848	(678,002)			14,404,846
33. Reinsurance - nonproportional assumed financial lines	(1,360,496)	33,060,169			31,699,673
34. Aggregate write-ins for other lines of business	1,839	534			2,373
35. TOTALS	3,769,262,777	350,322,548	(11,110,400)	(36,093,829)	4,072,381,096
36. Accrued retrospective premiums based on experience					36,093,829
37. Earned but unbilled premiums					11,110,400
38. Balance (Sum of Line 35 through 37)					4,119,585,324
DETAILS OF WRITE-INS					
3401. International branch development	1,839	534			2,373
3402.					
3403.					
3498. Summary of remaining write-ins for Line 34 from overflow page					
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	1,839	534			2,373

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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1+2+3-4-5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire	85,804	282,231,904	14	20,767,032		261,550,690
2.1 Allied lines	124,698	298,344,033	6	(21,757,748)		320,226,486
2.2 Multiple peril crop		13,530,325				13,530,325
2.3 Federal flood		(4,492)				(4,492)
2.4 Private crop						
2.5 Private flood		17,563,248				17,563,248
3. Farmowners multiple peril		65,010,984				65,010,984
4. Homeowners multiple peril	3,544,047	1,863,199,060	59	3,544,106		1,863,199,060
5.1 Commercial multiple peril (non-liability portion)	(17,807)	311,149,571		24,490,405		286,641,358
5.2 Commercial multiple peril (liability portion)	(8,855)	226,466,977		(8,855)		226,466,977
6. Mortgage guaranty						
8. Ocean marine		64,497,597		12,782,372		51,715,225
9. Inland marine	14,976	295,686,746		19,946,481	7,348	275,747,894
10. Financial guaranty		9,635,008				9,635,008
11.1 Medical professional liability - occurrence		23,958,153				23,958,153
11.2 Medical professional liability - claims- made		45,839,143				45,839,143
12. Earthquake	5,734	30,432,534		5,734		30,432,534
13.1 Comprehensive (hospital and medical) individual						
13.2 Comprehensive (hospital and medical) group		(428,400)				(428,400)
14. Credit accident and health (group and individual)						
15.1 Vision only						
15.2 Dental only						
15.3 Disability income						
15.4 Medicare supplement						
15.5 Medicaid Title XIX						
15.6 Medicare Title XVIII						
15.7 Long-term care						
15.8 Federal employees health benefits plan						
15.9 Other health		24,343,551				24,343,551
16. Workers' compensation	(1,970)	342,493,795	2,392	1,173,576		341,320,642
17.1 Other liability - occurrence	55,085	700,309,659		62,820,187	6,378	637,538,178
17.2 Other liability - claims-made		384,051,513		143,342,369	(316,127)	241,025,270
17.3 Excess workers' compensation		25,173,453		1,922,916		23,250,537
18.1 Products liability - occurrence		43,248,135		1,835,434		41,412,701
18.2 Products liability - claims-made		9,583,024		3,091,635		6,491,389
19.1 Private passenger auto no-fault (personal injury protection)		127,710,598				127,710,598
19.2 Other private passenger auto liability	1,870,873	1,329,782,229	2	1,870,875		1,329,782,229
19.3 Commercial auto no-fault (personal injury protection)		29,369,314	28	28		29,369,314
19.4 Other commercial auto liability	(889)	339,570,107	(353,739)	(306,222)		339,521,701
21.1 Private passenger auto physical damage	1,401,913	953,344,350		1,401,913		953,344,350
21.2 Commercial auto physical damage		88,326,274	12	12		88,326,274
22. Aircraft (all perils)		3,922,803				3,922,803
23. Fidelity	(1,339)	18,747,184		12,368,463		6,377,382
24. Surety	184,082	324,004,879		29,504,411	166,277	294,518,273
26. Burglary and theft		201,255		18		201,237
27. Boiler and machinery		19,412,558		1,370	158	19,411,031
28. Credit		23,949,152		9,266,643		14,682,509
29. International						
30. Warranty		244				244
31. Reinsurance - nonproportional assumed property	XXX	38,495,103				38,495,103
32. Reinsurance - nonproportional assumed liability	XXX	28,213,001				28,213,001
33. Reinsurance - nonproportional assumed financial lines	XXX	14,626,435				14,626,435
34. Aggregate write-ins for other lines of business						
35. TOTALS	7,256,352	8,415,991,009	(351,228)	328,063,153	(135,966)	8,094,968,946
DETAILS OF WRITE-INS						
3401. Tuition Protection Plan						
3402. -						
3403.						
3498. Summary of remaining write-ins for Line 34 from overflow page						
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)						

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

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	174,771	143,532,729	7,480,085	136,227,415	138,383,717	139,530,673	135,080,459	56.1
2.1 Allied lines	156,921	193,818,528	939,663	193,035,786	200,689,545	174,359,580	219,365,750	71.2
2.2 Multiple peril crop		9,885,924		9,885,924	4,612,741	4,449,422	10,049,243	74.3
2.3 Federal flood		4,675		4,675	(87,460)	(54,182)	(28,603)	60.2
2.4 Private crop								
2.5 Private flood		4,105,700		4,105,700	1,783,579	3,680,042	2,209,238	13.8
3. Farmowners multiple peril	635,812	41,703,740	635,812	41,703,740	18,396,079	18,349,172	41,750,647	67.5
4. Homeowners multiple peril	1,757,526	1,263,221,147	1,757,605	1,263,221,068	591,308,040	566,795,118	1,287,733,990	71.8
5.1 Commercial multiple peril (non-liability portion)	(2,126,423)	192,492,873	16,168,785	174,197,665	188,415,316	179,795,598	182,817,383	60.9
5.2 Commercial multiple peril (liability portion)	10,898,880	116,582,548	10,898,879	116,582,549	416,738,535	413,494,296	119,826,787	52.3
6. Mortgage guaranty								
8. Ocean marine		34,927,029	2,284,162	32,642,866	53,219,919	50,744,681	35,118,104	67.5
9. Inland marine	(84,525)	145,293,709	1,642,729	143,566,455	102,206,277	86,787,602	158,985,130	58.5
10. Financial guaranty		3,833		3,833	5,627,950	3,830,893	1,800,890	37.2
11.1 Medical professional liability - occurrence		5,056,453		5,056,453	50,479,917	46,705,143	8,831,227	39.5
11.2 Medical professional liability - claims-made		20,052,631		20,052,631	94,309,420	95,120,673	19,241,378	43.6
12. Earthquake		17,491		17,491	6,235,692	5,001,148	1,252,035	4.3
13.1 Comprehensive (hospital and medical) individual								
13.2 Comprehensive (hospital and medical) group		4,174,517		4,174,517	(5,288,226)	15,927,493	(17,041,202)	(391.3)
14. Credit accident and health (group and individual)								
15.1 Vision only								
15.2 Dental only								
15.3 Disability income								
15.4 Medicare supplement								
15.5 Medicaid Title XIX								
15.6 Medicare Title XVIII								
15.7 Long-term care								
15.8 Federal employees health benefits plan								
15.9 Other health		12,305,090		12,305,090	29,022,724	6,362,521	34,965,293	184.7
16. Workers' compensation	3,896,488	182,772,586	4,139,658	182,529,416	2,096,860,242	2,119,975,390	159,414,268	45.3
17.1 Other liability - occurrence	4,355,499	476,408,222	5,379,480	475,384,240	2,001,989,510	1,945,265,788	532,107,962	79.6
17.2 Other liability - claims-made		82,242,445	1,055,475	81,186,971	598,925,506	601,609,976	78,502,501	31.1
17.3 Excess workers' compensation		3,497,183		3,497,183	128,611,851	129,864,095	2,244,939	10.7
18.1 Products liability - occurrence	216,743	16,837,952	1,049,664	16,005,030	111,132,499	105,265,283	21,872,246	54.0
18.2 Products liability - claims-made		722,272		722,272	22,227,029	16,333,637	6,615,664	95.3
19.1 Private passenger auto no-fault (personal injury protection)	3,648	98,833,983	22,251	98,815,380	119,702,895	128,890,415	89,627,860	65.7
19.2 Other private passenger auto liability	3,238,457	982,836,168	3,237,460	982,837,164	1,577,854,173	1,494,170,512	1,066,520,826	78.4
19.3 Commercial auto no-fault (personal injury protection)	836	5,486,556	5,354	5,482,038	40,217,766	26,089,908	19,609,896	78.8
19.4 Other commercial auto liability	4,754,362	235,448,898	4,948,295	235,254,966	672,472,552	631,310,436	276,417,082	82.3
21.1 Private passenger auto physical damage	1,034,058	610,165,964	1,034,058	610,165,964	29,337,846	39,712,649	599,791,162	64.2
21.2 Commercial auto physical damage	(28,562)	53,328,244	(28,596)	53,328,278	11,887,063	8,769,540	56,445,800	63.1
22. Aircraft (all perils)		(12,373,084)		(12,373,084)	36,835,910	39,691,325	(15,228,498)	(393.9)
23. Fidelity		1,325,605	206,839	1,118,766	21,286,243	19,553,614	2,851,395	43.6
24. Surety	(3,269)	35,250,977	5,977,369	29,270,338	165,106,869	128,955,241	65,421,966	24.0
26. Burglary and theft		65,778		65,778	1,167,182	1,117,371	115,590	58.5
27. Boiler and machinery		3,276,286		3,276,286	(463,583)	(1,581,079)	4,393,781	24.4
28. Credit		496,744		496,744	26,063,511	19,711,734	6,848,521	43.1
29. International								
30. Warranty					198,082	856,390	(658,308)	(269,997.4)
31. Reinsurance - nonproportional assumed property	XXX	28,669,936		28,669,936	107,304,749	158,455,047	(22,480,362)	(60.5)
32. Reinsurance - nonproportional assumed liability	XXX	24,793,618		24,793,618	123,511,645	119,356,328	28,948,935	101.8
33. Reinsurance - nonproportional assumed financial lines	XXX	816,651		816,651	12,015,808	10,614,208	2,218,251	17.6
34. Aggregate write-ins for other lines of business					(1,234)	(1,234)		5.5
35. TOTALS	28,881,222	5,018,081,603	68,835,029	4,978,127,796	9,800,297,880	9,554,866,447	5,223,559,229	65.1
DETAILS OF WRITE-INS								
3401. Tuition Protection Plan					(1,234)	(1,234)		
3402. -								
3403.								
3498. Summary of remaining write-ins for Line 34 from overflow page								
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)					(1,234)	(1,234)		5.5

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire	(20)	85,087,014	12,813,421	72,273,573	48,491	67,828,541	1,766,888	138,383,717	7,817,627
2.1 Allied lines	11,791	37,378,997	(1,227,072)	38,617,860	(1,307,430)	178,656,099	15,276,985	200,689,545	4,682,679
2.2 Multiple peril crop		24,903		24,903		4,587,838		4,612,741	85,949
2.3 Federal flood		27,500		27,500		(114,960)		(87,460)	85,585
2.4 Private crop									
2.5 Private flood		1,102,861		1,102,861		680,719		1,783,579	20,527
3. Farmowners multiple peril	701,683	10,388,583	701,683	10,388,583	5,805	8,007,496	5,805	18,396,079	2,081,617
4. Homeowners multiple peril	763,460	286,175,158	763,463	286,175,155	285,460	305,132,886	285,460	591,308,040	93,077,531
5.1 Commercial multiple peril (non-liability portion)	(1,458)	93,828,762	6,611,698	87,215,606	1,658,224	110,995,044	11,453,557	188,415,316	29,707,108
5.2 Commercial multiple peril (liability portion)	15,933,534	183,180,372	16,219,031	182,894,875	31,241,294	233,882,098	31,279,732	416,738,535	149,753,428
6. Mortgage guaranty									
8. Ocean marine		23,400,897	3,993,895	19,407,002		38,027,801	4,214,884	53,219,919	3,836,185
9. Inland marine	(63)	45,315,824	11,929,046	33,386,716	(283,668)	87,102,894	17,999,665	102,206,277	(28,311,593)
10. Financial guaranty		398,752		398,752		5,229,198		5,627,950	
11.1 Medical professional liability - occurrence		13,782,968		13,782,968		36,696,949		50,479,917	4,568,089
11.2 Medical professional liability - claims-made		31,726,171		31,726,171		62,583,249		94,309,420	8,578,186
12. Earthquake	(1)	468,781	(1)	468,781	2,409	5,766,911	2,409	6,235,692	716,582
13.1 Comprehensive (hospital and medical) individual								(a)	
13.2 Comprehensive (hospital and medical) group		56,120		56,120		(5,344,346)		(a)	936,478
14. Credit accident and health (group and individual)									
15.1 Vision only								(a)	
15.2 Dental only								(a)	
15.3 Disability income								(a)	
15.4 Medicare supplement								(a)	
15.5 Medicaid Title XIX								(a)	
15.6 Medicare Title XVIII								(a)	
15.7 Long-term care								(a)	
15.8 Federal employees health benefits plan								(a)	
15.9 Other health		3,495,602		3,495,602		25,527,121	(1)	29,022,724	183,496
16. Workers' compensation	32,505,799	862,375,348	37,539,141	857,342,006	70,384,314	1,240,156,271	71,022,348	2,096,860,242	450,596,089
17.1 Other liability - occurrence	8,618,713	677,907,915	15,709,487	670,817,140	29,284,877	1,435,024,898	133,137,406	2,001,989,510	339,505,291
17.2 Other liability - claims-made	(5)	131,280,133	14,060,787	117,219,341	132,516	633,549,795	151,976,146	598,925,506	93,127,354
17.3 Excess workers' compensation		58,268,666	(1)	58,268,667		71,113,467	770,283	128,611,851	26,714,972
18.1 Products liability - occurrence		29,241,627	2,005,304	27,236,323	50,563	84,206,547	360,934	111,132,499	52,522,093
18.2 Products liability - claims-made		1,660,814		1,660,814		27,202,559	6,636,343	27,202,559	3,831,610
19.1 Private passenger auto no-fault (personal injury protection)	25,279	56,581,834	114,180	56,492,933	93,891	63,485,949	369,877	119,702,895	32,957,600
19.2 Other private passenger auto liability	4,213,022	719,710,375	4,216,176	719,707,221	(4,219,741)	858,146,952	(4,219,741)	1,577,854,173	305,761,902
19.3 Commercial auto no-fault (personal injury protection)	(19)	10,616,691	2,548	10,614,124	173,276	29,605,319	174,952	40,217,766	2,399,537
19.4 Other commercial auto liability	2,774,381	235,213,891	3,048,181	234,940,091	10,313,945	437,634,818	10,416,301	672,472,552	78,449,763
21.1 Private passenger auto physical damage	190,595	2,138,158	190,595	2,138,158	36,196	27,199,688	36,196	29,337,846	35,250,921
21.2 Commercial auto physical damage	(56)	3,074,051	(69)	3,074,065	(64,135)	8,813,012	(64,121)	11,887,063	2,746,193
22. Aircraft (all perils)		19,336,624	1,022	19,335,602		17,500,739	431	36,835,910	2,941,510
23. Fidelity		1,908,176	377,112	1,531,064	335,400	26,686,704	7,266,925	21,286,243	1,569,979
24. Surety	(15,000)	10,445,129	69,284	10,360,845	164,258	160,621,765	6,039,999	165,106,869	21,473,251
26. Burglary and theft		25,438		25,438		1,141,762	17	1,167,182	284,686
27. Boiler and machinery		2,415,855		2,415,855		(2,877,418)	2,021	(463,583)	373,294
28. Credit		1,737,735		1,737,735		38,485,504	14,159,728	26,063,511	674,500
29. International									
30. Warranty						198,082		198,082	8,354
31. Reinsurance - nonproportional assumed property	XXX	44,997,478		44,997,478	XXX	62,307,271		107,304,749	2,206,940
32. Reinsurance - nonproportional assumed liability	XXX	27,590,325		27,590,325	XXX	95,921,320		123,511,645	7,473,907
33. Reinsurance - nonproportional assumed financial lines	XXX	1,318,634		1,318,634	XXX	10,697,174		12,015,808	427,757
34. Aggregate write-ins for other lines of business		(1,230)	3	(1,233)			1	(1,234)	55
35. TOTALS	65,721,635	3,713,682,932	129,138,914	3,650,265,653	138,335,943	6,492,067,715	480,371,431	9,800,297,880	1,739,117,030
DETAILS OF WRITE-INS									
3401. Tuition Protection Plan		(1,230)	3	(1,233)			1	(1,234)	55
3402.									
3403.									
3498. Summary of remaining write-ins for Line 34 from overflow page									
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)		(1,230)	3	(1,233)			1	(1,234)	55

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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct	3,330,850			3,330,850
1.2 Reinsurance assumed	403,459,601			403,459,601
1.3 Reinsurance ceded	6,788,349			6,788,349
1.4 Net claim adjustment service (1.1 + 1.2 - 1.3)	400,002,102			400,002,102
2. Commission and brokerage:				
2.1 Direct excluding contingent		1,249,133		1,249,133
2.2 Reinsurance assumed, excluding contingent		838,562,412		838,562,412
2.3 Reinsurance ceded, excluding contingent		68,152,666		68,152,666
2.4 Contingent - direct		83,034		83,034
2.5 Contingent - reinsurance assumed		72,179,094		72,179,094
2.6 Contingent - reinsurance ceded		83,034		83,034
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) ..		843,837,973		843,837,973
3. Allowances to managers and agents		59,358,468		59,358,468
4. Advertising	6,149,106	50,538,646	1,074,751	57,762,503
5. Boards, bureaus and associations	2,320,681	11,064,858	191,292	13,576,831
6. Surveys and underwriting reports	2,575,448	25,997,856	423,424	28,996,728
7. Audit of assureds' records		382,168		382,168
8. Salary and related items:				
8.1 Salaries	281,777,451	466,063,411	14,565,845	762,406,707
8.2 Payroll taxes	12,123,013	100,217,895	2,154,176	114,495,084
9. Employee relations and welfare	31,489,729	233,144,665	5,107,033	269,741,427
10. Insurance	83,564,974	48,088,213	2,702,631	134,355,818
11. Directors' fees	10,765	89,139	1,944	101,848
12. Travel and travel items	9,657,413	21,165,753	609,598	31,432,764
13. Rent and rent items	11,477,909	90,153,808	2,660,696	104,292,413
14. Equipment	6,902,687	34,283,438	920,021	42,106,146
15. Cost or depreciation of EDP equipment and software	2,702,835	11,196,843	110,218	14,009,896
16. Printing and stationery	800,981	3,494,035	75,030	4,370,046
17. Postage, telephone and telegraph, exchange and express	7,788,380	47,449,742	938,363	56,176,485
18. Legal and auditing	2,090,518	4,368,275	405,134	6,863,927
19. Totals (Lines 3 to 18)	461,431,890	1,207,057,213	31,940,156	1,700,429,259
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ 685,818		161,110,403		161,110,403
20.2 Insurance department licenses and fees		13,631,180		13,631,180
20.3 Gross guaranty association assessments		2,514,784		2,514,784
20.4 All other (excluding federal and foreign income and real estate)		37,531,437		37,531,437
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		214,787,804		214,787,804
21. Real estate expenses				
22. Real estate taxes				
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses	52,189,052	3,589,131	2,007,135	57,785,318
25. Total expenses incurred	913,623,044	2,269,272,121	33,947,291	(a) 3,216,842,456
26. Less unpaid expenses - current year	1,739,117,030	361,369,981		2,100,487,011
27. Add unpaid expenses - prior year	1,626,590,896	476,186,503		2,102,777,399
28. Amounts receivable relating to uninsured plans, prior year		42,167		42,167
29. Amounts receivable relating to uninsured plans, current year		13,852		13,852
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	801,096,910	2,384,060,328	33,947,291	3,219,104,529
DETAILS OF WRITE-INS				
2401. Other expenses	52,189,052	3,589,131	2,007,135	57,785,318
2402. Change in unallocated expense reserves				
2403. -				
2498. Summary of remaining write-ins for Line 24 from overflow page				
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)	52,189,052	3,589,131	2,007,135	57,785,318

(a) Includes management fees of \$ 620,994,837 to affiliates and \$ 59,595,489 to non-affiliates.

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 18,926,504	21,033,144
1.1 Bonds exempt from U.S. tax	(a) 47,175,481	44,160,922
1.2 Other bonds (unaffiliated)	(a) 468,971,743	479,225,518
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 1,328,627	1,858,438
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	3,347,080	3,347,080
2.21 Common stocks of affiliates		
3. Mortgage loans	(c) 48,847,806	51,714,170
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 18,226,623	18,724,481
7. Derivative instruments	(f) (12,666,728)	(13,017,339)
8. Other invested assets	55,697,761	55,697,761
9. Aggregate write-ins for investment income	3,544,966	3,544,966
10. Total gross investment income	653,399,861	666,289,140
11. Investment expenses		(g) 33,947,291
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		33,947,291
17. Net investment income (Line 10 minus Line 16)		632,341,849
DETAILS OF WRITE-INS		
0901. Miscellaneous Income/(Expense)	3,544,966	3,544,966
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	3,544,966	3,544,966
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		

- (a) Includes \$ 33,832,676 accrual of discount less \$ 44,308,194 amortization of premium and less \$ 14,103,895 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ 2,373,657 accrual of discount less \$ 1,310,160 amortization of premium and less \$ 35,388 paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ 814,106 accrual of discount less \$ amortization of premium and less \$ 96,716 paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ 33,947,292 investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	(14,044,343)		(14,044,343)		
1.1 Bonds exempt from U.S. tax	(16,554,575)		(16,554,575)	5,611,612	
1.2 Other bonds (unaffiliated)	(110,401,023)	(13,729,632)	(124,130,655)	84,815,500	17,200
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)				(99,173)	
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	(448,844)	(4,059,176)	(4,508,020)	787,930	
2.21 Common stocks of affiliates				12,902,858	
3. Mortgage loans	(174,531)		(174,531)	3,237	
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments	(1,127,124)		(1,127,124)	(133,272)	(3,031,485)
7. Derivative instruments	17,780,918		17,780,918	12,072,281	
8. Other invested assets	7,009,417	(11,809)	6,997,608	(83,419,969)	710,986
9. Aggregate write-ins for capital gains (losses)	(65,996)		(65,996)	(69,405)	
10. Total capital gains (losses)	(118,026,101)	(17,800,617)	(135,826,718)	32,471,598	(2,303,299)
DETAILS OF WRITE-INS					
0901. Aggregate write-ins for capital gains (losses)	(65,996)		(65,996)		
0902. DEFERRED G/L-TRSFER OF ASSETS-INTERCO NON-CASH				(69,405)	
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	(65,996)		(65,996)	(69,405)	

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks	684,296	684,012	(284)
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)	684,296	684,012	(284)
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	65,799,136	72,538,994	6,739,858
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due ..	1,137,082	1,231,062	93,980
15.3 Accrued retrospective premiums and contracts subject to redetermination	3,690,336	3,422,162	(268,174)
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	92	1,124	1,032
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		3	3
25. Aggregate write-ins for other than invested assets	7,248,822		(7,248,822)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	78,559,764	77,877,357	(682,407)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	78,559,764	77,877,357	(682,407)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)			
2501. Other assets	7,248,822		(7,248,822)
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	7,248,822		(7,248,822)

NOTES TO FINANCIAL STATEMENTS

NOTE 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 New Hampshire, the accompanying financial statements of Peerless 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.

