

**ANNUAL STATEMENT**

**OF THE**

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**LIBERTY NORTHWEST INSURANCE CORPORATION**

**of** **PORTLAND**

**STATE OF** **OREGON**

**TO THE**

**Insurance Department**

**OF THE**

**FOR THE YEAR ENDED**

**December 31, 2020**

**PROPERTY AND CASUALTY**

**2020**



41939202020100100

ANNUAL STATEMENT

For the Year Ended December 31, 2020
OF THE CONDITION AND AFFAIRS OF THE

Liberty Northwest Insurance Corporation

NAIC Group Code 0111 0111 NAIC Company Code 41939 Employer's ID Number 93-0824674
Organized under the Laws of Oregon, State of Domicile or Port of Entry OR
Country of Domicile United States of America
Incorporated/Organized January 21, 1983 Commenced Business February 18, 1983
Statutory Home Office One Liberty Centre, 650 N.E. Holladay Street, Portland, OR, US 97232-2038
Main Administrative Office 175 Berkeley Street, Boston, MA, US 02116
Mail Address 175 Berkeley Street, Boston, MA, US 02116
Primary Location of Books and Records 175 Berkeley Street, Boston, MA, US 02116
Internet Web Site Address www.libertymutualgroup.com
Statutory Statement Contact Simone Thomas, 617-357-9500 x41420, Statutory.Compliance@LibertyMutual.com, 603-430-1653

OFFICERS

Chairman of the Board
Mark Charles Touhey

Table with 2 columns: Name, Title. Rows include James Michael MacPhee (President and Chief Executive Officer), Mark Charles Touhey (Executive Vice President and Secretary), Edward Jose Pena # (Executive Vice President and Treasurer).

VICE-PRESIDENTS

Table with 4 columns: Name, Title, Name, Title. Rows include Alison Brooke Erbig (Executive Vice President and Comptroller), James Francis Kelleher (EVP and Chief Legal Officer), Neeti Bhalla Johnson (EVP and Chief Investment Officer), Christopher Locke Peirce (EVP and Chief Financial Officer).

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Name, Name, Name. Rows include Michael John Cronan, Julie Marie Haase, Joseph Lee Meils, Matthew Paul Dolan, Mark Richard Harmon, Elizabeth Julia Morahan, Alison Brooke Erbig, James Michael MacPhee, Francis William Robinson, Jr., Michael Joseph Fallon, Sean Bulman McSweeney, Mark Charles Touhey.

State of Massachusetts
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) James Michael MacPhee, (Signature) Mark Charles Touhey, (Signature) Edward Jose Pena #
(Printed Name) 1, (Printed Name) 2, (Printed Name) 3
President and Chief Executive Officer, Executive Vice President and Secretary, Executive Vice President and Treasurer
(Title)

Subscribed and sworn to (or affirmed) before me this on this 19th day of January, 2021, by

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

## ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D)	37,027,975		37,027,975	36,054,607
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	16,611,682	10,466	16,601,216	16,360,184
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 (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 0, Schedule E - Part 1), cash equivalents (\$ 156,972, Schedule E - Part 2), and short-term investments (\$ 0, Schedule DA)	156,972		156,972	443,776
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)	14,095,808	14,095,808		98,297
9. Receivables for securities				
10. Securities lending reinvested collateral assets (Schedule DL)	1,620,307		1,620,307	2,579,000
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	69,512,744	14,106,274	55,406,470	55,535,864
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	201,098		201,098	195,181
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection				
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$ 0) and contracts subject to redetermination (\$ 0)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	51		51	51
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				
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 (\$ 0)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	3,717,611		3,717,611	53,593
24. Health care (\$ 0) and other amounts receivable				
25. Aggregate write-ins for other-than-invested assets	(43,149)		(43,149)	15,679,390
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	73,388,355	14,106,274	59,282,081	71,464,079
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	73,388,355	14,106,274	59,282,081	71,464,079

DETAILS OF WRITE-IN LINES				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. Other Assets	(43,149)		(43,149)	15,679,390
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	(43,149)		(43,149)	15,679,390