	SSAP #	F/S Page	F/S Line #	2023	2022
NET INCOME					
(1) State basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 25,469,802	\$ 49,196,881
(2) State Prescribed Practices that are an increase/ (decrease) from NAIC SAP:					
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	\$ 25,469,802	\$ 49,196,881
SURPLUS					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 5,510,794,855	\$ 5,362,988,914
(6) State Prescribed Practices that are an increase/ (decrease) from NAIC SAP:					
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	\$ 5,510,794,855	\$ 5,362,988,914

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

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 from the prior period.
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.

NOTE 2 Accounting Changes and Corrections of Errors

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

NOTES TO FINANCIAL STATEMENTS

NOTE 3 Business Combinations and Goodwill

A. Statutory Purchase Method

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

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

- (1) Capital & Surplus
- Less:
 - (2) Admitted Positive Goodwill
 - (3) Admitted EDP Equipment & Operating System Software
 - (4) Admitted Net Deferred Taxes
- (5) Adjusted Capital and Surplus (Line 1-2-3-4)
- (6) Limitation on amount of goodwill (adjusted capital and surplus times 10% goodwill limitation [Line 5*10%])
- (7) Current period reported Admitted Goodwill
- (8) Current Period Admitted Goodwill as a % of prior period Adjusted Capital and Surplus (Line 7/Line 5)

Calculation of Limitation Using Prior Quarter Numbers	Current Reporting Period
\$ 5,159,504,261	XXX
\$ -	XXX
\$ -	XXX
\$ 192,295,477	XXX
\$ 4,967,208,784	XXX
\$ 496,720,878	XXX
XXX	\$ -
XXX	

NOTE 4 Discontinued Operations

The Company has no discontinued operations

A. Discontinued Operation 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

NOTE 5 Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

- (1) The minimum and maximum lending rates for mortgage loans for 2023 were:
 Farm mortgages: N/A
 Residential mortgages: 3.645% and 10.179%
 Commercial mortgages: 6.250% and 13.358%

- (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 161%.

	Current Year	Prior Year
(3) Taxes, assessments and any amounts advanced and not included in the mortgage loan total	\$ 14,337	\$ 11,031

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

	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
a. Current Year							
1. Recorded Investment (All)							
(a) Current	\$ -	\$ -	\$ 253,219,059	\$ -	\$ 587,309,105	\$ -	\$ 840,528,164
(b) 30 - 59 Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(c) 60 - 89 Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(d) 90 - 179 Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(e) 180+ Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Accruing Interest 90 - 179 Days Past Due							
(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Interest Accrued	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Interest Accrued	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Interest Reduced							
(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ 1,081,599	\$ -	\$ 1,081,599
(b) Number of Loans	-	-	-	-	11	-	11

NOTES TO FINANCIAL STATEMENTS

(c) Percent Reduced	0.000%	0.000%	0.000%	0.000%	0.515%	0.000%	0.515%
5. Participant or Co-lender in a Mortgage Loan Agreement							
(a) Recorded Investment	\$ -	\$ -	\$ 253,219,059	\$ -	\$ 587,309,105	\$ -	\$ 840,528,164
b. Prior Year							
1. Recorded Investment (All)							
(a) Current	\$ -	\$ -	\$ 250,720,898	\$ -	\$ 631,693,164	\$ -	\$ 882,414,062
(b) 30 - 59 Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(c) 60 - 89 Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(d) 90 - 179 Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(e) 180+ Days Past Due	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Accruing Interest 90 - 179 Days Past Due							
(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Interest Accrued	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Interest Accrued	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Interest Reduced							
(a) Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ 9,055,073	\$ -	\$ 9,055,073
(b) Number of Loans	-	-	-	-	140	-	140
(c) Percent Reduced	0.000%	0.000%	0.000%	0.000%	0.723%	0.000%	0.723%
5. Participant or Co-lender in a Mortgage Loan Agreement							
(a) Recorded Investment	\$ -	\$ -	\$ 250,720,898	\$ -	\$ 631,693,164	\$ -	\$ 882,414,062

(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 Agreement:

	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
a. Current Year							
1. With Allowance for Credit Losses	\$ -	\$ -	\$ -	\$ -	\$ 783,084	\$ -	\$ 783,084
2. No Allowance for Credit Losses	\$ -	\$ -	\$ -	\$ -	\$ 480,070	\$ -	\$ 480,070
3. Total (1 + 2)	\$ -	\$ -	\$ -	\$ -	\$ 1,263,154	\$ -	\$ 1,263,154
4. Subject to a participant or co-lender mortgage loan agreement for which the reporting entity is restricted from unilaterally foreclosing on the mortgage loan	\$ -	\$ -	\$ -	\$ -	\$ 1,263,154	\$ -	\$ 1,263,154
b. Prior Year							
1. With Allowance for Credit Losses	\$ -	\$ -	\$ -	\$ -	\$ 755,809	\$ -	\$ 755,809
2. No Allowance for Credit Losses	\$ -	\$ -	\$ -	\$ -	\$ 841,545	\$ -	\$ 841,545
3. Total (1 + 2)	\$ -	\$ -	\$ -	\$ -	\$ 1,597,354	\$ -	\$ 1,597,354
4. Subject to a participant or co-lender mortgage loan agreement for which the reporting entity is restricted from unilaterally foreclosing on the mortgage loan	\$ -	\$ -	\$ -	\$ -	\$ 1,597,354	\$ -	\$ 1,597,354

(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:

	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
a. Current Year							
1. Average Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ 1,430,254	\$ -	\$ 1,430,254
2. Interest Income Recognized	\$ -	\$ -	\$ -	\$ -	\$ 87,425	\$ -	\$ 87,425
3. Recorded Investments on Nonaccrual Status	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting	\$ -	\$ -	\$ -	\$ -	\$ 92,287	\$ -	\$ 92,287
b. Prior Year							
1. Average Recorded Investment	\$ -	\$ -	\$ -	\$ -	\$ 1,682,850	\$ -	\$ 1,682,850
2. Interest Income Recognized	\$ -	\$ -	\$ -	\$ -	\$ 81,795	\$ -	\$ 81,795
3. Recorded Investments on Nonaccrual Status	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting	\$ -	\$ -	\$ -	\$ -	\$ 83,400	\$ -	\$ 83,400

(7) Allowance for credit losses:

	Current Year	Prior Year
a) Balance at beginning of period	\$ 1,533,184	\$ 318,528
b) Additions charged to operations	\$ (4,643)	\$ 1,306,344
c) Direct write-downs charged against the allowances	\$ -	\$ 91,688
d) Recoveries of amounts previously charged off	\$ -	\$ -
e) Balance at end of period (a+b-c-d)	\$ 1,528,541	\$ 1,533,184

(8) Mortgage Loans Derecognized as a Result of Foreclosure:

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

(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) The total recorded investment in restructured loans, as of year end	\$ 1,297,974	\$ 1,636,774
(2) The realized capital losses related to these loans	\$ -	\$ -
(3) Total contractual commitments to extend credit to debtors owning receivables whose terms have been modified in troubled debt restructurings	\$ -	\$ -
(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		
(3) Reverse Mortgages: Enter the reserve amount that is netted against the asset		\$ -
(4) Reverse Mortgages: Investment income or (loss) recognized in the period as a result of the re-estimated cash flows		\$ -

D. Loan-Backed Securities

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

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

(3)

1	2	3	4	5	6	7
CUSIP	Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	Present Value of Projected Cash Flows	Recognized Other-Than- Temporary Impairment	Amortized Cost After Other-Than- Temporary Impairment	Fair Value at time of OTTI	Date of Financial Statement Where Reported
Total	XXX	XXX	\$ -	XXX	XXX	XXX

(4) All impaired Loan Backed Securities for which an other-than-temporary impairment has not been recognized in earnings as a realized loss as of December 31, 2023:

a) The aggregate amount of unrealized losses:	
1. Less than 12 Months	\$ (1,285,611)
2. 12 Months or Longer	\$ (145,709,826)
b) The aggregate related fair value of securities with unrealized losses:	
1. Less than 12 Months	\$ 76,258,038
2. 12 Months or Longer	\$ 1,838,981,620

(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

(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.

NOTES TO FINANCIAL STATEMENTS

(2) The Company has not pledged any of its assets as collateral as of December 31, 2023.

(3) Collateral Received

a. Aggregate Amount Collateral Received

	Fair Value
1. Securities Lending	
(a) Open	\$ 471,997,546
(b) 30 Days or Less	\$ -
(c) 31 to 60 Days	\$ -
(d) 61 to 90 Days	\$ -
(e) Greater Than 90 Days	\$ -
(f) Subtotal (a+b+c+d+e)	\$ 471,997,546
(g) Securities Received	\$ 54,007,672
(h) Total Collateral Received (f+g)	\$ 526,005,218
2. Dollar Repurchase Agreement	
(a) Open	\$ -
(b) 30 Days or Less	\$ -
(c) 31 to 60 Days	\$ -
(d) 61 to 90 Days	\$ -
(e) Greater Than 90 Days	\$ -
(f) Subtotal (a+b+c+d+e)	\$ -
(g) Securities Received	\$ -
(h) Total Collateral Received (f+g)	\$ -
b. The fair value of that collateral and of the portion of that collateral that it has sold or repledged	\$ 526,005,218

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.

d. Not Applicable

(4) Securities Lending Transactions Administered by an Affiliated Agent

Not Applicable for any LMG reporting entity

(5) Collateral Reinvestment

a. Aggregate Amount Collateral Reinvested

	Amortized Cost	Fair Value
1. Securities Lending		
(a) Open	\$ -	\$ -
(b) 30 Days or Less	\$ 191,188,305	\$ 191,188,305
(c) 31 to 60 Days	\$ 249,584,411	\$ 249,584,411
(d) 61 to 90 Days	\$ 31,224,830	\$ 31,224,830
(e) 91 to 120 Days	\$ -	\$ -
(f) 121 to 180 Days	\$ -	\$ -
(g) 181 to 365 Days	\$ -	\$ -
(h) 1 to 2 years	\$ -	\$ -
(i) 2 to 3 years	\$ -	\$ -
(j) Greater than 3 years	\$ -	\$ -
(k) Subtotal (Sum of a through j)	\$ 471,997,546	\$ 471,997,546
(l) Securities Received	\$ -	\$ -
(m) Total Collateral Reinvested (k+l)	\$ 471,997,546	\$ 471,997,546
2. Dollar Repurchase Agreement		
(a) Open	\$ -	\$ -
(b) 30 Days or Less	\$ -	\$ -
(c) 31 to 60 Days	\$ -	\$ -
(d) 61 to 90 Days	\$ -	\$ -
(e) 91 to 120 Days	\$ -	\$ -
(f) 121 to 180 Days	\$ -	\$ -
(g) 181 to 365 Days	\$ -	\$ -
(h) 1 to 2 years	\$ -	\$ -
(i) 2 to 3 years	\$ -	\$ -
(j) Greater than 3 years	\$ -	\$ -
(k) Subtotal (Sum of a through j)	\$ -	\$ -
(l) Securities Received	\$ -	\$ -
(m) Total Collateral Reinvested (k+l)	\$ -	\$ -

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.

Description of Collateral	Amount
Total Collateral Extending beyond one year of the reporting date	\$ -

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

(1) Not Applicable

REPURCHASE TRANSACTION – CASH TAKER – OVERVIEW OF SECURED BORROWING TRANSACTIONS

NOTES TO FINANCIAL STATEMENTS

(2) Type of Repo Trades Used

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

FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
No	No	No	No
No	No	No	No

(3) Original (Flow) & Residual Maturity

- a. Maximum 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
- 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
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
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\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -

(4) Not Applicable

(5) Securities "Sold" Under Repo – Secured Borrowing

- a. Maximum Amount
 - 1. BACV
 - 2. Nonadmitted - Subset of BACV
 - 3. Fair Value
- b. Ending Balance
 - 1. BACV
 - 2. Nonadmitted - Subset of BACV
 - 3. Fair Value

FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
XXX	XXX	XXX	\$ -
XXX	XXX	XXX	\$ -
\$ -	\$ -	\$ -	\$ -
XXX	XXX	XXX	\$ -
XXX	XXX	XXX	\$ -
\$ -	\$ -	\$ -	\$ -

(6) Securities Sold Under Repo – Secured Borrowing by NAIC Designation

ENDING BALANCE

- a. Bonds - BACV
- b. Bonds - FV
- c. LB & SS - BACV
- d. LB & SS - FV
- e. Preferred Stock - BACV
- f. Preferred Stock - FV
- g. Common Stock
- h. Mortgage Loans - BACV
- i. Mortgage Loans - FV
- j. Real Estate - BACV
- k. Real Estate - FV
- l. Derivatives - BACV
- m. Derivatives - FV
- n. Other Invested Assets - BACV
- o. Other Invested Assets - FV
- p. Total Assets - BACV
- q. Total Assets - FV

1 NONE	2 NAIC 1	3 NAIC 2	4 NAIC 3
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
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\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -

ENDING BALANCE

- a. Bonds - BACV
- b. Bonds - FV
- c. LB & SS - BACV
- d. LB & SS - FV
- e. Preferred Stock - BACV
- f. Preferred Stock - FV
- g. Common Stock
- h. Mortgage Loans - BACV
- i. Mortgage Loans - FV
- j. Real Estate - BACV
- k. Real Estate - FV
- l. Derivatives - BACV
- m. Derivatives - FV
- n. Other Invested Assets - BACV
- o. Other Invested Assets - FV
- p. Total Assets - BACV
- q. Total Assets - FV

5 NAIC 4	6 NAIC 5	7 NAIC 6	8 NON-ADMITTED
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
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\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -

(7) Collateral Received – Secured Borrowing

- a. Maximum Amount

FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER

NOTES TO FINANCIAL STATEMENTS

1. Cash	\$ -	\$ -	\$ -	\$ -
2. Securities (FV)	\$ -	\$ -	\$ -	\$ -
b. Ending Balance				
1. Cash	\$ -	\$ -	\$ -	\$ -
2. Securities (FV)	\$ -	\$ -	\$ -	\$ -

(8) Cash & Non-Cash Collateral Received – Secured Borrowing by NAIC Designation

ENDING BALANCE

	1 NONE	2 NAIC 1	3 NAIC 2	4 NAIC 3
a. Cash	\$ -	\$ -	\$ -	\$ -
b. Bonds - FV	\$ -	\$ -	\$ -	\$ -
c. LB & SS - FV	\$ -	\$ -	\$ -	\$ -
d. Preferred Stock - FV	\$ -	\$ -	\$ -	\$ -
e. Common Stock	\$ -	\$ -	\$ -	\$ -
f. Mortgage Loans - FV	\$ -	\$ -	\$ -	\$ -
g. Real Estate - FV	\$ -	\$ -	\$ -	\$ -
h. Derivatives - FV	\$ -	\$ -	\$ -	\$ -
i. Other Invested Assets - FV	\$ -	\$ -	\$ -	\$ -
j. Total Collateral Assets - FV (Sum of a through i)	\$ -	\$ -	\$ -	\$ -

ENDING BALANCE

	5 NAIC 4	6 NAIC 5	7 NAIC 6	8 DOES NOT QUALIFY AS ADMITTED
a. Cash	\$ -	\$ -	\$ -	\$ -
b. Bonds - FV	\$ -	\$ -	\$ -	\$ -
c. LB & SS - FV	\$ -	\$ -	\$ -	\$ -
d. Preferred Stock - FV	\$ -	\$ -	\$ -	\$ -
e. Common Stock	\$ -	\$ -	\$ -	\$ -
f. Mortgage Loans - FV	\$ -	\$ -	\$ -	\$ -
g. Real Estate - FV	\$ -	\$ -	\$ -	\$ -
h. Derivatives - FV	\$ -	\$ -	\$ -	\$ -
i. Other Invested Assets - FV	\$ -	\$ -	\$ -	\$ -
j. Total Collateral Assets - FV (Sum of a through i)	\$ -	\$ -	\$ -	\$ -

(9) Allocation of Aggregate Collateral by Remaining Contractual Maturity

	FAIR VALUE
a. Overnight and Continuous	\$ -
b. 30 Days or Less	\$ -
c. 31 to 90 Days	\$ -
d. > 90 Days	\$ -

(10) Allocation of Aggregate Collateral Reinvested by Remaining Contractual Maturity

	AMORTIZED COST	FAIR VALUE
a. 30 Days or Less	\$ -	\$ -
b. 31 to 60 Days	\$ -	\$ -
c. 61 to 90 Days	\$ -	\$ -
d. 91 to 120 Days	\$ -	\$ -
e. 121 to 180 Days	\$ -	\$ -
f. 181 to 365 Days	\$ -	\$ -
g. 1 to 2 years	\$ -	\$ -
h. 2 to 3 years	\$ -	\$ -
i. > than 3 years	\$ -	\$ -

(11) Liability to Return Collateral – Secured Borrowing (Total)

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
a. Maximum Amount				
1. Cash (Collateral – All)	\$ -	\$ -	\$ -	\$ -
2. Securities Collateral (FV)	\$ -	\$ -	\$ -	\$ -
b. Ending Balance				
1. Cash (Collateral – All)	\$ -	\$ -	\$ -	\$ -
2. Securities Collateral (FV)	\$ -	\$ -	\$ -	\$ -

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

(1) Not Applicable

REPURCHASE TRANSACTION – CASH PROVIDER – OVERVIEW OF SECURED BORROWING TRANSACTIONS

(2) Type of Repo Trades Used

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
a. Bilateral (YES/NO)	No	No	No	No
b. Tri-Party (YES/NO)	No	No	No	No

(3) Original (Flow) & Residual Maturity

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
a. Maximum Amount				
1. Open – No Maturity	\$ -	\$ -	\$ -	\$ -
2. Overnight	\$ -	\$ -	\$ -	\$ -
3. 2 Days to 1 Week	\$ -	\$ -	\$ -	\$ -
4. > 1 Week to 1 Month	\$ -	\$ -	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS

5. > 1 Month to 3 Months	\$ -	\$ -	\$ -	\$ -
6. > 3 Months to 1 Year	\$ -	\$ -	\$ -	\$ -
7. > 1 Year	\$ -	\$ -	\$ -	\$ -
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	\$ -	\$ -	\$ -	\$ -

(4) Not Applicable

(5) Fair Value of Securities Acquired Under Repo – Secured Borrowing

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
a. Maximum Amount	\$ -	\$ -	\$ -	\$ -
b. Ending Balance	\$ -	\$ -	\$ -	\$ -

(6) Securities Acquired Under Repo – Secured Borrowing by NAIC Designation

ENDING BALANCE

	1 NONE	2 NAIC 1	3 NAIC 2	4 NAIC 3
a. Bonds - FV	\$ -	\$ -	\$ -	\$ -
b. LB & SS - FV	\$ -	\$ -	\$ -	\$ -
c. Preferred Stock - FV	\$ -	\$ -	\$ -	\$ -
d. Common Stock	\$ -	\$ -	\$ -	\$ -
e. Mortgage Loans - FV	\$ -	\$ -	\$ -	\$ -
f. Real Estate - FV	\$ -	\$ -	\$ -	\$ -
g. Derivatives - FV	\$ -	\$ -	\$ -	\$ -
h. Other Invested Assets - FV	\$ -	\$ -	\$ -	\$ -
i. Total Assets - FV (Sum of a through h)	\$ -	\$ -	\$ -	\$ -

ENDING BALANCE

	5 NAIC 4	6 NAIC 5	7 NAIC 6	8 DOES NOT QUALIFY AS ADMITTED
a. Bonds - FV	\$ -	\$ -	\$ -	\$ -
b. LB & SS - FV	\$ -	\$ -	\$ -	\$ -
c. Preferred Stock - FV	\$ -	\$ -	\$ -	\$ -
d. Common Stock	\$ -	\$ -	\$ -	\$ -
e. Mortgage Loans - FV	\$ -	\$ -	\$ -	\$ -
f. Real Estate - FV	\$ -	\$ -	\$ -	\$ -
g. Derivatives - FV	\$ -	\$ -	\$ -	\$ -
h. Other Invested Assets - FV	\$ -	\$ -	\$ -	\$ -
i. Total Assets - FV (Sum of a through h)	\$ -	\$ -	\$ -	\$ -

(7) Collateral Provided – Secured Borrowing

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
a. Maximum Amount				
1. Cash	\$ -	\$ -	\$ -	\$ -
2. Securities (FV)	\$ -	\$ -	\$ -	\$ -
3. Securities (BACV)	XXX	XXX	XXX	XXX
4. Nonadmitted Subset (BACV)	XXX	XXX	XXX	XXX
b. Ending Balance				
1. Cash	\$ -	\$ -	\$ -	\$ -
2. Securities (FV)	\$ -	\$ -	\$ -	\$ -
3. Securities (BACV)	\$ -	\$ -	\$ -	\$ -
4. Nonadmitted Subset (BACV)	\$ -	\$ -	\$ -	\$ -

(8) Allocation of Aggregate Collateral Pledged by Remaining Contractual Maturity

	AMORTIZED COST	FAIR VALUE
a. Overnight and Continuous	\$ -	\$ -
b. 30 Days or Less	\$ -	\$ -
c. 31 to 90 Days	\$ -	\$ -
d. > 90 Days	\$ -	\$ -

(9) Recognized Receivable for Return of Collateral – Secured Borrowing

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
a. Maximum Amount				
1. Cash	\$ -	\$ -	\$ -	\$ -
2. Securities (FV)	\$ -	\$ -	\$ -	\$ -
b. Ending Balance				
1. Cash	\$ -	\$ -	\$ -	\$ -
2. Securities (FV)	\$ -	\$ -	\$ -	\$ -

(10) Recognized Liability to Return Collateral – Secured Borrowing (Total)

NOTES TO FINANCIAL STATEMENTS

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
a. Maximum Amount				
1. Repo Securities Sold/Acquired with Cash Collateral	\$ -	\$ -	\$ -	\$ -
2. Repo Securities Sold/Acquired with Securities Collateral (FV)	\$ -	\$ -	\$ -	\$ -
b. Ending Balance				
1. Repo Securities Sold/Acquired with Cash Collateral	\$ -	\$ -	\$ -	\$ -
2. Repo Securities Sold/Acquired with Securities Collateral (FV)	\$ -	\$ -	\$ -	\$ -

H. Repurchase Agreements Transactions Accounted for as a Sale

(1) Not Applicable

REPURCHASE TRANSACTION – CASH TAKER – OVERVIEW OF SALE TRANSACTIONS

(2) Type of Repo Trades Used

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

FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
No	No	No	No
No	No	No	No

(3) Original (Flow) & Residual Maturity

- a. Maximum 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
- 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
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -

(4) Not Applicable

(5) Securities "Sold" Under Repo – Sale

- a. Maximum Amount
 - 1. BACV
 - 2. Nonadmitted - Subset of BACV
 - 3. Fair Value
- b. Ending Balance
 - 1. BACV
 - 2. Nonadmitted - Subset of BACV
 - 3. Fair Value

FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
XXX	XXX	XXX	\$ -
XXX	XXX	XXX	\$ -
\$ -	\$ -	\$ -	\$ -
XXX	XXX	XXX	\$ -
XXX	XXX	XXX	\$ -
\$ -	\$ -	\$ -	\$ -

(6) Securities Sold Under Repo – Sale by NAIC Designation

ENDING BALANCE

- a. Bonds - BACV
- b. Bonds - FV
- c. LB & SS - BACV
- d. LB & SS - FV
- e. Preferred Stock - BACV
- f. Preferred Stock - FV
- g. Common Stock
- h. Mortgage Loans - BACV
- i. Mortgage Loans - FV
- j. Real Estate - BACV
- k. Real Estate - FV
- l. Derivatives - BACV
- m. Derivatives - FV
- n. Other Invested Assets - BACV
- o. Other Invested Assets - FV
- p. Total Assets - BACV
- q. Total Assets - FV

1 NONE	2 NAIC 1	3 NAIC 2	4 NAIC 3
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -

ENDING BALANCE

- a. Bonds - BACV
- b. Bonds - FV
- c. LB & SS - BACV

5 NAIC 4	6 NAIC 5	7 NAIC 6	8 NON-ADMITTED
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS

d. LB & SS - FV	\$ -	\$ -	\$ -	\$ -
e. Preferred Stock - BACV	\$ -	\$ -	\$ -	\$ -
f. Preferred Stock - FV	\$ -	\$ -	\$ -	\$ -
g. Common Stock	\$ -	\$ -	\$ -	\$ -
h. Mortgage Loans - BACV	\$ -	\$ -	\$ -	\$ -
i. Mortgage Loans - FV	\$ -	\$ -	\$ -	\$ -
j. Real Estate - BACV	\$ -	\$ -	\$ -	\$ -
k. Real Estate - FV	\$ -	\$ -	\$ -	\$ -
l. Derivatives - BACV	\$ -	\$ -	\$ -	\$ -
m. Derivatives - FV	\$ -	\$ -	\$ -	\$ -
n. Other Invested Assets - BACV	\$ -	\$ -	\$ -	\$ -
o. Other Invested Assets - FV	\$ -	\$ -	\$ -	\$ -
p. Total Assets - BACV	\$ -	\$ -	\$ -	\$ -
q. Total Assets - FV	\$ -	\$ -	\$ -	\$ -

(7) Proceeds Received – Sale

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
a. Maximum Amount				
1. Cash	\$ -	\$ -	\$ -	\$ -
2. Securities (FV)	\$ -	\$ -	\$ -	\$ -
3. Nonadmitted	\$ -	\$ -	\$ -	\$ -
b. Ending Balance				
1. Cash	\$ -	\$ -	\$ -	\$ -
2. Securities (FV)	\$ -	\$ -	\$ -	\$ -
3. Nonadmitted	\$ -	\$ -	\$ -	\$ -

(8) Cash & Non-Cash Collateral Received – Sale by NAIC Designation

ENDING BALANCE

	1 NONE	2 NAIC 1	3 NAIC 2	4 NAIC 3
a. Bonds - FV	\$ -	\$ -	\$ -	\$ -
b. LB & SS - FV	\$ -	\$ -	\$ -	\$ -
c. Preferred Stock - FV	\$ -	\$ -	\$ -	\$ -
d. Common Stock	\$ -	\$ -	\$ -	\$ -
e. Mortgage Loans - FV	\$ -	\$ -	\$ -	\$ -
f. Real Estate - FV	\$ -	\$ -	\$ -	\$ -
g. Derivatives - FV	\$ -	\$ -	\$ -	\$ -
h. Other Invested Assets - FV	\$ -	\$ -	\$ -	\$ -
i. Total Collateral Assets - FV (Sum of a through h)	\$ -	\$ -	\$ -	\$ -

ENDING BALANCE

	5 NAIC 4	6 NAIC 5	7 NAIC 6	8 NON- ADMITTED
a. Bonds - FV	\$ -	\$ -	\$ -	\$ -
b. LB & SS - FV	\$ -	\$ -	\$ -	\$ -
c. Preferred Stock - FV	\$ -	\$ -	\$ -	\$ -
d. Common Stock	\$ -	\$ -	\$ -	\$ -
e. Mortgage Loans - FV	\$ -	\$ -	\$ -	\$ -
f. Real Estate - FV	\$ -	\$ -	\$ -	\$ -
g. Derivatives - FV	\$ -	\$ -	\$ -	\$ -
h. Other Invested Assets - FV	\$ -	\$ -	\$ -	\$ -
i. Total Collateral Assets - FV (Sum of a through h)	\$ -	\$ -	\$ -	\$ -

(9) Recognized Forward Resale Commitment

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
a. Maximum Amount	\$ -	\$ -	\$ -	\$ -
b. Ending Balance	\$ -	\$ -	\$ -	\$ -

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

(1) Not Applicable

REPURCHASE TRANSACTION – CASH PROVIDER – OVERVIEW OF SALE TRANSACTIONS

(2) Type of Repo Trades Used

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
a. Bilateral (YES/NO)	No	No	No	No
b. Tri-Party (YES/NO)	No	No	No	No

(3) Original (Flow) & Residual Maturity

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
a. Maximum 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	\$ -	\$ -	\$ -	\$ -
b. Ending Balance				
1. Open – No Maturity	\$ -	\$ -	\$ -	\$ -
2. Overnight	\$ -	\$ -	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS

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	\$ -	\$ -	\$ -	\$ -

(4) Not Applicable

(5) Securities Acquired Under Repo – Sale

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
a. Maximum Amount				
1. BACV	XXX	XXX	XXX	\$ -
2. Nonadmitted - Subset of BACV	XXX	XXX	XXX	\$ -
3. Fair Value	\$ -	\$ -	\$ -	\$ -
b. Ending Balance				
1. BACV	XXX	XXX	XXX	\$ -
2. Nonadmitted - Subset of BACV	XXX	XXX	XXX	\$ -
3. Fair Value	\$ -	\$ -	\$ -	\$ -

(6) Securities Acquired Under Repo – Sale by NAIC Designation

ENDING BALANCE

	1 NONE	2 NAIC 1	3 NAIC 2	4 NAIC 3
a. Bonds - BACV	\$ -	\$ -	\$ -	\$ -
b. Bonds - FV	\$ -	\$ -	\$ -	\$ -
c. LB & SS - BACV	\$ -	\$ -	\$ -	\$ -
d. LB & SS - FV	\$ -	\$ -	\$ -	\$ -
e. Preferred Stock - BACV	\$ -	\$ -	\$ -	\$ -
f. Preferred Stock - FV	\$ -	\$ -	\$ -	\$ -
g. Common Stock	\$ -	\$ -	\$ -	\$ -
h. Mortgage Loans - BACV	\$ -	\$ -	\$ -	\$ -
i. Mortgage Loans - FV	\$ -	\$ -	\$ -	\$ -
j. Real Estate - BACV	\$ -	\$ -	\$ -	\$ -
k. Real Estate - FV	\$ -	\$ -	\$ -	\$ -
l. Derivatives - BACV	\$ -	\$ -	\$ -	\$ -
m. Derivatives - FV	\$ -	\$ -	\$ -	\$ -
n. Other Invested Assets - BACV	\$ -	\$ -	\$ -	\$ -
o. Other Invested Assets - FV	\$ -	\$ -	\$ -	\$ -
p. Total Assets - BACV	\$ -	\$ -	\$ -	\$ -
q. Total Assets - FV	\$ -	\$ -	\$ -	\$ -

ENDING BALANCE

	5 NAIC 4	6 NAIC 5	7 NAIC 6	8 NON-ADMITTED
a. Bonds - BACV	\$ -	\$ -	\$ -	\$ -
b. Bonds - FV	\$ -	\$ -	\$ -	\$ -
c. LB & SS - BACV	\$ -	\$ -	\$ -	\$ -
d. LB & SS - FV	\$ -	\$ -	\$ -	\$ -
e. Preferred Stock - BACV	\$ -	\$ -	\$ -	\$ -
f. Preferred Stock - FV	\$ -	\$ -	\$ -	\$ -
g. Common Stock	\$ -	\$ -	\$ -	\$ -
h. Mortgage Loans - BACV	\$ -	\$ -	\$ -	\$ -
i. Mortgage Loans - FV	\$ -	\$ -	\$ -	\$ -
j. Real Estate - BACV	\$ -	\$ -	\$ -	\$ -
k. Real Estate - FV	\$ -	\$ -	\$ -	\$ -
l. Derivatives - BACV	\$ -	\$ -	\$ -	\$ -
m. Derivatives - FV	\$ -	\$ -	\$ -	\$ -
n. Other Invested Assets - BACV	\$ -	\$ -	\$ -	\$ -
o. Other Invested Assets - FV	\$ -	\$ -	\$ -	\$ -
p. Total Assets - BACV	\$ -	\$ -	\$ -	\$ -
q. Total Assets - FV	\$ -	\$ -	\$ -	\$ -

(7) Proceeds Provided - Sale

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
a. Maximum Amount				
1. Cash	\$ -	\$ -	\$ -	\$ -
2. Securities (FV)	\$ -	\$ -	\$ -	\$ -
3. Securities (BACV)	XXX	XXX	XXX	XXX
4. Nonadmitted Subset (BACV)	XXX	XXX	XXX	XXX
b. Ending Balance				
1. Cash	\$ -	\$ -	\$ -	\$ -
2. Securities (FV)	\$ -	\$ -	\$ -	\$ -
3. Securities (BACV)	\$ -	\$ -	\$ -	\$ -
4. Nonadmitted Subset (BACV)	\$ -	\$ -	\$ -	\$ -

(8) Recognized Forward Resale Commitment

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER
a. Maximum Amount	\$ -	\$ -	\$ -	\$ -
b. Ending Balance	\$ -	\$ -	\$ -	\$ -

J. Real Estate

Not Applicable

NOTES TO FINANCIAL STATEMENTS

K. Low Income Housing tax Credits (LIHTC)

- (1) There are twelve year remaining of unexpired tax credits. The required holding period for the LIHTC investment is fifteen years.
- (2) There were \$22,306,778 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 \$95,131,255.
- (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

1. Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted						
	Current Year					6	7
	1	2	3	4	5		
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. Collateral held under security lending agreements	\$ 471,997,546	\$ -	\$ -	\$ -	\$ 471,997,546	\$ 614,508,633	\$ (142,511,087)
c. Subject to repurchase agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
d. Subject to reverse repurchase agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
e. Subject to dollar repurchase agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
f. Subject to dollar reverse repurchase agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
g. Placed under option contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
i. FHLB capital stock	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000	\$ (5,000,000)
j. On deposit with states	\$ 490,295,908	\$ -	\$ -	\$ -	\$ 490,295,908	\$ 457,793,965	\$ 32,501,943
k. On deposit with other regulatory bodies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
l. Pledged collateral to FHLB (including assets backing funding agreements)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
m. Pledged as collateral not captured in other categories	\$ 67,075,264	\$ -	\$ -	\$ -	\$ 67,075,264	\$ 8,338,376	\$ 58,736,888
n. Other restricted assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
o. Total Restricted Assets (Sum of a through n)	\$ 1,029,368,718	\$ -	\$ -	\$ -	\$ 1,029,368,718	\$ 1,085,640,974	\$ (56,272,256)

(a) Subset of Column 1

(b) Subset of Column 3

Restricted Asset Category	Current Year			
	8	9	Percentage	
			10	11
	Total Non-admitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Non-admitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	0.000%	0.000%
b. Collateral held under security lending agreements	\$ -	\$ 471,997,546	2.115%	2.122%
c. Subject to repurchase agreements	\$ -	\$ -	0.000%	0.000%
d. Subject to reverse repurchase agreements	\$ -	\$ -	0.000%	0.000%
e. Subject to dollar repurchase agreements	\$ -	\$ -	0.000%	0.000%
f. Subject to dollar reverse repurchase agreements	\$ -	\$ -	0.000%	0.000%
g. Placed under option contracts	\$ -	\$ -	0.000%	0.000%
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	\$ -	\$ -	0.000%	0.000%
i. FHLB capital stock	\$ -	\$ -	0.000%	0.000%
j. On deposit with states	\$ -	\$ 490,295,908	2.197%	2.205%
k. On deposit with other regulatory bodies	\$ -	\$ -	0.000%	0.000%
l. Pledged collateral to FHLB (including assets backing funding agreements)	\$ -	\$ -	0.000%	0.000%
m. Pledged as collateral not captured in other categories	\$ -	\$ 67,075,264	0.301%	0.302%
n. Other restricted assets	\$ -	\$ -	0.000%	0.000%
o. Total Restricted Assets (Sum of a through n)	\$ -	\$ 1,029,368,718	4.613%	4.629%

NOTES TO FINANCIAL STATEMENTS

(c) Column 5 divided by Asset Page, Column 1, Line 28
 (d) Column 9 divided by Asset Page, Column 3, Line 28

2. Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts That Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted					6	7	8	Percentage	
	Current Year								9	10
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account (S/A) Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
REINSURANCE AGREEMENT	\$ 67,075,264				\$ 67,075,264	\$ 8,338,376	\$ 58,736,888	\$ 67,075,264	0.301%	0.302%
Total (c)	\$ 67,075,264	\$ -	\$ -	\$ -	\$ 67,075,264	\$ 8,338,376	\$ 58,736,888	\$ 67,075,264	0.301%	0.302%

(a) Subset of column 1
 (b) Subset of column 3
 (c) Total Line for Columns 1 through 7 should equal 5L(1)m Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5L(1)m Columns 9 through 11 respectively.

3. Detail of Other Restricted Assets (Contracts That Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted					6	7	8	Percentage	
	Current Year								9	10
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account (S/A) Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
Total (c)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.000%	0.000%

(a) Subset of column 1
 (b) Subset of column 3
 (c) Total Line for Columns 1 through 7 should equal 5L(1)n Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5L(1)n Columns 9 through 11 respectively.

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

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	\$ -	\$ -	0.000%	0.000%
b. Schedule D, Part 1	\$ -	\$ -	0.000%	0.000%
c. Schedule D, Part 2, Section 1	\$ -	\$ -	0.000%	0.000%
d. Schedule D, Part 2, Section 2	\$ -	\$ -	0.000%	0.000%
e. Schedule B	\$ -	\$ -	0.000%	0.000%
f. Schedule A	\$ -	\$ -	0.000%	0.000%
g. Schedule BA, Part 1	\$ -	\$ -	0.000%	0.000%
h. Schedule DL, Part 1	\$ 471,997,546	\$ 471,997,546	2.115%	2.122%
i. Other	\$ -	\$ -	0.000%	0.000%
j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	\$ 471,997,546	\$ 471,997,546	2.115%	2.122%
Separate Account:				
k. Cash, Cash Equivalents and Short-Term Investments	\$ -	\$ -	0.000%	0.000%
l. Schedule D, Part 1	\$ -	\$ -	0.000%	0.000%
m. Schedule D, Part 2, Section 1	\$ -	\$ -	0.000%	0.000%
n. Schedule D, Part 2, Section 2	\$ -	\$ -	0.000%	0.000%
o. Schedule B	\$ -	\$ -	0.000%	0.000%
p. Schedule A	\$ -	\$ -	0.000%	0.000%
q. Schedule BA, Part 1	\$ -	\$ -	0.000%	0.000%
r. Schedule DL, Part 1	\$ -	\$ -	0.000%	0.000%
s. Other	\$ -	\$ -	0.000%	0.000%
t. Total Collateral Assets (k+l+m+n+o+p+q+r+s)	\$ -	\$ -	0.000%	0.000%

	1 Amount	2 % of Liability to Total Liabilities *
u. Recognized Obligation to Return Collateral Asset	\$ 471,997,546	2.822%
v. Recognized Obligation to Return Collateral Asset (Protected Cell)	\$ -	0.000%

M. Working Capital Finance Investments

Not Applicable

N. Offsetting and Netting of Assets and Liabilities

Not Applicable

O. 5GI Securities

Investment	Number of 5GI Securities	Aggregate BACV	Aggregate Fair Value
------------	--------------------------	----------------	----------------------

NOTES TO FINANCIAL STATEMENTS

	Current Year	Prior Year	Current Year	Prior Year	Current Year	Prior Year
(1) Bonds - AC	0	0	\$ -	\$ -	\$ -	\$ -
(2) Bonds - FV	0	0	\$ -	\$ -	\$ -	\$ -
(3) LB&SS - AC	5	0	\$ 198,734,482	\$ -	\$ 198,873,061	\$ -
(4) LB&SS - FV	18	0	\$ 118,897,750	\$ -	\$ 118,969,883	\$ -
(5) Preferred Stock - AC	0	0	\$ -	\$ -	\$ -	\$ -
(6) Preferred Stock - FV	0	0	\$ -	\$ -	\$ -	\$ -
(7) Total (1+2+3+4+5+6)	23	0	\$ 317,632,232	\$ -	\$ 317,842,944	\$ -

AC - Amortized Cost FV - Fair Value

P. Short Sales

Not Applicable

Q. Prepayment Penalty and Acceleration Fees

	<u>General Account</u>	<u>Protected Cell</u>
1. Number of CUSIPs	14	0
2. Aggregate Amount of Investment Income	\$ 910,191	\$ -

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

<u>Asset Type</u>	<u>Percent Share</u>
(1) Cash	0.00%
(2) Cash Equivalents	8.16%
(3) Short-Term Investments	0.00%
(4) Total (Must equal 100%)	8.16%

NOTE 6 Joint Ventures, Partnerships and Limited Liability Companies**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. 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."

NOTE 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, 2023.

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

Interest Income Due and Accrued	<u>Amount</u>
1. Gross	\$ 117,249,509
2. Nonadmitted	
3. Admitted	\$ 117,249,509

D. The aggregate deferred interest.

Aggregate Deferred Interest	<u>Amount</u>

E. The cumulative amounts of paid-in-kind (PIK) interest included in the current principal balance.

Cumulative amounts of PIK interest included in the current principal balance	<u>Amount</u>

NOTE 8 Derivative Instruments**A. Derivatives under SSAP No. 86—Derivatives**

(1) Derivative financial instruments utilized by the Company during 2023 and 2022 included interest rate futures and swap contracts, credit default swaps, and equity index collars (index call and put options) agreements.

(2) Market risk is defined as the risk of adverse financial impact due to fluctuations in market rates or prices. To mitigate this risk, the Company's senior management has established risk control limits for derivative transactions. Credit/counterparty risk is defined as the risk of financial loss if a counterparty is either unable or unwilling to repay borrowings or settle a transaction in accordance with the underlying contractual terms. The Company manages credit and counterparty risk by using highly rated counterparties and obtaining collateral, where appropriate. Collateral requirements are determined after a comprehensive review of the credit quality of each counterparty and the collateral requirements are monitored and adjusted as needed.

NOTES TO FINANCIAL STATEMENTS

(3) The Company uses derivatives for risk management, income generation and to increase investment portfolio returns through asset replication. The Company does not use derivatives for speculative purposes. The Company may also acquire derivatives as additions to bond, common stock, or preferred stock investments. These derivatives are ancillary to the overall investment and immaterial to the underlying investment portfolio.

The following summarizes the objectives and accounting policies for each type of derivative used:

The Company uses interest rate futures contracts to manage interest rate risk associated with holding certain fixed income investments. Daily cash settlements of variation margins are required for futures contracts and is based on the changes in daily prices. The daily cash settlements of margin gains or losses for futures contracts that received non-hedged accounting treatment and have terminated are reported in net realized capital gains or losses. The daily cash settlements of margin gain or losses for open futures contracts that receive non-hedge accounting treatment are reported as net unrealized capital gains or losses within unassigned surplus.

A credit default swap index ("CDX") is an exchange traded credit derivative security. CDX are comprised of a collection of other credit default swaps (CDS). There are numerous types of CDX: high-yield, investment grade, high volatility, and emerging markets. CDXs measure the total returns for different sectors of the bond market and are examined and updated every six months. CDX are standardized and exchange-traded; as such, they possess a high level of liquidity and transparency. The Company uses CDX to mitigate credit risk or to replicate credit exposure in a particular bond portfolio. CDX agreements receive non-hedge accounting treatment. Periodic settlements, which represent amounts receivable from/payable to the counterparties or a clearing house are based on the settlement terms within the agreement, and reported as a component of net realized gains and losses. The change in the fair value of open swap agreements that receive non-hedge accounting treatment are reported as net unrealized capital gains and losses, within unassigned surplus.

The Company uses interest rate swap contracts to hedge floating rate bond exposure by exchanging a portion of the Company's future floating cash flows for fixed rate cash flows. The daily cash settlements of margin gain or losses for open swap contracts that receive hedge accounting treatment are reported as net unrealized capital gains or losses within other comprehensive income. Settlements of margin gains or losses for swap contracts that received hedged accounting treatment and have terminated are reported in net realized capital gains or losses.

(4) The Company entered into futures contracts, interest rate swaps, and credit default swaps in 2023 and 2022 which required the payment/receipt of premiums at either the inception of the contracts or throughout the life of the contracts, depending on the agreement with counterparties and brokers.

(5) The Company did not have gains or losses in net unrealized capital gains or losses that represented a component of any derivatives' gain or loss that was excluded from the assessment of hedge effectiveness in 2023.

(6) The Company did not have gains or losses in net unrealized gains or losses that resulted from derivatives that no longer qualify for hedge accounting treatment in 2023.

(7) The company did not have derivatives accounted for as cash flow hedges of a forecasted transaction.

(8)

a.

Fiscal Year	Derivative Premium Payments Due
1. 2024	
2. 2025	
3. 2026	
4. 2027	
5. Thereafter	
6. Total Future Settled Premiums (Sum of 1 through 5)	\$ -

b.

	Undiscounted Future Premium Commitments	Derivative Fair Value With Premium Commitments (Reported on DB)	Derivative Fair Value Excluding Impact of Future Settled Premiums
1. Prior Year	\$ -	\$ -	\$ -
2. Current Year			

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

(1) Not Applicable.