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Year	Prior Year
1. Losses (Part 2A, Line 35, Column 8)		
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)		
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)		
6. Taxes, licenses and fees (excluding federal and foreign income taxes)		
7.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	83,185	13,136
7.2 Net deferred tax liability	450,000	545,000
8. Borrowed money \$ 0 and interest thereon \$ 0		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 289,686 and including warranty reserves of \$ 0 and accrued accident and health experience rating refunds including \$ 0 for medical loss ratio rebate per the Public Health Service Act)		
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)		
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)		
14. Amounts withheld or retained by company for account of others		
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$ 0 certified) (Schedule F, Part 3 Column 78)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	49,117	11,935,619
20. Derivatives		
21. Payable for securities		
22. Payable for securities lending	1,620,307	2,579,000
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ 0 and interest thereon \$ 0		
25. Aggregate write-ins for liabilities	28	(3)
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	2,202,637	15,072,752
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	2,202,637	15,072,752
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	3,000,000	3,000,000
31. Preferred capital stock		
32. Aggregate write-ins for other-than-special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	53,694,367	53,694,367
35. Unassigned funds (surplus)	385,077	(303,039)
36. Less treasury stock, at cost:		
36.1 0 shares common (value included in Line 30 \$ 0)		
36.2 0 shares preferred (value included in Line 31 \$ 0)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	57,079,444	56,391,328
38. Totals (Page 2, Line 28, Col. 3)	59,282,081	71,464,080

DETAILS OF WRITE-IN LINES		
2501. Other liabilities	28	(3)
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	28	(3)
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)		

## STATEMENT OF INCOME

	1	2
	Current Year	Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4)		
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)		
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)		
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)		
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Lines 2 through 5)		
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)		
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	667,533	761,178
10. Net realized capital gains (losses) less capital gains tax of \$ 833 (Exhibit of Capital Gains (Losses))	3,133	235,535
11. Net investment gain (loss) (Lines 9 + 10)	670,666	996,713
<b>OTHER INCOME</b>		
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ 0)		
13. Finance and service charges not included in premiums		
14. Aggregate write-ins for miscellaneous income	(9,121)	(6,490)
15. Total other income (Lines 12 through 14)	(9,121)	(6,490)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	661,545	990,223
17. Dividends to policyholders		
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)	661,545	990,223
19. Federal and foreign income taxes incurred	211,167	(3,763,611)
20. Net income (Line 18 minus Line 19) (to Line 22)	450,378	4,753,834
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	56,391,330	51,820,904
22. Net income (from Line 20)	450,378	4,753,834
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 113,008	676,623	847,200
25. Change in net unrealized foreign exchange capital gain (loss)		
26. Change in net deferred income tax	208,008	(3,787,785)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	(646,895)	2,757,177
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)	688,114	4,570,426
39. Surplus as regards policyholders, December 31 current year (Lines 21 plus Line 38) (Page 3, Line 37)	57,079,444	56,391,330

DETAILS OF WRITE-IN LINES		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 05 from overflow page		
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)		
1401. Other income/(expense)	(9,121)	(6,490)
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	(9,121)	(6,490)
3701.		
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)		

## CASH FLOW

	1	2
<b>Cash from Operations</b>	Current Year	Prior Year
1. Premiums collected net of reinsurance		
2. Net investment income	663,162	770,741
3. Miscellaneous income	(9,121)	(6,490)
4. Total (Lines 1 through 3)	654,041	764,251
5. Benefit and loss related payments		
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions		
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	141,951	(3,659,168)
10. Total (Lines 5 through 9)	141,951	(3,659,168)
11. Net cash from operations (Line 4 minus Line 10)	512,090	4,423,419
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	293,973	28,555,499
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets	2,687,588	
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Lines 12.1 to 12.7)	2,981,561	28,555,499
13. Cost of investments acquired (long-term only):		
13.1 Bonds	1,264,921	22,876,052
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets	1,728,895	2,579,000
13.6 Miscellaneous applications		2,299,240
13.7 Total investments acquired (Lines 13.1 to 13.6)	2,993,816	27,754,292
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)	(12,255)	801,207
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(786,639)	(6,103,564)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(786,639)	(6,103,564)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(286,804)	(878,938)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	443,776	1,322,714
19.2 End of year (Line 18 plus Line 19.1)	156,972	443,776