(2) Recognition of gains/losses and deferred assets and liabilities

a. Scheduled Amortization

Amortization Year	Deferred Assets	Deferred Liabilities
1. 2024		
2. 2025		
3. 2026		
4. 2027		
5. 2028		
6. 2029		
7. 2030		
8. 2031		
9. 2032		
10. 2033		
11. Total (Sum of 1 through 10)	\$ -	\$ -

b. Total Deferred Balance *

* Should agree to Column 19 of Schedule DB, Part E

c. Reconciliation of Amortization:

1. Prior Year Total Deferred Balance	\$ -
2. Current Year Amortization	
3. Current Year Deferred Recognition	
4. Ending Deferred Balance [1 - (2 + 3)]	\$ -

d. Open Derivative Removed from SSAP No. 108 and Captured in Scope of SSAP No. 86

1. Total Derivative Fair Value Change
2. Change in Fair Value Reflected as a Natural Offset to VM21 Liability under SSAP No. 108
3. Change in Fair Value Reflected as a Deferred Asset / Liability Under SSAP No. 108
4. Other Changes

NOTES TO FINANCIAL STATEMENTS

5. Unrealized Gain / Loss Recognized for Derivative Under SSAP No. 86 [1-(sum of 2 through 4)]	\$	-
e. Open Derivative Removed from SSAP No. 86 and Captured in Scope of SSAP No. 108		
1. Total Derivative Fair Value Change		
2. Unrealized Gain / Loss Recognized Prior to the Reclassification to SSAP No. 108		
3. Other Changes		
4. Fair Value Change Available for Application under SSAP No. 108 [1-(2+3)]	\$	-

(3) Hedging Strategies Identified as No Longer Highly Effective

a. Not Applicable.

b. Details of Hedging Strategies Identified as No Longer Highly Effective

Unique Identifier	Date Domiciliary State Notified	Amortization (# of Years) 5 or Less	Recognized Deferred Assets	Recognized Deferred Liabilities

c. Amortization

Amortization Year	Recognized Deferred Assets	Recognized Deferred Liabilities	Accelerated Amortization	Original Amortization
1. 2024				
2. 2025				
3. 2026				
4. 2027				
5. 2028				

6. Total Adjusted Amortization

d. Not Applicable.

(4) Hedging Strategies Terminated

a. Not Applicable.

b. Details of Hedging Strategies Terminated

Unique Identifier	Date Domiciliary State Notified	Amortization (# of Years) 5 or Less	Recognized Deferred Assets	Recognized Deferred Liabilities

c. Amortization

Amortization Year	Recognized Deferred Assets	Recognized Deferred Liabilities	Accelerated Amortization	Original Amortization
1. 2024				
2. 2025				
3. 2026				
4. 2027				
5. 2028				

6. Total Adjusted Amortization

d. Not Applicable.

NOTE 9 Income Taxes

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

1.

	12/31/2023			12/31/2022			Change		
	(1) Ordinary	(2) Capital	(3) (Col. 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4 + 5) Total	(7) (Col. 1 - 4) Ordinary	(8) (Col. 2 - 5) Capital	(9) (Col. 7 + 8) Total
(a) Gross Deferred Tax Assets	\$402,012,000	\$40,501,000	\$442,513,000	\$397,720,000	\$37,713,000	\$435,433,000	\$ 4,292,000	\$ 2,788,000	\$ 7,080,000
(b) Statutory Valuation Allowance Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$402,012,000	\$40,501,000	\$442,513,000	\$397,720,000	\$37,713,000	\$435,433,000	\$ 4,292,000	\$ 2,788,000	\$ 7,080,000
(d) Deferred Tax Assets Nonadmitted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$402,012,000	\$40,501,000	\$442,513,000	\$397,720,000	\$37,713,000	\$435,433,000	\$ 4,292,000	\$ 2,788,000	\$ 7,080,000
(f) Deferred Tax Liabilities	\$65,576,000	\$156,276,000	\$221,852,000	\$ 98,003,000	\$187,474,000	\$285,477,000	\$ (32,427,000)	\$ (31,198,000)	\$ (63,625,000)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$336,436,000	\$ (115,775,000)	\$220,661,000	\$299,717,000	\$ (149,761,000)	\$149,956,000	\$ 36,719,000	\$ 33,986,000	\$ 70,705,000

2.

	12/31/2023			12/31/2022			Change		
	(1) Ordinary	(2) Capital	(3) (Col. 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col. 4 + 5) Total	(7) (Col. 1 - 4) Ordinary	(8) (Col. 2 - 5) Capital	(9) (Col. 7 + 8) Total
Admission Calculation Components SSAP No. 101									
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$143,879,225	\$ 885,951	\$144,765,176	\$153,156,584	\$ 311,770	\$153,468,354	\$ (9,277,359)	\$ 574,181	\$ (8,703,178)

NOTES TO FINANCIAL STATEMENTS

(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)	\$160,752,769	\$ -	\$160,752,769	\$129,862,894	\$ -	\$129,862,894	\$ 30,889,875	\$ -	\$ 30,889,875
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$160,752,769	\$ -	\$160,752,769	\$129,862,894	\$ -	\$129,862,894	\$ 30,889,875	\$ -	\$ 30,889,875
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	\$791,678,364	XXX	XXX	\$ 793,917,991	XXX	XXX	\$ (2,239,627)
(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.	\$65,576,000	\$71,419,055	\$136,995,055	\$98,003,000	\$54,098,752	\$ 152,101,752	\$ (32,427,000)	\$ 17,320,303	\$ (15,106,697)
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$370,207,994	\$72,305,006	\$442,513,000	\$ 381,022,478	\$54,410,522	\$ 435,433,000	\$ (10,814,484)	\$ 17,894,484	\$ 7,080,000

3.

	2023	2022
a. Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	464.717%	487.700%
b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 5,290,133,855	\$ 5,213,032,914

4.

	12/31/2023		12/31/2022		Change	
	(1) Ordinary	(2) Capital	(3) Ordinary	(4) Capital	(5) (Col. 1 - 3) Ordinary	(6) (Col. 2 - 4) Capital
Impact of Tax Planning Strategies:						
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.						
1. Adjusted Gross DTAs amount from Note 9A1(c)	\$ 402,012,000	\$ 40,501,000	\$ 397,720,000	\$ 37,713,000	\$ 4,292,000	\$ 2,788,000
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)	\$ 402,012,000	\$ 40,501,000	\$ 397,720,000	\$ 37,713,000	\$ 4,292,000	\$ 2,788,000
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

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

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) 12/31/2023	(2) 12/31/2022	(3) (Col. 1 - 2) Change
1. Current Income Tax			
(a) Federal	\$ 88,027,281	\$ 78,459,549	\$ 9,567,732
(b) Foreign	\$ 636,294	\$ 4,166,161	\$ (3,529,867)
(c) Subtotal (1a+1b)	\$ 88,663,575	\$ 82,625,710	\$ 6,037,865
(d) Federal income tax on net capital gains	\$ (24,815,575)	\$ (7,212,710)	\$ (17,602,865)
(e) Utilization of capital loss carry-forwards	\$ -	\$ -	\$ -
(f) Other	\$ -	\$ -	\$ -
(g) Federal and foreign income taxes incurred (1c+1d+1e+1f)	\$ 63,848,000	\$ 75,413,000	\$ (11,565,000)
2. Deferred Tax Assets:			
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ 153,083,000	\$ 146,529,000	\$ 6,554,000
(2) Unearned premium reserve	\$ 177,293,000	\$ 174,443,000	\$ 2,850,000
(3) Policyholder reserves	\$ -	\$ -	\$ -
(4) Investments	\$ 271,000	\$ 8,800,000	\$ (8,529,000)
(5) Deferred acquisition costs	\$ -	\$ -	\$ -
(6) Policyholder dividends accrual	\$ -	\$ -	\$ -
(7) Fixed assets	\$ 12,510,000	\$ 21,347,000	\$ (8,837,000)
(8) Compensation and benefits accrual	\$ 26,657,000	\$ 8,882,000	\$ 17,775,000
(9) Pension accrual	\$ -	\$ -	\$ -
(10) Receivables - nonadmitted	\$ 16,498,000	\$ 19,670,000	\$ (3,172,000)
(11) Net operating loss carry-forward	\$ -	\$ -	\$ -
(12) Tax credit carry-forward	\$ -	\$ -	\$ -
(13) Other	\$ 15,700,000	\$ 18,049,000	\$ (2,349,000)
(99) Subtotal (sum of 2a1 through 2a13)	\$ 402,012,000	\$ 397,720,000	\$ 4,292,000
(b) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(c) Nonadmitted	\$ -	\$ -	\$ -
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 402,012,000	\$ 397,720,000	\$ 4,292,000
(e) Capital:			
(1) Investments	\$ 40,501,000	\$ 37,713,000	\$ 2,788,000
(2) Net capital loss carry-forward	\$ -	\$ -	\$ -
(3) Real estate	\$ -	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS

(4) Other	\$ -	\$ -	\$ -
(99) Subtotal (2e1+2e2+2e3+2e4)	\$ 40,501,000	\$ 37,713,000	\$ 2,788,000
(f) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(g) Nonadmitted	\$ -	\$ -	\$ -
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$ 40,501,000	\$ 37,713,000	\$ 2,788,000
(i) Admitted deferred tax assets (2d + 2h)	\$ 442,513,000	\$ 435,433,000	\$ 7,080,000
3. Deferred Tax Liabilities:			
(a) Ordinary:			
(1) Investments	\$ 7,995,000	\$ 13,969,000	\$ (5,974,000)
(2) Fixed assets	\$ 41,235,000	\$ 58,445,000	\$ (17,210,000)
(3) Deferred and uncollected premium	\$ -	\$ -	\$ -
(4) Policyholder reserves	\$ 10,143,000	\$ 15,215,000	\$ (5,072,000)
(5) Other	\$ 6,203,000	\$ 10,374,000	\$ (4,171,000)
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	\$ 65,576,000	\$ 98,003,000	\$ (32,427,000)
(b) Capital:			
(1) Investments	\$ 156,276,000	\$ 187,474,000	\$ (31,198,000)
(2) Real estate	\$ -	\$ -	\$ -
(3) Other	\$ -	\$ -	\$ -
(99) Subtotal (3b1+3b2+3b3)	\$ 156,276,000	\$ 187,474,000	\$ (31,198,000)
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 221,852,000	\$ 285,477,000	\$ (63,625,000)
4. Net deferred tax assets/liabilities (2i - 3c)	\$ 220,661,000	\$ 149,956,000	\$ 70,705,000

D. Effective tax rates differ from the current statutory rate of 21% principally due to the effects of discounting unpaid losses and loss adjustment expenses, compensation adjustments, tax-exempt income, bond premium amortization, charitable contributions, intercompany dividends, LP & LLC losses, accrued expenses, limits on unearned premium reserve deductions, amortization, depreciation, partnership income, non-admitted assets, derivatives, deferred intercompany transactions, loss reserve transitional adjustment, utilization of general business credits and revisions to prior year estimates.

E. 1. The Company has no net operating loss or tax credit carry-forwards available to offset future net income subject to Federal income tax. The Company has no corporate alternative minimum tax credit carry-forwards.

2. The amount of Federal income taxes incurred and available for recoupment in the event of future losses is \$70,727,000,000 from the current year and \$74,108,000 from the preceding year.

3. 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:

America First Insurance Company	Liberty RE (Bermuda) Limited
America First Lloyd's Insurance Company	Liberty Sponsored Insurance (Vermont), Inc.
American Compensation Insurance Company	Liberty Surplus Insurance Corporation
American Economy Insurance Company	LIH-RE of America Corporation
American Fire and Casualty Company	LIU Specialty Insurance Agency Inc.
American States Insurance Company	LM General Insurance Company
American States Insurance Company of Texas	LM Insurance Corporation
American States Lloyds Insurance Company	LM Property and Casualty Insurance Company
American States Preferred Insurance Company	LMCRT-FRE-01 IC
Berkeley Management Corporation	LMHC Massachusetts Holdings Inc.
Bloomington Compensation Insurance Company	Managed Care Associates Inc.
Colorado Casualty Insurance Company	Meridian Security Insurance Company
Consolidated Insurance Company	Mid-American Fire & Casualty Company
Diversified Settlements, Inc.	Milbank Insurance Company
Eagle Development Corporation	Nationale Borg Reinsurance N.V.
Emerald City Insurance Agency, Inc.	North Pacific Insurance Company
Employers Insurance Company of Wausau	Ocasco Budget, Inc.
Excelsior Insurance Company	OCI Printing, Inc.
Excess Risk Reinsurance Inc.	Ohio Casualty Corporation
Facilitators, Inc.	Ohio Security Insurance Company
F.B. Beattie & Co., Inc.	Open Seas Solutions, Inc.
First National Insurance Company of America	Oregon Automobile Insurance Company
First State Agency Inc.	Peerless Indemnity Insurance Company
General America Corporation	Peerless Insurance Company
General America Corporation of Texas	Plaza Insurance Company
General Insurance Company of America	Rianoc Research Corporation
Golden Eagle Insurance Corporation	Rockhill Holding Company
Gulf States AIF, Inc.	Rockhill Insurance Company
Hawkeye-Security Insurance Company	RTW, Inc.
Indiana Insurance Company	SA Software Shelf, Inc.
Insurance Company of Illinois	SAFECARE Company, Inc.
Ironshore Holdings (US) Inc.	Safeco Corporation
Ironshore Indemnity Inc.	Safeco General Agency, Inc.
Liberty Specialty Markets Bermuda Limited	Safeco Insurance Company of America
Ironshore Management Inc.	Safeco Insurance Company of Illinois
Ironshore Services Inc.	Safeco Insurance Company of Indiana
Ironshore Specialty Insurance Company	Safeco Insurance Company of Oregon
Ironshore Surety Holdings Inc.	Safeco Lloyds Insurance Company
LEXCO Limited	Safeco National Insurance Company
Liberty-USA Corporation	Safeco Properties, Inc.
Liberty Energy Canada, Inc.	Safeco Surplus Lines Insurance Company
Liberty Financial Services, Inc.	San Diego Insurance Company
Liberty Insurance Corporation	State Auto Financial Corporation
Liberty Insurance Holdings, Inc.	State Auto Holdings, Inc.
Liberty Insurance Underwriters Inc.	State Auto Insurance Company of Ohio

NOTES TO FINANCIAL STATEMENTS

Liberty International Holdings Inc. Liberty Life Holdings Inc. Liberty Lloyds of Texas Insurance Company Liberty Management Services, Inc. Liberty Mexico Holdings Inc. Liberty Mutual Agency Corporation Liberty Mutual Credit Risk Transfer PCC Inc. Liberty Mutual Fire Insurance Company Liberty Mutual Group Asset Management Inc. Liberty Mutual Group Inc. Liberty Mutual Holding Company Inc. Liberty Mutual Insurance Company Liberty Mutual Personal Insurance Company Liberty Mutual Technology Group, Inc. Liberty Northwest Insurance Corporation Liberty Personal Insurance Company	State Auto Insurance Company of Wisconsin State Auto Labs Corp. State Auto Property & Casualty Insurance Company State Automobile Mutual Insurance Company Stateco Financial Services, Inc. The First Liberty Insurance Corporation The Midwestern Indemnity Company The National Corporation The Netherlands Insurance Company The Ohio Casualty Insurance Company Wausau Business Insurance Company Wausau General Insurance Company Wausau Underwriters Insurance Company West American Insurance Company Winmar Company, Inc. Workgrid Software, Inc
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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 (RTT)

Not Applicable

I. Alternative Minimum Tax (AMT) Credit

Not Applicable

J. Corporate Alternative Minimum Tax

On August 16, 2022, the U.S. enacted the Inflation Reduction Act (the "IRA"). For tax years beginning after December 31, 2022, the IRA imposes a new corporate alternative minimum tax (the "CAMT") on applicable corporations with average adjusted financial statement income in excess of \$1 billion for the three prior tax years. The Company, as a member of Liberty Mutual Holding Company Inc. and Subsidiaries controlled group, is an applicable corporation subject to the CAMT in 2023.

The Company has made an accounting policy election to disregard potential future years' CAMT in evaluating the need for a valuation allowance for its non-CAMT DTAs.

NOTE 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 Agency Corporation, an insurance holding company incorporated in Delaware. Liberty Mutual Agency Corporation is wholly owned by Liberty Insurance Holdings, Inc., an insurance holding company incorporated in Delaware. Liberty Insurance Holdings, Inc. is wholly owned by Liberty Mutual Insurance Company ("LMIC"), a Massachusetts insurance company. The ultimate parent of LMIC is Liberty Mutual Holding Company Inc., a Massachusetts company.

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

As of December 31, 2023, the Company had the following capital transactions with its parent and subsidiaries:

1. Received capital contributions of	\$ -
2. Received return of capital distributions of	\$ 3,300,055
3. Contributed capital in the amount of	\$ 266,640,000
4. Received dividends in the amount of	\$ 45,573,330

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

Not Applicable

D. At December 31, 2023, the Company reported a net \$ 980,566,454.17 due from affiliates. In general, the terms of the intercompany arrangements require settlement at least quarterly.

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"). Under the agreement, LMGAM provides services to the Company.

The Company is a party to an Agency Agreement with Comparion Insurance Agency, LLC ("CIA") whereby CIA 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 CIA with the Company.

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

The Company is party to revolving credit agreements under which the Company may lend funds to 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	\$600,000,000
Liberty Mutual Fire Insurance Company	\$165,000,000
Safeco Insurance Company of America	\$200,000,000
The Ohio Casualty Insurance Company	\$250,000,000
Employers Insurance Company of Wausau	\$170,000,000

NOTES TO FINANCIAL STATEMENTS

There were no outstanding borrowings as of December 31, 2023.

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	\$600,000,000
Liberty Mutual Fire Insurance Company	\$165,000,000
Safeco Insurance Company of America	\$200,000,000
The Ohio Casualty Insurance Company	\$250,000,000
Employers Insurance Company of Wausau	\$170,000,000

There were no outstanding borrowings as of December 31, 2023.

- 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.
- 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	\$ 208,056,097

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

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

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities				
Total SSAP No. 97 8a Entities	XXX	\$ -	\$ -	\$ -
b. SSAP No. 97 8b(ii) Entities				
Ohio Casualty Corporation	100.0%	\$ 208,056,097	\$ 208,056,097	\$ -
Liberty USA Corporation	8.0%	\$ 179,146,667	\$ 178,462,371	\$ 684,296
Total SSAP No. 97 8b(ii) Entities	XXX	\$ 387,202,764	\$ 386,518,468	\$ 684,296
c. SSAP No. 97 8b(iii) Entities				
Liberty Structured Holdings LLC	45.0%	\$ 1,490,504,894	\$ 1,490,504,894	
Liberty Mutual Investment Holdings LLC	22.0%	\$ 1,281,556,153	\$ 1,281,556,153	
LMAT Holdings LLC	30.0%	\$ 14,397,918	\$ 14,397,918	
Total SSAP No. 97 8b(iii) Entities	XXX	\$ 2,786,458,965	\$ 2,786,458,965	\$ -
d. SSAP No. 97 8b(iv) Entities				
Total SSAP No. 97 8b(iv) Entities	XXX	\$ -	\$ -	\$ -
e. Total SSAP No. 97 8b Entities (except 8bi entities) (b+c+d)	XXX	\$ 3,173,661,729	\$ 3,172,977,433	\$ 684,296
f. Aggregate Total (a+ e)	XXX	\$ 3,173,661,729	\$ 3,172,977,433	\$ 684,296

(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 Yes/No	NAIC Disallowed Entities Valuation Method, Resubmission Required Yes/No	Code **
a. SSAP No. 97 8a Entities						
Total SSAP No. 97 8a Entities	XXX	XXX	\$ -	XXX	XXX	XXX
b. SSAP No. 97 8b(ii) Entities						
Ohio Casualty Corporation	S2	12/20/2023	\$ 201,353,172	Yes	No	I
Liberty USA Corporation	S2	12/22/2023	\$ 174,921,817	Yes	No	I
Total SSAP No. 97 8b(ii) Entities	XXX	XXX	\$ 376,274,989	XXX	XXX	XXX
c. SSAP No. 97 8b(iii) Entities						

NOTES TO FINANCIAL STATEMENTS

Total SSAP No. 97 8b(iii) Entities	XXX	XXX	\$ -	XXX	XXX	XXX
d. SSAP No. 97 8b(iv) Entities						
Total SSAP No. 97 8b(iv) Entities	XXX	XXX	\$ -	XXX	XXX	XXX
e. Total SSAP No. 97 8b Entities (except 8bi entities) (b+c+d)	XXX	XXX	\$ 376,274,989	XXX	XXX	XXX
f. Aggregate Total (a+e)	XXX	XXX	\$ 376,274,989	XXX	XXX	XXX

* S1 - Sub-1, S2 - Sub-2 or RDF - Resubmission of Disallowed Filing
 ** I - Immaterial or M - Material

N. Investment in Insurance SCAs

The Company does not hold investments in Insurance SCAs for which the audited statutory equity reflects a departure from the NAIC statutory accounting practices and procedures.

O. SCA or SSAP 48 Entity Loss Tracking

The Company does not hold investments in SCAs.

NOTE 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 Boston. There were no outstanding borrowings as of December 31, 2023. The Company has determined the actual maximum borrowing capacity as \$1,200,000,000 per Board of Directors consent.

(2) FHLB Capital Stock

a. Aggregate Totals

	1 Total 2+3	2 General Account	3 Protected Cell Accounts
1. Current Year			
(a) Membership Stock - Class A	\$ -	\$ -	\$ -
(b) Membership Stock - Class B	\$ 5,000,000	\$ 5,000,000	\$ -
(c) Activity Stock	\$ -	\$ -	\$ -
(d) Excess Stock	\$ -	\$ -	\$ -
(e) Aggregate Total (a+b+c+d)	\$ 5,000,000	\$ 5,000,000	\$ -
(f) Actual or estimated Borrowing Capacity as Determined by the Insurer	\$ 1,200,000,000	XXX	XXX
2. Prior Year-end			
(a) Membership Stock - Class A	\$ -	\$ -	\$ -
(b) Membership Stock - Class B	\$ 5,000,000	\$ 5,000,000	\$ -
(c) Activity Stock	\$ -	\$ -	\$ -
(d) Excess Stock	\$ -	\$ -	\$ -
(e) Aggregate Total (a+b+c+d)	\$ 5,000,000	\$ 5,000,000	\$ -
(f) Actual or estimated Borrowing Capacity as Determined by the Insurer	\$ 1,200,000,000	XXX	XXX

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

			Eligible for Redemption			
	1 Current Year Total (2+3+4+5+6)	2 Not Eligible for Redemption	3 Less Than 6 Months	4 6 Months to Less Than 1 Year	5 1 to Less Than 3 Years	6 3 to 5 Years
Membership Stock						
1. Class A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2. Class B	\$ 5,000,000	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -

(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 Account Total Collateral Pledged (Lines 2+3)	\$ -	\$ -	\$ -
2. Current Year General Account Total Collateral Pledged	\$ -	\$ -	\$ -
3. Current Year Protected Cell Account Total Collateral Pledged	\$ -	\$ -	\$ -
4. Prior Year-end Total General and Protected Cell Account Total Collateral Pledged	\$ -	\$ -	\$ -

b. Maximum Amount Pledged During Reporting Period

	1 Fair Value	2 Carrying Value	3 Amount Borrowed at Time of Maximum Collateral

NOTES TO FINANCIAL STATEMENTS

1. Current Year Total General and Protected Cell Account Maximum Collateral Pledged (Lines 2+3)	\$	-	\$	-	\$	-
2. Current Year General Account Maximum Collateral Pledged	\$	-	\$	-	\$	-
3. Current Year Protected Cell Account Maximum Collateral Pledged	\$	-	\$	-	\$	-
4. Prior Year-end Total General and Protected Cell Account Maximum Collateral Pledged	\$	-	\$	-	\$	-

(4) Borrowing from FHLB

a. Amount as of Reporting Date

	1	2	3	4
	Total 2+3	General Account	Protected Cell Account	Funding Agreements Reserves Established
1. Current Year				
(a) Debt	\$ -	\$ -	\$ -	XXX
(b) Funding Agreements	\$ -	\$ -	\$ -	\$ -
(c) Other	\$ -	\$ -	\$ -	XXX
(d) Aggregate Total (a+b+c)	\$ -	\$ -	\$ -	\$ -
2. Prior Year end				
(a) Debt	\$ -	\$ -	\$ -	XXX
(b) Funding Agreements	\$ -	\$ -	\$ -	\$ -
(c) Other	\$ -	\$ -	\$ -	XXX
(d) Aggregate Total (a+b+c)	\$ -	\$ -	\$ -	\$ -

b. Maximum Amount During Reporting Period (Current Year)

	1	2	3
	Total 2+3	General Account	Protected Cell Account
1. Debt	\$ -	\$ -	\$ -
2. Funding Agreements	\$ -	\$ -	\$ -
3. Other	\$ -	\$ -	\$ -
4. Aggregate Total (1+2+3)	\$ -	\$ -	\$ -

c. FHLB - Prepayment Obligations

Does the company have prepayment obligations under the following arrangements (YES/NO)?

- 1. Debt
- 2. Funding Agreements
- 3. Other

No

C. There were no outstanding borrowings as of December 31, 2023

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

A. Defined Benefit Plan

The Company does not have any direct employees and therefore, does not have any direct obligations for a defined benefit plan, deferred compensation arrangements, compensated absences or other postretirement benefit plans. Services for the operation of the Company are provided under provisions of the management services agreements, as described in Note 10F.

(1) Change in benefit obligation

a. Pension Benefits

	Overfunded		Underfunded	
	2023	2022	2023	2022
1. Benefit obligation at beginning of year	\$ -	\$ -	\$ -	\$ -
2. Service cost	\$ -	\$ -	\$ -	\$ -
3. Interest cost	\$ -	\$ -	\$ -	\$ -
4. Contribution by plan participants	\$ -	\$ -	\$ -	\$ -
5. Actuarial gain (loss)	\$ -	\$ -	\$ -	\$ -
6. Foreign currency exchange rate changes	\$ -	\$ -	\$ -	\$ -
7. Benefits paid	\$ -	\$ -	\$ -	\$ -
8. Plan amendments	\$ -	\$ -	\$ -	\$ -
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	\$ -	\$ -	\$ -	\$ -
10. Benefit obligation at end of year	\$ -	\$ -	\$ -	\$ -

b. Postretirement Benefits

	Overfunded		Underfunded	
	2023	2022	2023	2022
1. Benefit obligation at beginning of year	\$ -	\$ -	\$ -	\$ -
2. Service cost	\$ -	\$ -	\$ -	\$ -
3. Interest cost	\$ -	\$ -	\$ -	\$ -
4. Contribution by plan participants	\$ -	\$ -	\$ -	\$ -
5. Actuarial gain (loss)	\$ -	\$ -	\$ -	\$ -
6. Foreign currency exchange rate changes	\$ -	\$ -	\$ -	\$ -
7. Benefits paid	\$ -	\$ -	\$ -	\$ -
8. Plan amendments	\$ -	\$ -	\$ -	\$ -
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	\$ -	\$ -	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS

10. Benefit obligation at end of year \$ - \$ - \$ - \$ -

c. Special or Contractual Benefits Per SSAP No. 11

	Overfunded		Underfunded	
	2023	2022	2023	2022
1. Benefit obligation at beginning of year	\$ -	\$ -	\$ -	\$ -
2. Service cost		\$ -		\$ -
3. Interest cost		\$ -		\$ -
4. Contribution by plan participants		\$ -		\$ -
5. Actuarial gain (loss)		\$ -		\$ -
6. Foreign currency exchange rate changes		\$ -		\$ -
7. Benefits paid		\$ -		\$ -
8. Plan amendments		\$ -		\$ -
9. Business combinations, divestitures, curtailments, settlements and special termination benefits		\$ -		\$ -
10. Benefit obligation at end of year	\$ -	\$ -	\$ -	\$ -

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
	2023	2022	2023	2022	2023	2022
(2) Change in plan assets						
a. Fair value of plan assets at beginning of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. Actual return on plan assets		\$ -		\$ -		\$ -
c. Foreign currency exchange rate changes		\$ -		\$ -		\$ -
d. Reporting entity contribution		\$ -		\$ -		\$ -
e. Plan participants' contributions		\$ -		\$ -		\$ -
f. Benefits paid		\$ -		\$ -		\$ -
g. Business combinations, divestitures and settlements		\$ -		\$ -		\$ -
h. Fair value of plan assets at end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(3) Funded status

	Pension Benefits		Postretirement Benefits	
	2023	2022	2023	2022
a. Components:				
1. Prepaid benefit costs			\$ -	\$ -
2. Overfunded plan assets			\$ -	\$ -
3. Accrued benefit costs			\$ -	\$ -
4. Liability for pension benefits			\$ -	\$ -
b. Assets and liabilities recognized:				
1. Assets (nonadmitted)			\$ -	\$ -
2. Liabilities recognized			\$ -	\$ -
c. Unrecognized liabilities			\$ -	\$ -

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
	2023	2022	2023	2022	2023	2022
(4) Components of net periodic benefit cost						
a. Service cost		\$ -		\$ -		\$ -
b. Interest cost		\$ -		\$ -		\$ -
c. Expected return on plan assets		\$ -		\$ -		\$ -
d. Transition asset or obligation		\$ -		\$ -		\$ -
e. Gains and losses		\$ -		\$ -		\$ -
f. Prior service cost or credit		\$ -		\$ -		\$ -
g. Gain or loss recognized due to a settlement or curtailment		\$ -		\$ -		\$ -
h. Total net periodic benefit cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(5) Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost

	Pension Benefits		Postretirement Benefits	
	2023	2022	2023	2022
a. Items not yet recognized as a component of net periodic cost - prior year	\$ -	\$ -	\$ -	\$ -
b. Net transition asset or obligation recognized		\$ -		\$ -
c. Net prior service cost or credit arising during the period		\$ -		\$ -
d. Net prior service cost or credit recognized		\$ -		\$ -
e. Net gain and loss arising during the period		\$ -		\$ -
f. Net gain and loss recognized		\$ -		\$ -
g. Items not yet recognized as a component of net periodic cost - current year	\$ -	\$ -	\$ -	\$ -

(6) Amounts in unassigned funds (surplus) that have not yet been recognized as components of net periodic benefit cost

	Pension Benefits		Postretirement Benefits	
	2023	2022	2023	2022
a. Net transition asset or obligation		\$ -		\$ -
b. Net prior service cost or credit		\$ -		\$ -
c. Net recognized gains and losses		\$ -		\$ -

(7) Weighted-average assumptions used to determine net periodic benefit cost as of the end of current period:

	2023	2022
a. Weighted average discount rate		0.000%
b. Expected long-term rate of return on plan assets		0.000%
c. Rate of compensation increase		0.000%
d. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates)		0.000%

Weighted average assumptions used to determine projected benefit obligations as of end of current period:

	2023	2022
e. Weighted average discount rate		0.000%

NOTES TO FINANCIAL STATEMENTS

f. Rate of compensation increase	0.000%
g. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates)	0.000%

(10) The following estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the years indicated:

	Amount
a. 2024	
b. 2025	
c. 2026	
d. 2027	
e. 2028	
f. 2029 through 20xx	

B. Information about Plan assets

Not Applicable

C. The fair value of each class of plan assets

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

NOTE 13 Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

A. The Company has 5,000,000 common shares authorized, and 3,524,456 shares issued and outstanding as of December 31, 2023. All shares have a stated par value of \$2.50.

The Company has 113,043 preferred shares authorized and no shares are issued and outstanding as of December 31, 2023. All shares have a stated par value of \$2.50.

B. Preferred Stock

Not Applicable.

C. There are no dividend restrictions.

D. The Company paid dividends to its parent in 2023

E. The maximum amount of dividends that can be paid by New Hampshire-domiciled insurance companies to shareholders without prior approval of the Insurance Commissioner is less than 10% of surplus or net income. The maximum dividend payout which may be made without prior approval in 2024 is \$ 25,469,801

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: \$ 508,109,720

after applicable deferred taxes of \$ 2,238,517.

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

NOTE 14 Liabilities, Contingencies and Assessments

A. Contingent Commitments

Refer to Note 10E

(1) Total SSAP No. 97 - Investments in Subsidiary, Controlled, and Affiliated Entities, and SSAP No. 48 - Joint Ventures, Partnerships and Limited Liability Companies contingent liabilities: \$ 0

NOTES TO FINANCIAL STATEMENTS

Total contingent liabilities:

(2)

(1)	(2)	(3)	(4)	(5)
Nature and circumstances of guarantee and key attributes, including date and duration of agreement	Liability recognition of guarantee. (Include amount recognized at inception. If no initial recognition, document exception allowed under SSAP No. 5R.)	Ultimate financial statement impact if action under the guarantee is required	Maximum potential amount of future payments (undiscounted) the guarantor could be required to make under the guarantee. If unable to develop an estimate, this should be specifically noted.	Current status of payment or performance risk of guarantee. Also provide additional discussion as warranted
Total	\$ -	XXX	\$ -	XXX

(a) Pursuant to the terms of the guarantee, the Company would be required to perform in the event of default by the Company, but would also be permitted to take control of the real estate.

(3)

	Amount
a. Aggregate Maximum Potential of Future Payments of All Guarantees (undiscounted) the guarantor could be required to make under guarantees. (Should equal total of Column 4 for (2) above.)	\$ -
b. Current Liability Recognized in F/S:	
1. Noncontingent Liabilities	
2. Contingent Liabilities	
c. Ultimate Financial Statement Impact if action under the guarantee is required:	
1. Investments in SCA	
2. Joint Venture	
3. Dividends to Stockholders (capital contribution)	
4. Expense	
5. Other	
6. Total (1+2+3+4+5) (Should equal (3)a.)	\$ -

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 \$17,984,197 that is offset by future premium tax credits of \$685,818. 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	\$	448,870
b. Decreases current year:		
Premium tax offset applied	\$	448,870
c. Increases current year:		
Premium tax offset increase	\$	685,818
d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	\$	685,818

(3)

- a. Discount Rate Applied
- b. The Undiscounted and Discounted Amount of the Guaranty Fund Assessments and Related Assets by Insolvency

Name of the Insolvency	Guaranty Fund Assessment		Related Assets	
	Undiscounted	Discounted	Undiscounted	Discounted

c. Number of Jurisdictions, Ranges of Years Used to Discount and Weighted Average Number of Years of the Discounting Time Period for Payables and Recoverables by Insolvency

Name of the Insolvency	Payables			Recoverables		
	Number of Jurisdictions	Range of Years	Weighted Average Number of Years	Number of Jurisdictions	Range of Years	Weighted Average Number of Years

NOTES TO FINANCIAL STATEMENTS

C. Gain Contingencies

Not Applicable

D. Claims related extra contractual obligations and bad faith losses stemming from lawsuitsDirect

- (1) Claims related ECO and bad faith losses paid during the reporting period
 (2) 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
 (3) Indicate whether claim count information is disclosed per claim or per claimant

E. Product Warranties

Not Applicable

- (2) Reconciliation of aggregate product warranty liability

a. Product warranty liability beginning balance	\$	-
b. Reductions for payments made under the warranty	\$	-
c. Liability accrual for product warranties issued during the current period	\$	-
d. Change in liability accrual for product warranties issued in previous periods	\$	-
e. Product warranty liability ending balance	\$	-

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

NOTE 15 Leases**A. Lessee Operating Lease:**

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 December 31, 2024, the minimum aggregate rental commitments are as follows:

		Operating Leases
1. 2024	\$	13,231,992
2. 2025	\$	11,728,155
3. 2026	\$	4,417,509
4. 2027	\$	3,563,929
5. 2028	\$	1,520,687
6. 2028 & Thereafter	\$	(3,447,193)
7. Total (sum of 1 through 6)	\$	31,015,079

- (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 \$12,976,837.

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

B. Lessor Leases

(1) Operating Losses

- a. Leasing is not a significant part of the Company's business activities.

- c. Future minimum lease payment receivables under noncancelable leasing arrangements as of the end of current period are as follows:

		Operating Leases
1. 2024	\$	-
2. 2025	\$	-
3. 2026	\$	-
4. 2027	\$	-
5. 2028	\$	-
6. 2028 & Thereafter	\$	-
7. Total (sum of 1 through 6)	\$	-

(2) Leveraged Leases

NOTES TO FINANCIAL STATEMENTS

b. The Company's investment in leveraged leases relates to equipment used primarily in the transportation industries. The component of net income from leveraged leases as of the end of current period and December 31, 2022 were as shown below:

	2023	2022
1. Income from leveraged leases before income tax including investment tax credit	\$ -	\$ -
2. Less current income tax	\$ -	\$ -
3. Net income from leveraged leases (1 - 2)	\$ -	\$ -

c. The components of the investment in leveraged leases as of the end of current period and December 31, 2022 were as shown below:

	2023	2022
1. Lease contracts receivable (net of principal and interest on non-recourse financing)	\$ -	\$ -
2. Estimated residual value of leased assets	\$ -	\$ -
3. Unearned and deferred income	\$ -	\$ -
4. Investment in leveraged leases	\$ -	\$ -
5. Deferred income taxes related to leveraged leases	\$ -	\$ -
6. Net investment in leveraged leases	\$ -	\$ -

Note 16 Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

The notional amounts specified in the agreements are used to calculate the exchange of contractual payments under the agreements and are generally not representative of the potential for gain or loss on these agreements.

(1) The table below summarizes the face amount of the Company's financial instruments with off-balance sheet risk.

	ASSETS		LIABILITIES	
	2023	2022	2023	2022
a. Swaps	\$ -	\$ -	\$ 375,000,000	\$ 375,000,000
b. Futures	\$ 22,045,000	\$ 3,143,000	\$ -	\$ 3,802,000
c. Options	\$ -	\$ -	\$ -	\$ -
d. Total (a+b+c)	\$ 22,045,000	\$ 3,143,000	\$ 375,000,000	\$ 378,802,000

See Schedule DB of the Company's annual statement for additional detail

- (2) The credit risk, market risk, cash requirements, and accounting policies of the Company's derivative instruments utilized during 2023 and 2022 are discussed in Note 8, Parts A-C.
- (3) The Company is exposed to credit-related losses in the event of nonperformance by counterparties to financial instruments, but it does not expect any counterparties to fail to meet their obligations given their high credit ratings. The credit exposure is represented by the fair value of contracts with a positive statement value at the reporting date. Because exchange-traded futures are affected through a regulated exchange and positions are marked to market on a daily basis, the Company has little exposure to credit-related losses in the event of nonperformance by counterparties to such financial instruments. The Company has not incurred any losses on derivative financial instruments due to counterparty non-performance.
- (4) The Company is required to put up collateral for any futures contracts that are entered. The Company pledges or obtains collateral when certain predetermined exposure limits are exceeded. The amount of collateral that is required is determined by the exchange on which it is traded and is typically in the form of cash. The Company currently puts up cash and U.S. Treasury Bonds to satisfy this collateral requirement.

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

A. Transfers of Receivables Reported as Sales

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

B. Transfer and Servicing of Financial Assets

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, 2023 the total fair value of securities on loan was \$ 509,558,992 with corresponding collateral value of \$ 526,005,218 of which \$ 471,997,546 represents cash collateral that was reinvested.

\$

1	2	3	4	5	6	7	8
Identification of Transaction	BACV at Time of Transfer	Original Reporting Schedule of the Transferred Assets	Amount Derecognized from Sale Transaction	Amount that continues to be recognized in the statement of financial position (Col. 2 minus 4)	BACV of acquired interests in transferred assets	Reporting Schedule of Acquired Interests	Percentage of interests of a reporting entity's transferred assets acquired by affiliated entities

C. Wash Sales

- (1) Not Applicable.
- (2) The details by NAIC designation 3 or below, or unrated of securities sold during the year ended December 31, 2023 and reacquired within 30 days of the sale date are:

Description	NAIC Designation	Number of Transactions	Book Value of Securities Sold	Cost of Securities Repurchased	Gain/(Loss)
-------------	------------------	------------------------	-------------------------------	--------------------------------	-------------

NOTES TO FINANCIAL STATEMENTS

NOTE 18 Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

A. ASO Plans:

The gain from operations from Administrative Services Only (ASO) uninsured plans and the uninsured portion of partially insured plans was as follows during 2023:

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative Expenses (including administrative fees) in excess of actual expenses	\$ -	\$ -	\$ -
b. Total net other income or expenses (including interest paid to or received from plans)	\$ -	\$ -	\$ -
c. Net gain or (loss) from operations (a+b)	\$ -	\$ -	\$ -
d. Total claim payment volume	\$ -	\$ -	\$ -

B. ASC Plans:

The gain from operations from Administrative Services Contract (ASC) uninsured plans and the uninsured portion of partially insured plans was as follows during 2023:

	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASC
a. Gross reimbursement for medical cost incurred	\$ -	\$ -	\$ -
b. Gross administrative fees accrued	\$ -	\$ -	\$ -
c. Other income or expenses (including interest paid to or received from plans)	\$ -	\$ -	\$ -
d. Gross expenses incurred (claims and administrative) (a+b+c)	\$ -	\$ -	\$ -
e. Total net gain or loss from operations	\$ -	\$ -	\$ -

C. Medicare or Similarly Structured Cost Based Reimbursement Contract

Not Applicable

NOTE 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.

NOTE 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.

(1) Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Residential MBS	\$ -	\$ -	16,043,870	\$ -	16,043,870
Commercial MBS	\$ -	101,011,938	\$ -	\$ -	101,011,938
Other MBS and ABS	\$ -	\$ -	2,596,833	\$ -	2,596,833
U.S. State and municipal	\$ -	639,060,282	172,950,756	\$ -	812,011,038
Corporate and other	\$ -	12,586,951	\$ -	\$ -	12,586,951
Foreign government securities	\$ -	\$ -	\$ -	\$ -	\$ -
Preferred Stocks	\$ -	\$ -	22,129,454	\$ -	22,129,454
Common Stocks	\$ -	2,622,672	5,000,002	\$ -	7,622,674
Derivative Assets	\$ 1,163,314	\$ -	\$ -	\$ -	1,163,314
Total assets at fair value/NAV	\$ 1,163,314	\$ 755,281,843	\$ 218,720,915	\$ -	\$ 975,166,072

NOTES TO FINANCIAL STATEMENTS

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
b. Liabilities at fair value					
Derivative Liabilities		\$ 22,777,323			\$ 22,777,323
Total liabilities at fair value	\$ -	\$ 22,777,323	\$ -	\$ -	\$ 22,777,323

(2) Fair Value Measurements in (Level 3) of the Fair Value hierarchy

Description	Beginning Balance at 01/01/2023	Transfers into Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2023
a. Assets										
Commercial MBS	\$ 15,228,080	\$ -	\$ -	\$ -	\$ 815,790	\$ -	\$ -	\$ -	\$ -	\$ 16,043,870
Other MBS and ABS	\$ 231,083	\$ -	\$ -	\$ -	\$ (7,186)	\$ -	\$ -	\$ -	\$ -	\$ 223,897
U.S. State and municipal	\$ 2,585,293	\$ -	\$ (2,511,423)	\$ -	\$ (73,870)	\$ 2,596,833	\$ -	\$ -	\$ -	\$ 2,596,833
Corporate and other	\$ 28,733,140	\$ 257,363,960	\$ (181,320,250)	\$ -	\$ 17,716,108	\$ 118,550,642	\$ -	\$ (68,316,740)	\$ -	\$ 172,726,860
Preferred Stocks	\$ 1,000,000	\$ 9,000,000	\$ -	\$ -	\$ 4,133,673	\$ 9,027,580	\$ -	\$ (1,031,799)	\$ -	\$ 22,129,454
Common Stocks	\$ 6,493,480	\$ 5,260,865	\$ -	\$ -	\$ (1,077,893)	\$ -	\$ -	\$ (5,676,449)	\$ -	\$ 5,000,003
Total Assets	\$ 54,271,076	\$ 271,624,825	\$ (183,831,673)	\$ -	\$ 21,506,622	\$ 130,175,055	\$ -	\$ (75,024,988)	\$ -	\$ 218,720,917

Description	Beginning Balance at 01/01/2023	Transfers into Level 3	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2023
b. Liabilities										
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(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.

(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 is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active,

NOTES TO FINANCIAL STATEMENTS

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 for all financial instruments and the level within the fair value hierarchy in which the fair value measurements in their entirety fall.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Cash, Cash Equivalents & Short Term	\$ 204,864,445	\$ 205,269,499	\$ (264,870,852)	\$ 126,422,896	\$ -	\$ 343,312,401	\$ -
Bonds	\$ 10,896,462,238	\$ 12,424,351,454	\$ 839,740,164	\$ 9,874,850,999	\$ 181,871,075	\$ -	\$ -
Preferred Stock	\$ 22,228,681	\$ 23,186,254	\$ -	\$ -	\$ 22,228,681	\$ -	\$ -
Common Stock	\$ 7,622,675	\$ 16,415,490	\$ -	\$ 2,622,672	\$ 5,000,002	\$ -	\$ -
Securities Lending	\$ 471,997,546	\$ 471,997,546	\$ -	\$ 471,997,546	\$ -	\$ -	\$ -
Mortgage Loans	\$ 838,999,623	\$ 840,528,164	\$ -	\$ -	\$ 838,999,623	\$ -	\$ -
Surplus Notes	\$ 23,729	\$ 370	\$ -	\$ 23,729	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Derivatives	\$ (21,614,008)	\$ (21,614,008)	\$ 1,163,314	\$ (22,777,323)	\$ -	\$ -	\$ -
Total	\$ 12,420,584,929	\$ 13,960,134,769	\$ 576,032,626	\$ 10,453,140,519	\$ 1,048,099,381	\$ 343,312,401	\$ -

D. Not Practicable to Estimate Fair Value

E. Instruments Measures at Net Asset Value (NAV)

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.