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

20.0001		
20.0002		
20.0003		

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 1 – PREMIUMS EARNED

	1	2	3	4
Line of Business	Net Premiums Written per Column 6, Part 1B	Unearned Premiums Dec. 31 Prior Year- per Col. 3, Last Year's Part 1	Unearned Premiums Dec. 31 Current Year- per Col. 5 Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty				
11.1 Medical professional liability—occurrence				
11.2 Medical professional liability—claims-made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health (group and individual)				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability—occurrence				
17.2 Other liability—claims-made				
17.3 Excess workers' compensation				
18.1 Products liability—occurrence				
18.2 Products liability—claims-made				
19.1,19.2 Private passenger auto liability				
19.3,19.4 Commercial auto liability				
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Warranty				
31. Reinsurance-nonproportional assumed property				
32. Reinsurance-nonproportional assumed liability				
33. Reinsurance-nonproportional assumed financial lines				
34. Aggregate write-ins for other lines of business				
35. TOTALS				

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

## 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					
2. Allied lines					
3. Farmowners multiple peril					
4. Homeowners multiple peril					
5. Commercial multiple peril					
6. Mortgage guaranty					
8. Ocean marine					
9. Inland marine					
10. Financial guaranty					
11.1 Medical professional liability—occurrence					
11.2 Medical professional liability—claims-made					
12. Earthquake					
13. Group accident and health					
14. Credit accident and health (group and individual)					
15. Other accident and health					
16. Workers' compensation					
17.1 Other liability—occurrence					
17.2 Other liability—claims-made					
17.3 Excess workers' compensation					
18.1 Products liability—occurrence					
18.2 Products liability—claims-made					
19.1,19.2 Private passenger auto liability					
19.3,19.4 Commercial auto liability					
21. Auto physical damage					
22. Aircraft (all perils)					
23. Fidelity					
24. Surety					
26. Burglary and theft					
27. Boiler and machinery					
28. Credit					
29. International					
30. Warranty					
31. Reinsurance-nonproportional assumed property					
32. Reinsurance-nonproportional assumed liability					
33. Reinsurance-nonproportional assumed financial lines					
34. Aggregate write-ins for other lines of business					
35. TOTALS					
36. Accrued retrospective premiums based on experience					
37. Earned but unbilled premiums					
38. Balance (Sum of Lines 35 through 37)					

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

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



## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 1B – PREMIUMS WRITTEN

Line of Business	1	Reinsurance Assumed		Reinsurance Ceded		6
	Direct Business (a)	2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
1. Fire						
2. Allied lines						
3. Farmowners multiple peril						
4. Homeowners multiple peril						
5. Commercial multiple peril	225,258			225,258		
6. Mortgage guaranty						
8. Ocean marine						
9. Inland marine	49,652			49,652		
10. Financial guaranty						
11.1 Medical professional liability--occurrence						
11.2 Medical professional liability--claims-made						
12. Earthquake						
13. Group accident and health						
14. Credit accident and health (group and individual)						
15. Other accident and health						
16. Workers' compensation	(314,644)			(314,644)		
17.1 Other liability—occurrence	16,224			16,224		
17.2 Other liability—claims-made						
17.3 Excess workers' compensation						
18.1 Products liability—occurrence						
18.2 Products liability—claims-made						
19.1,19.2 Private passenger auto liability						
19.3,19.4 Commercial auto liability	527,023			527,023		
21. Auto physical damage	209,248			209,248		
22. Aircraft (all perils)						
23. Fidelity						
24. Surety						
26. Burglary and theft						
27. Boiler and machinery						
28. Credit						
29. International						
30. Warranty						
31. Reinsurance-nonproportional assumed property	X X X					
32. Reinsurance-nonproportional assumed liability	X X X					
33. Reinsurance-nonproportional assumed financial lines	X X X					
34. Aggregate write-ins for other lines of business						
35. TOTALS	712,761			712,761		