NOTE 21 Other Items

A. Unusual or Infrequent Items

The Company has no unusual or infrequent items to report.

B. Troubled Debt Restructuring: Debtors

Not Applicable

C. Other Disclosures

Not Applicable

D. Business Interruption Insurance Recoveries

Not Applicable

E. State Transferable and Non-transferable Tax Credits

Not Applicable

F. Subprime Mortgage Related Risk Exposure

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

	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Value of Land and Buildings	Other-Than-Temporary Impairment Losses Recognized	Default Rate

NOTES TO FINANCIAL STATEMENTS

a. Mortgages in the process of foreclosure	\$ -	\$ -	\$ -	\$ -	0.000%
b. Mortgages in good standing	\$ -	\$ -	\$ -	\$ -	0.000%
c. Mortgages with restructure terms	\$ -	\$ -	\$ -	\$ -	0.000%
d. Total (a+b+c)	\$ -	\$ -	\$ -	\$ -	XXX

(3) Direct exposure through other investments.

	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other-Than-Temporary Impairment Losses Recognized
a. Residential mortgage backed securities	\$ -	\$ -	\$ -	\$ -
b. Commercial mortgage backed securities	\$ -	\$ -	\$ -	\$ -
c. Collateralized debt obligations	\$ -	\$ -	\$ -	\$ -
d. Structured securities	\$ 11,838,541	\$ 11,813,846	\$ 11,198,995	\$ 218,460
e. Equity investment in SCAs *	\$ -	\$ -	\$ -	\$ -
f. Other assets	\$ -	\$ -	\$ -	\$ -
g. Total (a+b+c+d+e+f)	\$ 11,838,541	\$ 11,813,846	\$ 11,198,995	\$ 218,460

* These investments comprise of the companies invested assets.

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

	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				
b. Financial Guaranty Coverage				

	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
c. Other Lines (specify):				
d. Total (Sum of a through c)	\$ -	\$ -	\$ -	\$ -

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

NOTE 22 Events Subsequent

The Company evaluated subsequent events through February 23, 2024, the date the annual statement was available to be issued.

There were no events subsequent to December 31, 2023 that would require disclosure.

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

NOTE 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

There are no reinsurance recoverable in dispute from an individual reinsurer which exceeds 5% of the Company's surplus. In addition, the aggregate reinsurance recoverable in dispute do not exceed 10% of the Company's surplus.

C. Reinsurance Assumed and Ceded

(1) The Company has no maximum return premium and commission equity due to the reinsurer or to the Company if all of the Company's assumed and ceded reinsurance was canceled as of December 31, 2023.

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$ 4,526,680,873	\$ 3,240,625	\$ 410,140,960	\$ 42	\$ 4,116,539,913	\$ 3,240,583
b. All Other	\$ 120	\$ 31	\$ -	\$ -	\$ 120	\$ 31
c. Total (a+b)	\$ 4,526,680,993	\$ 3,240,656	\$ 410,140,960	\$ 42	\$ 4,116,540,033	\$ 3,240,614
d. Direct Unearned Premium Reserve						\$ 3,045,290

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, 2023 are as follows:

	Direct	Assumed	Ceded	Net
a. Contingent Commission	\$ 7,650,344	\$ 91,433,069	\$ 77,006,874	\$ 22,076,539
b. Sliding Scale Adjustments	\$ -	\$ -	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS

c. Other Profit Commission Arrangements	\$	-	\$	-	\$	-		
d. TOTAL (a+b+c)	\$	7,650,344	\$	91,433,069	\$	77,006,874	\$	22,076,539

(3) The Company does not use protected cells as an alternative to traditional reinsurance.

D. Uncollectible Reinsurance

During the current year, the Company wrote off reinsurance balances of \$287,276. This amount is shown below by Income Statement classification and by reinsurer.

Which is reflected as:

a. Losses incurred	\$	110,741
b. Loss adjustment expenses incurred	\$	176,535
c. Premiums earned	\$	-
d. Other	\$	-
e. Company		<u>Amount</u>
Liberty Mutual Insurance Company, 23043		\$ 287,276

E. Commutation of Reinsurance Reflected in Income and Expenses.

The Company commuted several ceded reinsurance treaties in the current year with the reinsurers listed below. The net effect of all commutations was a decrease in Net Income of \$333,785. This amount is shown below by Income Statement classification and by reinsurer.

(1) Losses incurred	\$	333,785
(2) Loss adjustment expenses incurred	\$	-
(3) Premiums earned	\$	-
(4) Other	\$	-
(5) Company		<u>Amount</u>
Liberty Mutual Insurance Company, 23043		\$ 333,785

F. Retroactive Reinsurance

(1)		Reported Company	
As:		Assumed	Ceded
a. Reserves Transferred:			
1. Initial Reserves		\$ (515,698,292)	\$ -
2. Adjustments - Prior Year (s)		\$ (298,341,055)	\$ -
3. Adjustments - Current Year		\$ (3,663,017)	\$ -
4. Current Total (1+2+3)		\$ (817,702,364)	\$ -
b. Consideration Paid or Received:			
1. Initial Consideration		\$ (542,518,841)	\$ -
2. Adjustments - Prior Year (s)		\$ 109,550,644	\$ -
3. Adjustments - Current Year		\$ 12,922,291	\$ -
4. Current Total (1+2+3)		\$ (420,045,906)	\$ -
c. Paid Losses Reimbursed or Recovered:			
1. Prior Year (s)		\$ 257,227,955	\$ -
2. Current Year		\$ (7,770,221)	\$ -
3. Current Total (1+2)		\$ 249,457,734	\$ -
d. Special Surplus from Retroactive Reinsurance:			
1. Initial Surplus Gain or Loss		\$ (20,112,542)	\$ -
2. Adjustments - Prior Year (s)		\$ 136,594,677	\$ -
3. Adjustments - Current Year		\$ 23,771,095	\$ -
4. Current Year Restricted Surplus		\$ 86,779,434	\$ -
5. Cumulative Total Transferred to Unassigned Funds (1+2+3+4)		\$ 227,032,664	\$ -

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

	Company	Assumed Amount	Ceded Amount
Liberty Mutual Insurance Company, 23043		\$ (817,702,364)	\$ -
Total		\$ (817,702,364)	\$ -

* 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, 2023.

NOTES TO FINANCIAL STATEMENTS

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

(1) Reporting Entity Ceding to Certified Reinsurer Whose Rating Was Downgraded or Status Subject to Revocation

The Certified Reinsurers that the Company transacts business with were not Downgraded or Status Subject to Revocation.

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

The Company is not a Certified Reinsurer.

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

(1) The Counterparty reporting party does not apply to the Company.

K. Reinsurance Credit

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

NOTE 24 Retrospectively Rated Contracts & Contracts Subject to Redetermination

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 Nonadmitted Retrospective Premium

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 premium	\$ 36,093,829
b. Unsecured amount	\$ -
c. Less: Nonadmitted amount (10%)	\$ 3,690,336
d. Less: Nonadmitted for any person for whom agents' balances or uncollected premiums are nonadmitted	\$ -
e. Admitted amount (a) - (c) - (d)	\$ 32,403,493

F. Risk Sharing Provisions of the Affordable Care Act

(1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions (YES/NO)? Yes [] No [X]

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

NOTE 25 Change in Incurred Losses and Loss Adjustment Expenses

A. Incurred loss and loss adjustment expense attributable to insured events on prior years decreased through the fourth quarter of 2023. The decrease was driven by reserve adjustments on Homeowners, Workers' Compensation, Special Property, and Auto Physical Damage lines. These decreases were partially offset by increases in reserve estimates for General Liability lines. Prior estimates are revised as additional information becomes known regarding individual claims.

NOTE 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 No.	Pooling companies	Lines 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 Compensation Insurance Company ("ACI")	45934	0.00%	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
	Bloomington Compensation Insurance Company ("BCI")	12311	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

NOTES TO FINANCIAL STATEMENTS

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. ("IIF")	23647	0.00%	All Lines
Ironshore Specialty Insurance Company ("ISIC")	25445	0.00%	All Lines
Liberty Insurance Corporation ("LIC")	42404	0.00%	All Lines
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
Meridian Security Insurance Company ("MSI")	23353	0.00%	All Lines
Mid-American Fire & Casualty Company ("MAFCC")	23507	0.00%	All Lines
Milbank Insurance Company ("MBK")	41653	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
Patrons Mutual Insurance Company of Connecticut ("PMI")	14923	0.00%	All Lines
Peerless Indemnity Insurance Company ("PIIC")	18333	0.00%	All Lines
Plaza Insurance Company ("PIC")	30945	0.00%	All Lines
Rockhill Insurance Company ("RIC")	28053	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
State Automobile Mutual Insurance Company ("SAM")	25135	0.00%	All Lines
State Auto Insurance Company of Ohio ("SOH")	11017	0.00%	All Lines
State Auto Property & Casualty Insurance Company ("SPC")	25127	0.00%	All Lines
State Auto Insurance Company of Wisconsin ("SWI")	31755	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
West American Insurance Company ("WAIC")	44393	0.00%	All Lines
100% Quota Share 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, 2023:

Affiliate	Amount
Liberty Mutual Insurance Company	\$ (1,478,642)

NOTE 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

	Loss Reserves Eliminated by Annuities	Unrecorded Loss Contin- gencies
Disclose the amount of reserves no longer carried	\$ 179,591,989	\$ 179,591,989

NOTES TO FINANCIAL STATEMENTS

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:

	Life Insurance Company And Location	Licensed in Company's State of Domicile Yes/No	Statement Value (i.e., Present Value) of Annuities
1	Prudential Insurance Company New Jersey	Yes	\$ 97,449,066

NOTE 28 Health Care Receivables

Not Applicable

NOTE 29 Participating Policies

Not Applicable

NOTE 30 Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves	\$ -
2. Date of the most recent evaluation of this liability	12/31/2023
3. Was anticipated investment income utilized in the calculation?	Yes [X] No []

NOTE 31 High Deductibles

As of December 31, 2023, the amount of reserve credit recorded for high dollar deductible policies on unpaid losses was \$1,782,353,600 and the amount billed and recoverable on paid claims was \$86,727,800. 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 Obligors Part of a Group Under the Same Management or Control Which Are Greater Than 1% of Capital and Surplus. For this purpose, a group of entities under common control shall be regarded as a single customer.

Not Applicable

NOTE 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, 2023 liabilities include \$2,547,457,060 of such discounted reserves. The Company recognized \$1,619,398 of interest accretion in the Statement of Income for the current year related to tabular discount on Workers' Compensation. The December 31, 2023 liabilities subject to discount were carried at a value representing a discount of \$45,276,727 net of all reinsurance.

A. Tabular Discount

	Tabular Discount Included in Schedule P, Part 1*	
	(1) Case	(2) IBNR
1. Homeowners/Farmowners	\$ -	\$ -
2. Private Passenger Auto Liability/Medical	\$ -	\$ -
3. Commercial Auto/Truck Liability/Medical	\$ -	\$ -
4. Workers' Compensation	\$ 78,573,959	\$ 16,886,381
5. Commercial Multiple Peril	\$ -	\$ -
6. Medical Professional Liability - occurrence	\$ -	\$ -
7. Medical Professional Liability - claims-made	\$ -	\$ -
8. Special Liability	\$ -	\$ -
9. Other Liability - occurrence	\$ -	\$ -
10. Other Liability - claims-made	\$ -	\$ -
11. Special Property	\$ -	\$ -
12. Auto Physical Damage	\$ -	\$ -
13. Fidelity, Surety	\$ -	\$ -
14. Other (including Credit, Accident & Health)	\$ -	\$ -
15. International	\$ -	\$ -
16. Reinsurance Nonproportional Assumed Property	\$ -	\$ -
17. Reinsurance Nonproportional Assumed Liability	\$ -	\$ -
18. Reinsurance Nonproportional Assumed Financial Lines	\$ -	\$ -
19. Products Liability - occurrence	\$ -	\$ -
20. Products Liability - claims-made	\$ -	\$ -
21. Financial Guaranty/Mortgage Guaranty	\$ -	\$ -
22. Warranty	\$ -	\$ -
23. Total (Sum of Lines 1 through 22)	\$ 78,573,959	\$ 16,886,381

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

B. Non-tabular Discount

Not Applicable

NOTES TO FINANCIAL STATEMENTS

	Case	IBNR	Expense	Expense
1. Homeowners/Farmowners				
2. Private Passenger Auto Liability/Medical				
3. Commercial Auto/Truck Liability/Medical				
4. Workers' Compensation				
5. Commercial Multiple Peril				
6. Medical Professional Liability - occurrence				
7. Medical Professional Liability - claims-made				
8. Special Liability				
9. Other Liability - occurrence				
10. Other Liability - claims-made				
11. Special Property				
12. Auto Physical Damage				
13. Fidelity, Surety				
14. Other (including Credit, Accident & Health)				
15. International				
16. Reinsurance Nonproportional Assumed Property				
17. Reinsurance Nonproportional Assumed Liability				
18. Reinsurance Nonproportional Assumed Financial Lines				
19. Products Liability - occurrence				
20. Products Liability - claims-made				
21. Financial Guaranty/Mortgage Guaranty				
22. Warranty				
23. Total (Sum of Lines 1 through 22)	\$ -	\$ -	\$ -	\$ -

** Should include medical loss reserves and all loss adjustment expense reserves, whether reported as tabular or nontabular in Schedule P.

NOTE 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 2023, 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 \$110,000,000 including: \$25,000,000 of asbestos reserves, and \$85,000,000 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, 2023, 2022, 2021, 2020, 2019, 2018 and 2017 before consideration of the NICO Reinsurance Transaction. Refer to Note 23f.

(1) Direct

	2019	2020	2021	2022	2023
a. Beginning reserves:	\$ 305,100,919	\$ 313,103,886	\$ 305,006,736	\$ 291,249,018	\$ 254,292,329
b. Incurred losses and loss adjustment expense:	\$ 50,795,796	\$ 28,640,335	\$ 24,971,991	\$ 11,347,132	\$ 23,378,680
c. Calendar year payments for losses and loss adjustment expenses:	\$ 42,792,829	\$ 36,737,485	\$ 39,252,143	\$ 48,303,821	\$ 41,423,981
d. Ending reserves (a+b-c):	\$ 313,103,886	\$ 305,006,736	\$ 290,726,584	\$ 254,292,329	\$ 236,247,028

(2) Assumed Reinsurance

	2019	2020	2021	2022	2023
a. Beginning reserves:	\$ 99,250,938	\$ 91,146,159	\$ 87,939,996	\$ 83,514,579	\$ 78,836,275
b. Incurred losses and loss adjustment expense:	\$ (2,976,246)	\$ 336,734	\$ (419,816)	\$ (472,313)	\$ (562,487)
c. Calendar year payments for losses and loss adjustment expenses:	\$ 5,128,533	\$ 3,542,896	\$ 4,029,180	\$ 4,205,991	\$ 4,833,304

NOTES TO FINANCIAL STATEMENTS

d. Ending reserves (a+b-c):	\$	91,146,159	\$	87,939,997	\$	83,491,000	\$	78,836,275	\$	73,440,484
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(3) Net of Ceded Reinsurance

		2019		2020		2021		2022		2023
a. Beginning reserves:	\$	155,900,042	\$	168,934,247	\$	168,626,830	\$	167,043,727	\$	149,276,767
b. Incurred losses and loss adjustment expense:	\$	50,041,909	\$	22,116,556	\$	13,472,228	\$	4,290,234	\$	4,999,496
c. Calendar year payments for losses and loss adjustment expenses:	\$	37,007,704	\$	22,423,972	\$	15,583,145	\$	22,057,194	\$	20,292,374
d. Ending reserves (a+b-c):	\$	168,934,247	\$	168,626,831	\$	166,515,913	\$	149,276,767	\$	133,983,889

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

(1) Direct Basis:	\$	141,415,464
(2) Assumed Reinsurance Basis:	\$	41,241,914
(3) Net of Ceded Reinsurance Basis:	\$	61,813,254

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

(1) Direct Basis:	\$	138,495,707
(2) Assumed Reinsurance Basis:	\$	933,635
(3) Net of Ceded Reinsurance Basis:	\$	61,729,160

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

		2019		2020		2021		2022		2023
a. Beginning reserves:	\$	82,884,918	\$	88,620,938	\$	105,200,887	\$	111,167,214	\$	116,064,617
b. Incurred losses and loss adjustment expense:	\$	22,383,912	\$	28,501,086	\$	18,225,129	\$	23,351,042	\$	28,590,303
c. Calendar year payments for losses and loss adjustment expenses:	\$	16,647,892	\$	11,921,137	\$	18,444,487	\$	18,453,639	\$	11,212,564
d. Ending reserves (a+b-c):	\$	88,620,938	\$	105,200,887	\$	104,981,529	\$	116,064,617	\$	133,442,356

(2) Assumed Reinsurance

		2019		2020		2021		2022		2023
a. Beginning reserves:	\$	8,996,828	\$	8,530,197	\$	8,696,540	\$	7,472,690	\$	7,998,035
b. Incurred losses and loss adjustment expense:	\$	690,934	\$	704,452	\$	(332,421)	\$	1,606,505	\$	435,026
c. Calendar year payments for losses and loss adjustment expenses:	\$	1,157,565	\$	538,109	\$	891,429	\$	1,081,160	\$	715,956
d. Ending reserves (a+b-c):	\$	8,530,197	\$	8,696,540	\$	7,472,690	\$	7,998,035	\$	7,717,105

(3) Net of Ceded Reinsurance

		2019		2020		2021		2022		2023
a. Beginning reserves:	\$	56,499,683	\$	61,566,654	\$	76,885,655	\$	84,981,049	\$	89,374,363
b. Incurred losses and loss adjustment expense:	\$	17,224,014	\$	24,370,529	\$	16,194,894	\$	14,999,958	\$	16,999,079
c. Calendar year payments for losses and loss adjustment expenses:	\$	12,157,044	\$	9,051,528	\$	14,172,403	\$	10,606,644	\$	6,016,970
d. Ending reserves (a+b-c):	\$	61,566,653	\$	76,885,655	\$	78,908,146	\$	89,374,363	\$	100,356,472

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

(1) Direct Basis:	\$	66,876,631
(2) Assumed Reinsurance Basis:	\$	2,134,855
(3) Net of Ceded Reinsurance Basis:	\$	41,890,448

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

(1) Direct Basis:	\$	45,477,913
(2) Assumed Reinsurance Basis:	\$	470,869
(3) Net of Ceded Reinsurance Basis:	\$	30,671,944

NOTE 34 Subscriber Savings Accounts

Not Applicable

NOTE 35 Multiple Peril Crop Insurance

Not Applicable

NOTE 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, 2023, 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, 2023, which could materially reduce the actual premiums collected.

(1) Installment Contracts:

NOTES TO FINANCIAL STATEMENTS

Financial guarantee insurance contracts where premiums are received as installment 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. (a) 1st Quarter 2024	\$ 9,767,903
(b) 2nd Quarter 2024	\$ 1,211,092
(c) 3rd Quarter 2024	\$ 1,209,362
(d) 4th Quarter 2024	\$ 1,193,282
(e) Year 2025	\$ 4,371,967
(f) Year 2026	\$ 3,900,026
(g) Year 2027	\$ 3,209,289
(h) Year 2028	\$ 2,362,620
2. (a) 2029 through 2033	\$ 1,653,244
(b) 2034 through 2038	\$ 3,755,513
(c) 2039 through 2043	\$ 1,130,738

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

1. Expected future premiums - Beginning of Year	\$ 15,060,150
2. Less - Premium payments received for existing installment contracts	\$ -
3. Add - Expected premium payments for new installment contracts	\$ 19,021,223
4. Adjustments to the expected future premium payments	\$ -
5. Expected future premiums - End of Year (1-2+3+4)	\$ 34,081,373

(2) Non-installment contracts:

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. (a) 1st Quarter 2024	\$ 6,823,821
(b) 2nd Quarter 2024	\$ 412,342
(c) 3rd Quarter 2024	\$ 313,266
(d) 4th Quarter 2024	\$ 225,184
(e) Year 2025	\$ 346,987
(f) Year 2026	\$ 33,544
(g) Year 2027	\$ -
(h) Year 2028	\$ -
2. (a) 2029 through 2033	\$ -
(b) 2034 through 2038	\$ -
(c) 2039 through 2043	\$ -

(3) Claim liability

a. The company used a rate of does not discount the claim liability.

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

Components	Amount
(1) Accretion of the discount	\$ -
(2) Changes in timing	\$ -
(3) New reserves for defaults of insured contracts	\$ 3,833
(4) Change in deficiency reserves	\$ 398,630
(5) Change in incurred but not reported claims	\$ 1,713,945
(6) Total (1+2+3+4+5)	\$ 2,116,408

(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				Total
	A	B	C	D	
1. Number of policies	0	0	0	0	0
2. Remaining weighted-average contract period (in years)	0.000	0.000	0.000	0.000	
Insured contractual payments outstanding:					
3a. Insured contractual payments outstanding: Principal	\$ 1,387,468,796	\$ -	\$ -	\$ -	\$ 1,387,468,796
3b. Interest	\$ -	\$ -	\$ -	\$ -	\$ -
3c. Total (3a+3b)	\$ 1,387,468,796	\$ -	\$ -	\$ -	\$ 1,387,468,796
4. Gross claim liability	\$ 1,935,770	\$ -	\$ -	\$ (7,061)	\$ 1,928,709
Less:					
5a. Gross potential recoveries	\$ 148,863	\$ -	\$ -	\$ -	\$ 148,863
5b. Discount, net	\$ -	\$ -	\$ -	\$ -	\$ -
6. Net claim liability (4-5a-5b)	\$ 1,786,907	\$ -	\$ -	\$ (7,061)	\$ 1,779,846
7. Unearned premium reserve	\$ 18,057,044	\$ -	\$ -	\$ 14,892	\$ 18,071,936
8. Reinsurance recoverables	\$ -	\$ -	\$ -	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
If yes, complete Schedule Y, Parts 1, 1A, 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 [X] No [] N/A []
- 1.3 State Regulating? New Hampshire
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [] No [X]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. 0
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2023
- 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). 06/19/2020
- 3.4 By what department or departments?
State of New Hampshire Insurance Department
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A [X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes [X] No []
4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes [] No [X]
4.22 renewals? Yes [X] No []
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 6.2 If yes, give full information:
0
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
- 7.2 If yes,
7.21 State the percentage of foreign control; %
7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If the response to 8.1 is yes, please identify the name of the DIHC.
0
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 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 depository institution holding company? 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 [] 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
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
0
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
0
- 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.
0
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 [] No [X]
- 12.11 Name of real estate holding company ... 0
- 12.12 Number of parcels involved
- 12.13 Total book/adjusted carrying value \$
- 12.2 If yes, provide explanation
0
- 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?
0
- 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]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is No, please explain:
0
- 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).
0
- 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).
0

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [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 Credit	4 Amount

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers.....\$
 - 20.12 To stockholders not officers.....\$
 - 20.13 Trustees, supreme or grand (Fraternal Only)\$
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers.....\$
 - 20.22 To stockholders not officers.....\$
 - 20.23 Trustees, supreme or grand (Fraternal Only)\$
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others.....\$
 - 21.22 Borrowed from others.....\$
 - 21.23 Leased from others\$
 - 21.24 Other\$
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] 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\$
- 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:\$
- 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.

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 []

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

GENERAL INTERROGATORIES

- 25.02 If no, give full and complete information, relating thereto
.....
- 25.03 For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
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 ter
- 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. \$ 526,005,218
- 25.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$
- 25.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]
- 25.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [X] 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 [X] No [] N/A []
- 25.09 For the reporting entity's securities lending program state the amount of the following as of December 31 of the current year:
- 25.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ 471,997,546
- 25.092 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ 471,997,546
- 25.093 Total payable for securities lending reported on the liability page. \$ 471,997,546

- 26.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 25.03). Yes [X] No []
- 26.2 If yes, state the amount thereof at December 31 of the current year:
- 26.21 Subject to repurchase agreements \$
- 26.22 Subject to reverse repurchase agreements \$
- 26.23 Subject to dollar repurchase agreements \$
- 26.24 Subject to reverse dollar repurchase agreements \$
- 26.25 Placed under option agreements \$
- 26.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$
- 26.27 FHLB Capital Stock \$
- 26.28 On deposit with states \$ 490,295,908
- 26.29 On deposit with other regulatory bodies \$
- 26.30 Pledged as collateral - excluding collateral pledged to an FHLB \$ 67,075,264
- 26.31 Pledged as collateral to FHLB - including assets backing funding agreements \$
- 26.32 Other \$

26.3 For category (26.26) provide the following:

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

- 27.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [X] No []
- 27.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [X] No [] N/A []
If no, attach a description with this statement.

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

- 27.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes [] No []
- 27.4 If the response to 27.3 is YES, does the reporting entity utilize:
- 27.41 Special accounting provision of SSAP No. 108 Yes [] No []
- 27.42 Permitted accounting practice Yes [] No []
- 27.43 Other accounting guidance Yes [] No []
- 27.5 By responding YES to 27.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following: Yes [] No []
- The reporting entity has obtained explicit approval from the domiciliary state.
 - Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
 - Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
 - Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.
- 28.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]
- 28.2 If yes, state the amount thereof at December 31 of the current year. \$
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
.....

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

GENERAL INTERROGATORIES

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

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

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

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

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

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

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

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

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

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
N/A	Liberty Mutual Group Asset Management Inc.	N/A	N/A	DS.....
N/A	Liberty Mutual Investment Advisors, LLC	N/A	N/A	DS.....
N/A	StanCorp	N/A	N/A	DS.....
N/A	Napier Park Global Capital	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 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
30.2999 - Total		

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

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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company
GENERAL INTERROGATORIES

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1 Bonds	12,433,043,763	11,887,565,816	(545,477,947)
31.2 Preferred stocks	23,186,254	23,241,081	54,827
31.3 Totals	12,456,230,017	11,910,806,897	(545,423,121)

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 in

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 []

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 [X] No []

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

36. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
 a. The shares were purchased prior to January 1, 2019.
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
 d. The fund only or predominantly holds bonds in its portfolio.
 e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
 f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.
 Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [] No [X]

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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company
GENERAL INTERROGATORIES

38.1 Does the reporting entity directly hold cryptocurrencies? Yes [] No [X]

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

39.1 Does the reporting entity directly or indirectly accept cryptocurrencies as payments for premiums on policies? Yes [] No [X]

39.2 If the response to 39.1 is yes, are the cryptocurrencies held directly or are they immediately converted to U.S. dollars?
 39.21 Held directly Yes [] No [X]
 39.22 Immediately converted to U.S. dollars Yes [] No [X]

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

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

OTHER

40.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 5,842,881

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

1	2
Name	Amount Paid
0

41.1 Amount of payments for legal expenses, if any? \$ 6,921,537

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

1	2
Name	Amount Paid

42.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 786,056

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

1	2
Name	Amount Paid

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]

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

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ _____
 1.31 Reason for excluding
 0

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

1.5 Indicate total incurred claims on all Medicare Supplement Insurance. \$ _____

1.6 Individual policies:

	Most current three years:	
1.61 Total premium earned	.....	\$ .....
1.62 Total incurred claims	.....	\$ .....
1.63 Number of covered lives	.....	.....
	All years prior to most current three years	
1.64 Total premium earned	.....	\$ .....
1.65 Total incurred claims	.....	\$ .....
1.66 Number of covered lives	.....	.....

1.7 Group policies:

	Most current three years:	
1.71 Total premium earned	.....	\$ .....
1.72 Total incurred claims	.....	\$ .....
1.73 Number of covered lives	.....	.....
	All years prior to most current three years	
1.74 Total premium earned	.....	\$ .....
1.75 Total incurred claims	.....	\$ .....
1.76 Number of covered lives	.....	.....

2. Health Test:

	1	2
	Current Year	Prior Year
2.1 Premium Numerator	23,334,821	20,863,482
2.2 Premium Denominator	8,032,869,488	7,699,751,735
2.3 Premium Ratio (2.1/2.2)	0.003	0.003
2.4 Reserve Numerator		29,761,631
2.5 Reserve Denominator	15,801,229,640	15,369,585,187
2.6 Reserve Ratio (2.4/2.5)	0.000	0.002

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	.....	\$ .....
3.22 Non-participating policies	.....	\$ 7,256,351

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? % _____

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

5. For Reciprocal Exchanges Only:

5.1 Does the Exchange appoint local agents? Yes [] No []

5.2 If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation	.....	Yes []	No []	N/A []
5.22 As a direct expense of the exchange	.....	Yes []	No []	N/A []

5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?
 0

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
 0

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
The Company purchases a combination of per risk excess of loss reinsurance and excess of loss per event catastrophe reinsurance.
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process.
The company employs various methods, including the use of proprietary and third-party catastrophe models, in order to assess and manage the potential loss related to natural and man-made catastrophe risks. For natural catastrophe risks, the company models both property and worker's compensation exposures (where appropriate) and applies adjustments for other non-modeled exposure and loss elements. The companies loss estimates for terrorism also reflect U.S. property and workers' compensation exposures.
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
The Company purchases a combination of quota share reinsurance, per risk excess of loss reinsurance, excess of loss per event catastrophe reinsurance.
- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [] No [X]
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss.
A large portion of the cat and risk programs are placed on a reinstatable basis.
- 7.1 Has this reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes [] No [X]
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions:
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [] No []
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes [] No [X]
- 8.2 If yes, give full information
0
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
(c) Aggregate stop loss reinsurance coverage;
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. Yes [] No [X]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes [] No [X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 36 of SSAP No. 62R - Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [] No [X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
(a) The entity does not utilize reinsurance; or, Yes [] No [X]
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [] No [X]
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [X] No []
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [] N/A []

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force? Yes [] No [X]
- 11.2 If yes, give full information
0
- 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\$ 69,395
- 12.12 Unpaid underwriting expenses (including loss adjustment expenses)\$ 1,744,876
- 12.2 Of the amount on Line 15.3, Page 2, state the amount which is secured by letters of credit, collateral and other funds \$ _____
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [] No [X] N/A []
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
- 12.41 From %
- 12.42 To..... %
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes [X] No []
- 12.6 If yes, state the amount thereof at December 31 of the current year:
- 12.61 Letters of credit\$658,432,476
- 12.62 Collateral and other funds.....\$ 891,819,095
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation):\$ 154,892
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [] No [X]
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. 1
- 14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes [X] No []
- 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
Premiums and recoverables were allocated pursuant to 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 [X]
- 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [X] 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 [X]
- 15.2 If yes, give full information
0
- 16.1 Does the reporting entity write any warranty business? Yes [] No [X]
If yes, disclose the following information for each of the following types of warranty coverage:

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

* Disclose type of coverage:
0

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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

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

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

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

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

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

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

19. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [] No []

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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

FIVE-YEAR HISTORICAL DATA

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

	1 2023	2 2022	3 2021	4 2020	5 2019
Gross Premiums Written (Page 8, Part 1B Cols. 1, 2 & 3)					
1. Liability lines (Lines 11, 16, 17, 18 & 19)	3,402,660,905	3,818,230,889	3,176,737,097	2,800,916,995	2,817,647,371
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	1,981,289,336	1,807,090,542	1,433,002,392	1,493,684,649	1,547,360,709
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	2,557,176,993	2,383,836,808	2,026,172,608	1,894,373,208	1,845,059,200
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	400,434,360	328,140,623	282,264,627	276,074,059	263,331,180
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	81,334,538	121,435,675	77,072,988	157,398,376	71,448,075
6. Total (Line 35)	8,422,896,133	8,458,734,537	6,995,249,712	6,622,447,287	6,544,846,535
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11, 16, 17, 18 & 19)	3,187,219,856	3,372,723,308	3,012,013,679	2,778,594,848	2,787,993,574
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	1,960,918,547	1,730,361,593	1,386,849,563	1,481,711,306	1,526,099,145
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	2,516,367,438	2,343,211,317	2,004,304,439	1,869,876,397	1,805,123,640
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	349,128,567	293,756,442	259,290,217	275,835,930	263,011,462
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	81,334,538	121,435,675	77,072,988	157,398,376	71,448,075
12. Total (Line 35)	8,094,968,946	7,861,488,335	6,739,530,886	6,563,416,857	6,453,675,896
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(389,691,143)	(312,574,970)	(263,694,122)	(332,081,638)	(233,116,864)
14. Net investment gain (loss) (Line 11)	521,330,704	418,331,606	610,150,513	482,809,568	566,473,451
15. Total other income (Line 15)	(14,609,987)	28,851,876	1,710,554	33,266,835	28,897,699
16. Dividends to policyholders (Line 17)	2,896,197	2,785,921	2,949,605	3,242,285	2,506,345
17. Federal and foreign income taxes incurred (Line 19)	88,663,575	82,625,710	60,025,970	(15,611,946)	57,970,753
18. Net income (Line 20)	25,469,802	49,196,881	285,191,370	196,364,426	301,777,188
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	22,238,039,310	21,980,885,030	20,201,066,316	17,948,761,029	16,337,285,738
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	768,150,335	752,494,193	584,460,612	406,616,311	373,962,348
20.2 Deferred and not yet due (Line 15.2)	1,669,959,591	1,869,721,617	1,557,121,590	1,499,606,635	1,472,554,172
20.3 Accrued retrospective premiums (Line 15.3)	32,403,493	30,658,876	31,089,583	30,743,660	59,340,971
21. Total liabilities excluding protected cell business (Page 3, Line 26)	16,727,244,455	16,617,896,116	14,798,009,761	13,427,240,848	12,183,162,131
22. Losses (Page 3, Line 1)	9,800,297,880	9,554,866,446	8,585,355,032	8,027,144,971	7,152,830,843
23. Loss adjustment expenses (Page 3, Line 3)	1,739,117,030	1,626,590,896	1,526,308,377	1,524,541,687	1,460,310,685
24. Unearned premiums (Page 3, Line 9)	4,119,585,324	4,053,343,283	3,642,786,340	3,379,482,799	3,202,858,595
25. Capital paid up (Page 3, Lines 30 & 31)	8,848,635	8,848,635	8,848,635	8,848,635	8,848,635
26. Surplus as regards policyholders (Page 3, Line 37)	5,510,794,855	5,362,988,914	5,403,056,555	4,521,520,181	4,154,123,608
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	737,639,510	670,113,785	874,052,920	1,236,803,980	812,121,864
Risk-Based Capital Analysis					
28. Total adjusted capital	5,510,794,855	5,362,988,914	5,403,056,555	4,521,520,186	4,154,123,608
29. Authorized control level risk-based capital	1,138,355,417	1,068,820,139	957,577,900	873,072,887	892,253,313
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0					
30. Bonds (Line 1)	68.5	68.2	69.7	74.5	77.1
31. Stocks (Lines 2.1 & 2.2)	3.2	3.1	5.4	5.3	8.8
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	4.6	4.8	4.4	4.5	4.4
33. Real estate (Lines 4.1, 4.2 & 4.3)					0.0
34. Cash, cash equivalents and short-term investments (Line 5)	1.1	2.7	1.4	1.4	0.0
35. Contract loans (Line 6)					
36. Derivatives (Line 7)	0.0	0.0	0.0		0.0
37. Other invested assets (Line 8)	19.7	17.7	15.7	12.5	8.1
38. Receivables for securities (Line 9)	0.2	0.1	0.2	0.1	0.2
39. Securities lending reinvested collateral assets (Line 10)	2.6	3.4	3.2	1.7	1.4
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 (Schedule D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1)	541,392,756	528,489,895	526,754,801	481,912,544	463,364,609
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated	2,786,458,965	2,612,789,722	2,228,157,838	1,487,634,854	731,493,882
48. Total of above Lines 42 to 47	3,327,851,721	3,141,279,617	2,754,912,639	1,969,547,398	1,194,858,491
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)	60.4	58.6	51.0	43.6	28.8

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2023	2 2022	3 2021	4 2020	5 2019
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	10,904,550	(141,224,565)	740,115,904	200,837,662	93,982,259
52. Dividends to stockholders (Line 35)					
53. Change in surplus as regards policyholders for the year (Line 38)	147,805,941	(40,067,641)	881,536,374	367,396,576	438,173,350
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11, 16, 17, 18 & 19)	2,126,661,381	1,899,498,186	1,476,928,492	1,439,531,097	1,684,647,433
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	1,161,471,406	1,017,727,340	756,793,584	708,753,291	867,715,195
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,650,996,335	1,327,145,946	1,167,361,976	972,872,005	1,019,739,495
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	53,553,497	26,351,582	49,497,114	68,750,461	64,280,506
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	54,280,205	22,375,496	99,402,570	448,427	18,202,188
59. Total (Line 35)	5,046,962,825	4,293,098,550	3,549,983,736	3,190,355,281	3,654,584,817
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11, 16, 17, 18 & 19)	2,106,823,745	1,869,638,776	1,460,771,117	1,408,897,469	1,615,512,157
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	1,150,403,467	1,011,126,980	751,556,682	703,464,560	856,657,451
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,619,251,090	1,307,462,984	1,153,958,477	958,157,843	981,235,538
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	47,369,289	24,062,232	49,502,195	68,756,061	64,279,039
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	54,280,205	22,375,496	99,402,570	448,427	18,202,188
65. Total (Line 35)	4,978,127,796	4,234,666,468	3,515,191,041	3,139,724,360	3,535,886,373
Operating Percentages (Page 4) (Line divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	65.2	64.6	63.2	62.9	62.5
68. Loss expenses incurred (Line 3)	11.4	10.7	11.0	11.8	12.6
69. Other underwriting expenses incurred (Line 4)	28.2	28.7	29.9	30.5	28.6
70. Net underwriting gain (loss) (Line 8)	(4.9)	(4.1)	(4.1)	(5.2)	(3.6)
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	28.2	27.8	28.7	29.0	27.8
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	76.6	75.3	74.2	74.7	75.1
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)	146.9	146.6	124.7	145.2	155.4
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)	(104,377)	(76,373)	37,797	190,917	173,197
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).....	(1.9)	(1.4)	0.8	4.6	4.7
Two Year Loss Development (\$000 omitted)					
76. Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(117,603)	(18,989)	294,724	369,855	13,831
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)	(2.2)	(0.4)	7.1	10.0	0.4

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 requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [] No []
 If no, please explain:

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company
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						10 Salvage and Subrogation Received	11 Total Net Paid Cols (4 - 5 + 6 - 7 + 8 - 9)	12 Number of Claims Reported Direct and Assumed
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments				
				4	5	6	7	8	9			
1. Prior.....	XXX.....	XXX.....	XXX.....	155,665	57,541	48,506	17,007	10,592	853	4,566	139,362	XXX.....
2. 2014.....	6,748,137	1,478,828	5,269,308	3,514,472	750,099	269,858	37,179	440,316	5,696	172,063	3,431,672	XXX.....
3. 2015.....	6,966,423	1,545,496	5,420,927	3,719,110	795,470	276,659	31,584	445,607	5,412	241,300	3,608,910	XXX.....
4. 2016.....	7,135,493	1,542,937	5,592,556	3,896,673	812,985	266,806	29,168	455,043	8,699	143,571	3,767,668	XXX.....
5. 2017.....	7,451,329	1,541,593	5,909,736	4,473,634	964,004	274,875	42,057	457,006	3,152	171,534	4,196,302	XXX.....
6. 2018.....	7,760,144	1,163,993	6,596,151	4,268,688	655,250	247,581	15,681	466,010	675	230,106	4,310,673	XXX.....
7. 2019.....	8,005,434	1,229,905	6,775,529	4,211,301	692,369	224,298	17,614	459,638	785	235,092	4,184,469	XXX.....
8. 2020.....	8,183,757	1,410,651	6,773,106	3,841,542	806,484	167,583	21,472	440,412	955	199,661	3,620,626	XXX.....
9. 2021.....	8,619,477	1,680,614	6,938,862	4,208,658	893,918	128,712	14,585	458,261	7,561	299,382	3,879,567	XXX.....
10. 2022.....	9,887,381	2,065,276	7,822,105	4,162,302	714,432	87,187	7,998	398,533	1,811	262,233	3,923,782	XXX.....
11. 2023.....	10,010,396	1,977,523	8,032,873	3,181,362	664,274	32,249	2,855	429,968	97	164,441	2,976,353	XXX.....
12. Totals.....	XXX	XXX	XXX	39,633,407	7,806,826	2,024,313	237,201	4,461,386	35,695	2,123,950	38,039,385	XXX.....

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13	14	15	16	17	18	19	20					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded					
1. Prior.....	1,082,590	372,476	1,308,451	330,187	66,573	34,168	351,092	88,790	17,626	4,343	2,000,711	XXX.....	
2. 2014.....	79,102	19,213	94,893	24,620	4,483	405	22,444	1,473	7,117	2	893	162,327	XXX.....
3. 2015.....	67,977	17,450	147,567	26,752	4,550	705	27,466	343	7,335	6	3,250	209,639	XXX.....
4. 2016.....	123,277	49,447	165,907	18,047	9,234	1,803	27,813	1,477	25,534	3	2,296	280,988	XXX.....
5. 2017.....	151,528	21,019	166,099	29,798	17,266	4,495	43,217	2,201	32,674	2	3,209	353,268	XXX.....
6. 2018.....	217,663	37,503	243,175	75,522	10,848	1,238	48,524	5,748	29,399	8	6,410	429,590	XXX.....
7. 2019.....	313,514	47,234	342,890	72,856	13,757	1,798	64,267	(209)	35,377	64	9,664	648,062	XXX.....
8. 2020.....	373,800	79,629	759,567	129,675	16,299	3,547	86,008	(1,743)	38,161	20	16,452	1,062,708	XXX.....
9. 2021.....	499,328	69,526	736,159	163,042	16,345	3,430	125,635	2,753	53,847	79	38,243	1,192,486	XXX.....
10. 2022.....	711,465	69,592	1,339,656	338,961	16,857	2,755	183,443	13,597	143,580	363	53,213	1,969,734	XXX.....
11. 2023.....	887,425	74,315	2,483,229	428,098	12,559	1,765	266,656	18,402	102,662	48	157,777	3,229,902	XXX.....
12. Totals.....	4,507,671	857,405	7,787,591	1,637,557	188,770	56,108	1,246,564	132,831	493,313	593	295,750	11,539,415	XXX.....

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred / Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. Prior.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....	XXX.....			XXX.....	1,688,378	312,333
2. 2014.....	4,432,685	838,686	3,593,999	65.7	56.7	68.2				130,162	32,165
3. 2015.....	4,696,271	877,723	3,818,549	67.4	56.8	70.4				171,342	38,297
4. 2016.....	4,970,286	921,630	4,048,656	69.7	59.7	72.4				221,690	59,298
5. 2017.....	5,616,299	1,066,729	4,549,571	75.4	69.2	77.0				266,810	86,459
6. 2018.....	5,531,888	791,624	4,740,264	71.3	68.0	71.9				347,813	81,777
7. 2019.....	5,665,041	832,510	4,832,531	70.8	67.7	71.3				536,314	111,748
8. 2020.....	5,723,372	1,040,038	4,683,333	69.9	73.7	69.1				924,064	138,644
9. 2021.....	6,226,946	1,154,893	5,072,053	72.2	68.7	73.1				1,002,919	189,566
10. 2022.....	7,043,023	1,149,508	5,893,515	71.2	55.7	75.3				1,642,568	327,166
11. 2023.....	7,396,110	1,189,855	6,206,255	73.9	60.2	77.3				2,868,240	361,662
12. Totals.....	XXX	XXX	XXX	XXX	XXX	XXX			XXX	9,800,300	1,739,115

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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1 2014	2 2015	3 2016	4 2017	5 2018	6 2019	7 2020	8 2021	9 2022	10 2023	11 One Year	12 Two Year
1. Prior.....	5,249,687	5,232,403	5,259,635	5,337,724	5,273,175	5,345,951	5,399,725	5,427,299	5,485,545	5,474,048	(11,497)	46,748
2. 2014.....	3,138,870	3,132,011	3,128,672	3,158,238	3,154,817	3,159,324	3,158,199	3,157,054	3,162,018	3,155,669	(6,350)	(1,385)
3. 2015.....	XXX	3,262,100	3,293,527	3,320,746	3,297,429	3,340,035	3,358,896	3,359,255	3,363,315	3,374,135	10,820	14,880
4. 2016.....	XXX	XXX	3,403,665	3,429,381	3,420,017	3,441,287	3,485,821	3,532,068	3,561,661	3,579,530	17,869	47,462
5. 2017.....	XXX	XXX	XXX	4,042,706	3,985,927	3,988,065	4,006,871	4,047,238	4,029,985	4,066,672	36,687	19,434
6. 2018.....	XXX	XXX	XXX	XXX	4,206,323	4,214,952	4,268,113	4,265,414	4,253,821	4,246,964	(6,857)	(18,450)
7. 2019.....	XXX	XXX	XXX	XXX	XXX	4,415,562	4,407,461	4,383,562	4,350,961	4,339,793	(11,168)	(43,768)
8. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	4,405,751	4,342,861	4,264,548	4,207,175	(57,373)	(135,686)
9. 2021.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,616,112	4,582,640	4,569,273	(13,367)	(46,839)
10. 2022.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,418,410	5,355,268	(63,143)	XXX
11. 2023.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,675,519	XXX	XXX
12. Totals											(104,377)	(117,603)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1 2014	2 2015	3 2016	4 2017	5 2018	6 2019	7 2020	8 2021	9 2022	10 2023		
1. Prior.....	000	1,045,607	1,753,263	2,189,681	2,535,263	2,805,470	2,993,671	3,136,093	3,288,197	3,417,820	XXX	XXX
2. 2014.....	1,440,133	2,069,849	2,392,739	2,594,344	2,781,164	2,876,146	2,921,840	2,953,454	2,982,162	2,997,051	XXX	XXX
3. 2015.....	XXX	1,502,479	2,174,297	2,485,091	2,781,212	2,953,125	3,044,075	3,101,457	3,136,924	3,168,714	XXX	XXX
4. 2016.....	XXX	XXX	1,592,989	2,248,218	2,651,597	2,933,604	3,091,698	3,192,502	3,277,255	3,321,325	XXX	XXX
5. 2017.....	XXX	XXX	XXX	1,723,627	2,630,363	3,045,067	3,270,585	3,491,664	3,639,522	3,742,448	XXX	XXX
6. 2018.....	XXX	XXX	XXX	XXX	1,829,033	2,752,181	3,145,288	3,438,960	3,681,932	3,845,338	XXX	XXX
7. 2019.....	XXX	XXX	XXX	XXX	XXX	1,916,543	2,709,837	3,155,137	3,490,206	3,725,617	XXX	XXX
8. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	1,778,083	2,545,508	2,901,520	3,181,169	XXX	XXX
9. 2021.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,029,158	2,993,855	3,428,868	XXX	XXX
10. 2022.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,247,280	3,527,059	XXX	XXX
11. 2023.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,546,482	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 2014	2 2015	3 2016	4 2017	5 2018	6 2019	7 2020	8 2021	9 2022	10 2023
1. Prior.....	2,719,401	2,177,822	1,860,636	1,741,008	1,486,067	1,422,633	1,370,412	1,353,025	1,303,994	1,246,310
2. 2014.....	1,080,850	636,066	423,161	307,142	203,263	165,999	141,957	128,105	106,728	93,680
3. 2015.....	XXX	1,116,750	658,814	459,631	256,773	202,613	189,189	165,659	142,708	149,816
4. 2016.....	XXX	XXX	1,165,861	664,532	376,668	218,592	200,721	202,546	175,255	176,491
5. 2017.....	XXX	XXX	XXX	1,516,171	716,261	440,078	391,942	303,720	214,563	179,657
6. 2018.....	XXX	XXX	XXX	XXX	1,562,696	869,689	670,403	467,013	315,239	211,103
7. 2019.....	XXX	XXX	XXX	XXX	XXX	1,712,479	1,103,149	744,025	490,967	334,099
8. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	1,934,200	1,276,614	956,736	717,064
9. 2021.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,867,814	1,015,700	695,939
10. 2022.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,392,627	1,171,431
11. 2023.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,305,063

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status (a)	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Included in Column 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	L						28,560	
2. Alaska	AK	L						14,049	
3. Arizona	AZ	L					21	30,600	
4. Arkansas	AR	L				(8,365)	304,596	6,573	
5. California	CA	L	(27,218)	(27,218)	6,305,463	430,702	20,381,163	7,460,390	
6. Colorado	CO	L			224		9,508	49,124	
7. Connecticut	CT	L	2,766	4,219	189,359	(9,710)	10,380,673	178,790	
8. Delaware	DE	L		133	91,373	(274,006)	2,649,862	6,524	
9. District of Columbia	DC	L		262		(3,895)	113,841	7,693	
10. Florida	FL	L	9,529	10,079		259,271	526,200	82,863	
11. Georgia	GA	L	3,171	4,200	89,883	(432,978)	970,277	60,643	
12. Hawaii	HI	N						430	
13. Idaho	ID	L						45,621	
14. Illinois	IL	L	1,350	1,406	539,230	(462,602)	3,715,411	63,707	
15. Indiana	IN	L	2,110	1,869	1,316,182	71,551	12,177,394	83,958	
16. Iowa	IA	L				80,296	788,969	3,315	
17. Kansas	KS	L	354,645	326,442	70,844	(101,346)	327,565	362,837	
18. Kentucky	KY	L	2,816	2,814	(1,385,433)	(2,152,147)	3,597,375	49,983	
19. Louisiana	LA	L	470,987	459,914	296,838	94,469	782,700	734,868	
20. Maine	ME	L	1,448	3,876	960,352	(632,470)	9,684,281	480,263	
21. Maryland	MD	L	961	960	68,834	1,360,169	9,406,502	16,595	
22. Massachusetts	MA	L	(733)	(929)	1,076,706	(2,178,462)	18,697,590	1,671,371	
23. Michigan	MI	L	9,587	7,203	(632)	84,275	(398,456)	25,796	
24. Minnesota	MN	L			860,473	(202,015)	1,781,894	15,654	
25. Mississippi	MS	L						24,867	
26. Missouri	MO	L		77	473,781	(198,283)	(87,670)	41,821	
27. Montana	MT	L				10,031	3,437,365	109,624	
28. Nebraska	NE	L	100	100		6,663	322,569	19,545	
29. Nevada	NV	L						21,654	
30. New Hampshire	NH	L	103,811	112,407	299,669	240,872	29,194,848	31,537	
31. New Jersey	NJ	Q			(4,841)	(4,841)	9,385	98,611	
32. New Mexico	NM	L				(313,287)	1,080,892	22,067	
33. New York	NY	L	9,672	14,688	8,934,408	(410,609)	11,914,969	196,006	
34. North Carolina	NC	L	9,984	12,199	2,445,171	(771,114)	2,698,778	30,739	
35. North Dakota	ND	L				79,058	148,149	1,411	
36. Ohio	OH	L	10,586	10,570	84,099	(311,592)	243,312	83,779	
37. Oklahoma	OK	L	3,268	3,263	44,334	26,491	5,483,862	49,768	
38. Oregon	OR	L				47,972	158,303	216,248	
39. Pennsylvania	PA	L	850	(93,276)	177,677	(1,447,135)	17,445,159	50,505	
40. Rhode Island	RI	L	6,282,396	8,508,906	5,126,133	3,852,841	8,166,627	1,150,766	
41. South Carolina	SC	L		87	67,509	(1,260,439)	1,813,055	13,547	
42. South Dakota	SD	L						17,673	
43. Tennessee	TN	L			250,763	(551,018)	2,261,050	38,035	
44. Texas	TX	L			132,151	85,707	914,969	247,730	
45. Utah	UT	L				(9,167)	3,004,270	14,061	
46. Vermont	VT	L	282	2,403	241,978	(222,120)	12,829,950	2,817,038	
47. Virginia	VA	L	3,984	4,932	128,694	1,128,530	2,752,775	37,547	
48. Washington	WA	L				813,500	2,684,469	159,496	
49. West Virginia	WV	L				2,823	1,099,402	1,739	
50. Wisconsin	WI	L				7,409	494,313	18,748	
51. Wyoming	WY	L						38,104	
52. American Samoa	AS	N							
53. Guam	GU	N							
54. Puerto Rico	PR	N							
55. U.S. Virgin Islands	VI	N							
56. Northern Mariana Islands	MP	N							
57. Canada	CAN	N							
58. Aggregate other alien	OT	XXX					89,418		
59. Totals	XXX		7,256,352	9,371,586	28,881,222	(3,274,971)	204,057,585	17,032,873	
DETAILS OF WRITE-INS									
58001. ZZZ Other Alien	XXX						89,418		
58002.	XXX								
58003.	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX								
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX						89,418		

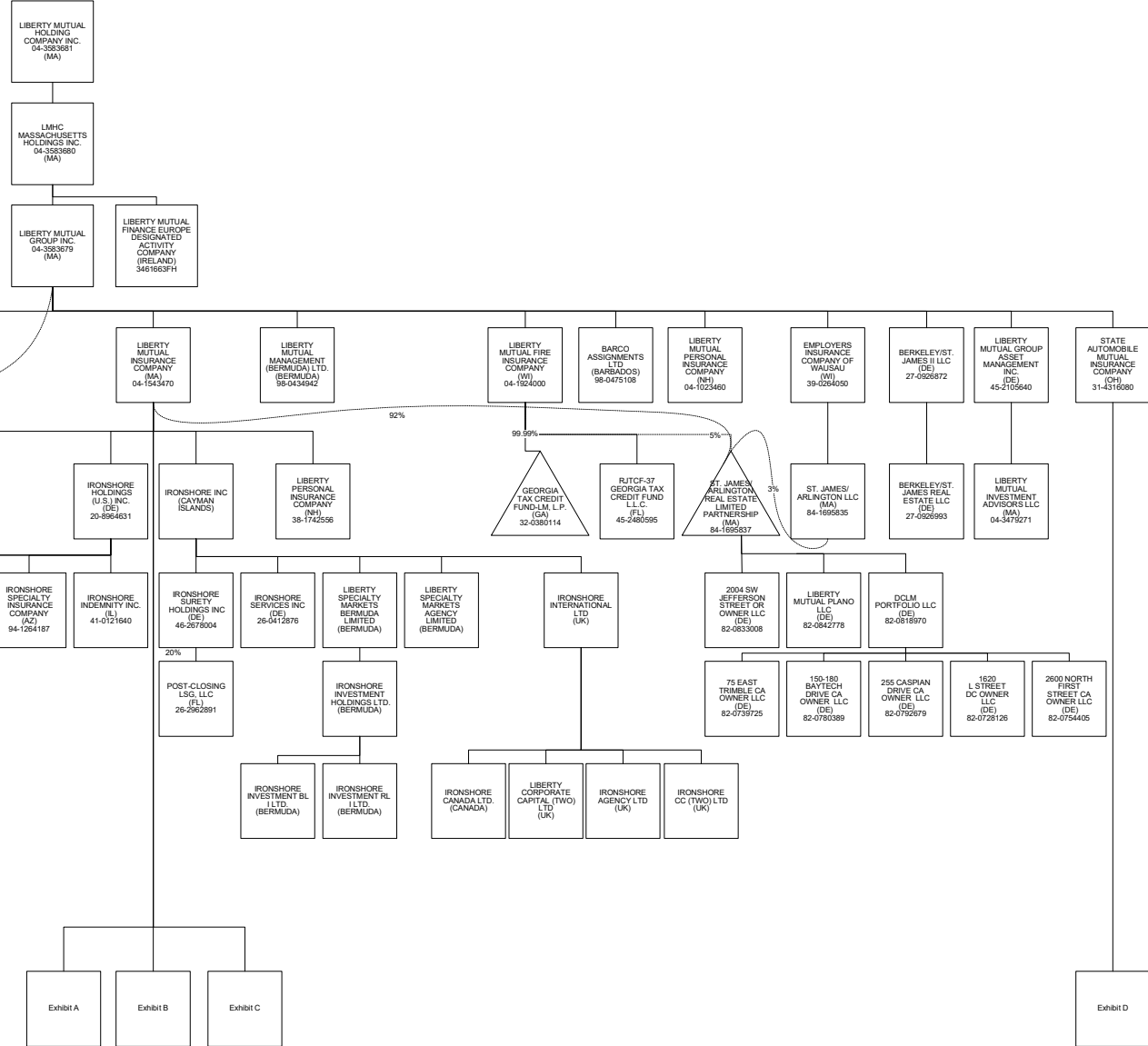
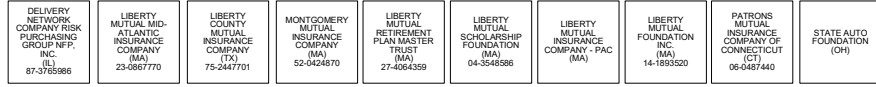
(a) Active Status Counts:

- 1. L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG..... 49
- 2. R - Registered - Non-domiciled RRGs.....
- 3. E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - see DSLI).....
- 4. Q - Qualified - Qualified or accredited reinsurer..... 1
- 5. D - Domestic Surplus Lines Insurer (DSLII) - Reporting entities authorized to write surplus lines in the state of domicile.....
- 6. N - None of the above - Not allowed to write business in the state..... 7

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

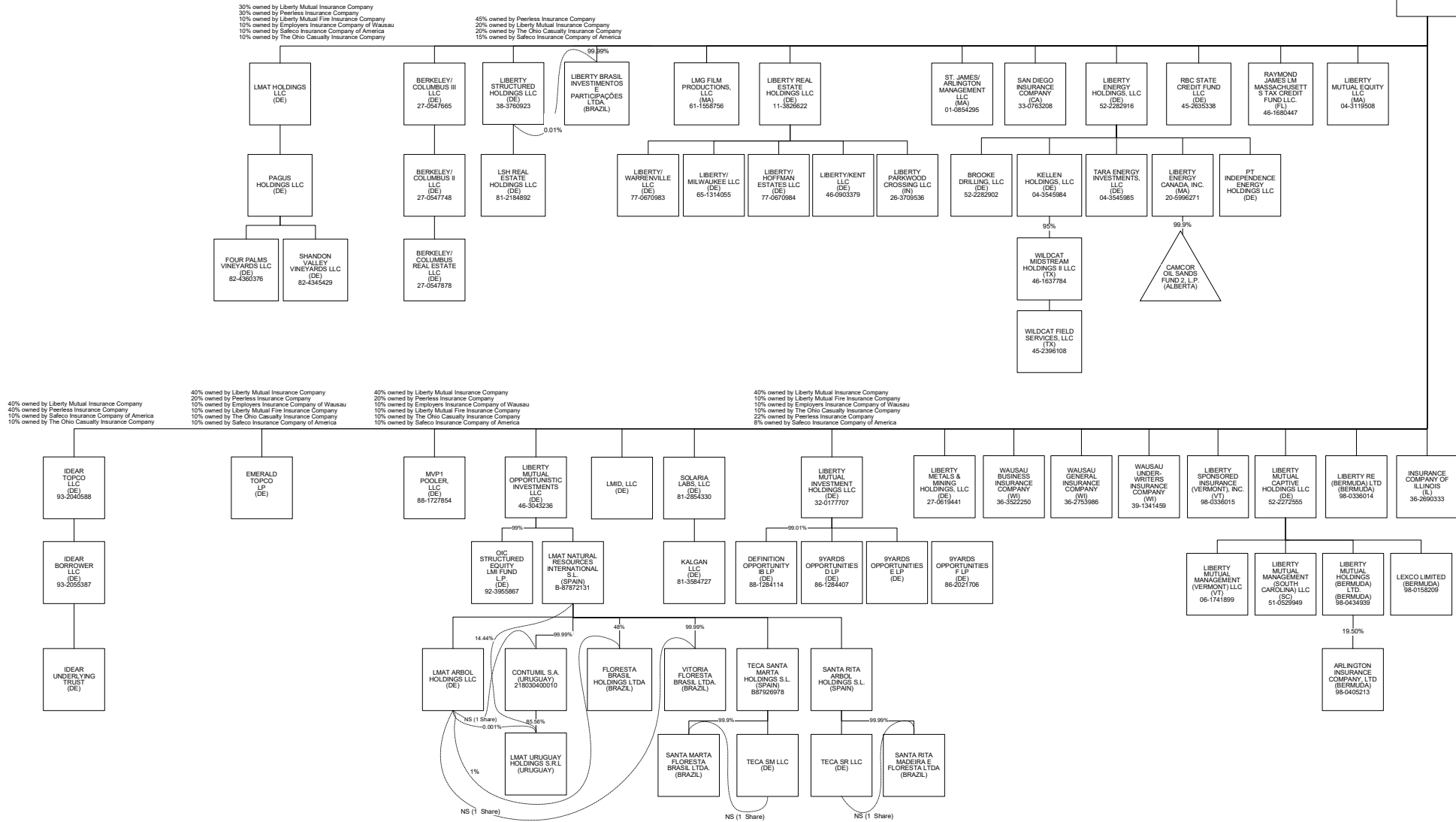
*Location of coverage - Fire, Allied Lines, Homeowners Multi Peril, Commercial Multi Peril, Earthquake, Boiler and Machinery

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

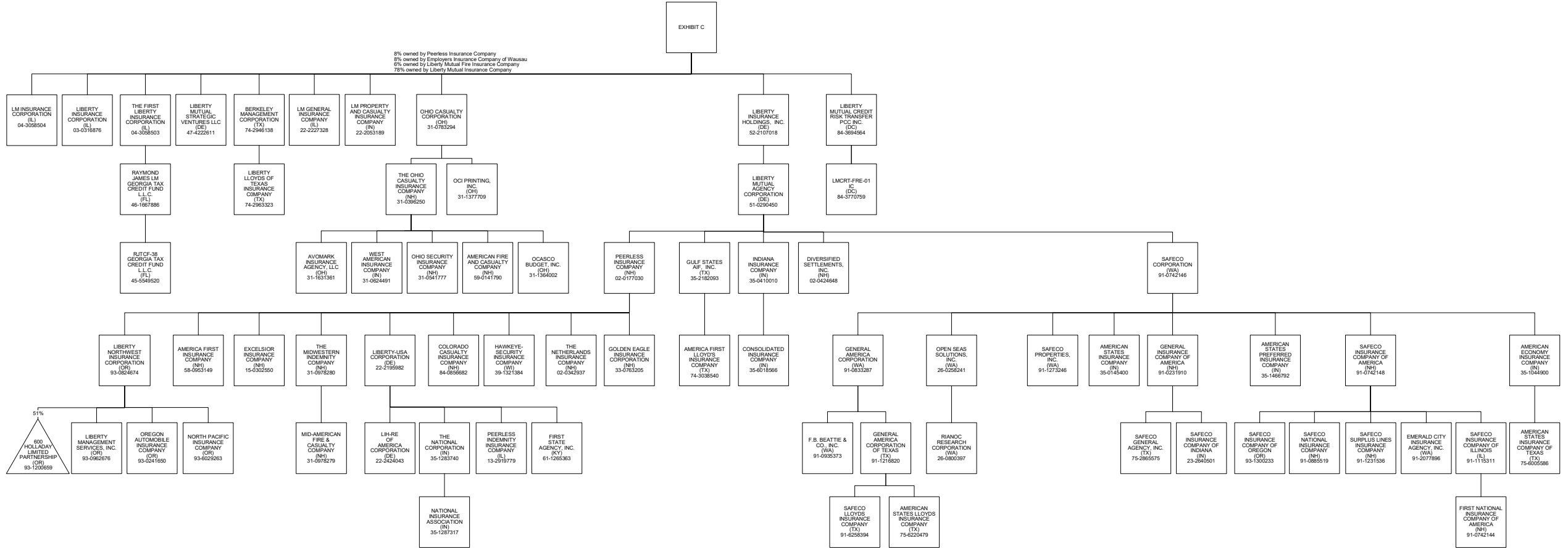


ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company

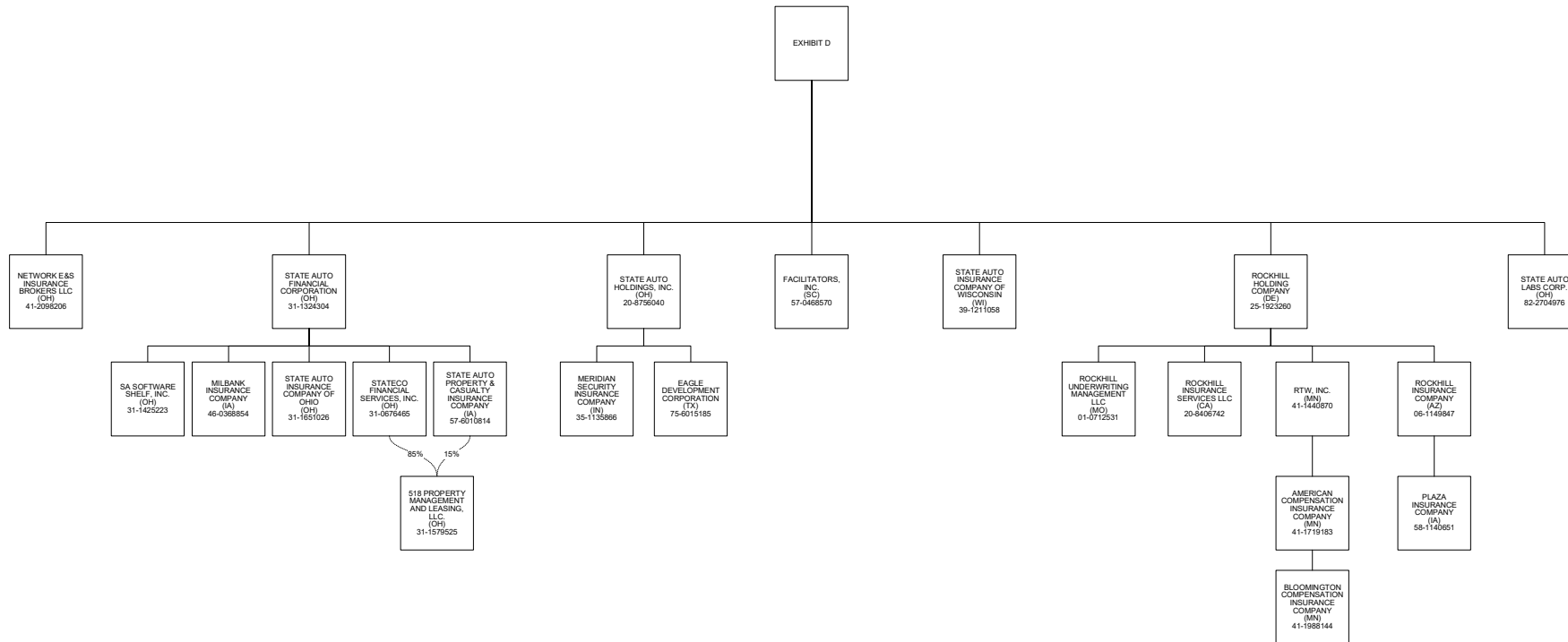
EXHIBIT B



ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company



ANNUAL STATEMENT FOR THE YEAR 2023 OF THE Peerless Insurance Company



OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols: 1 - 2)	4 Net Admitted Assets
2504. Amounts receivable under high deductible policies	55,276,634		55,276,634	41,596,930
2505.				
2597. Summary of remaining write-ins for Line 25 from overflow page	55,276,634		55,276,634	41,596,930

Additional Write-ins for Liabilities Line 25

	1 Current Year	2 Prior Year
2504.		
2597. Summary of remaining write-ins for Line 25 from overflow page		