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

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

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

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



## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 2A – UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire	218		218						
2. Allied lines									
3. Farmowners multiple peril									
4. Homeowners multiple peril	57,508		57,508						
5. Commercial multiple peril	1,795,402		1,795,402		3,145,137		3,145,137		
6. Mortgage guaranty									
8. Ocean marine									
9. Inland marine	3,009		3,009		1,282		1,282		
10. Financial guaranty									
11.1 Medical professional liability—occurrence									
11.2 Medical professional liability—claims-made									
12. Earthquake									
13. Group accident and health								(a)	
14. Credit accident and health (group and individual)								(a)	
15. Other accident and health									
16. Workers' compensation	308,879,005		308,879,005		214,671,457		214,671,457		
17.1 Other liability—occurrence	35,000		35,000		3,840,947		3,840,947		
17.2 Other liability—claims-made									
17.3 Excess workers' compensation									
18.1 Products liability—occurrence	5,001		5,001		3,125		3,125		
18.2 Products liability—claims-made									
19.1,19.2 Private passenger auto liability	161,202		161,202						
19.3,19.4 Commercial auto liability	1,914,339		1,914,339		3,405,328		3,405,328		
21. Auto physical damage	74,104		74,104		12,221		12,221		
22. Aircraft (all perils)									
23. Fidelity									
24. Surety									
26. Burglary and theft									
27. Boiler and machinery									
28. Credit									
29. International									
30. Warranty									
31. Reinsurance-nonproportional assumed property	X X X				X X X				
32. Reinsurance-nonproportional assumed liability	X X X				X X X				
33. Reinsurance-nonproportional assumed financial lines	X X X				X X X				
34. Aggregate write-ins for other lines of business									
35. TOTALS	312,924,788		312,924,788		225,079,497		225,079,497		
<b>DETAILS OF WRITE-IN LINES</b>									
3401.									
3402.									
3403.									
3498. Sum of remaining write-ins for Line 34 from overflow page									
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)									

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

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct	857,030			857,030
1.2 Reinsurance assumed				
1.3 Reinsurance ceded	857,030			857,030
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)				
2. Commission and brokerage:				
2.1 Direct, excluding contingent		771,801		771,801
2.2 Reinsurance assumed, excluding contingent				
2.3 Reinsurance ceded, excluding contingent		771,801		771,801
2.4 Contingent—direct		(43,895)		(43,895)
2.5 Contingent—reinsurance assumed				
2.6 Contingent—reinsurance ceded		(43,895)		(43,895)
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)				
3. Allowances to manager and agents				
4. Advertising			140	140
5. Boards, bureaus and associations			106	106
6. Surveys and underwriting reports			51	51
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries			32,081	32,081
8.2 Payroll taxes			7,198	7,198
9. Employee relations and welfare			15,908	15,908
10. Insurance			148	148
11. Directors' fees			6	6
12. Travel and travel items			500	500
13. Rent and rent items			11,277	11,277
14. Equipment			7,513	7,513
15. Cost or depreciation of EDP equipment and software			4,770	4,770
16. Printing and stationery			352	352
17. Postage, telephone and telegraph, exchange and express			824	824
18. Legal and auditing			615	615
19. Totals (Lines 3 to 18)			81,489	81,489
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ 0				
20.2 Insurance department licenses and fees				
20.3 Gross guaranty association assessments				
20.4 All other (excluding federal and foreign income and real estate)				
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)				
21. Real estate expenses				
22. Real estate taxes				
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses			14,564	14,564
25. Total expenses incurred			96,053	96,053 (a)
26. Less unpaid expenses—current year				
27. Add unpaid expenses—prior year				
28. Amounts receivable relating to uninsured plans, prior year				
29. Amounts receivable relating to uninsured plans, current year				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)			96,053	96,053

DETAILS OF WRITE-IN LINES				
2401. Other expenses			14,564	14,564
2402.				
2403.				
2498. Sum of remaining write-ins for Line 24 from overflow page				
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)			14,564	14,564

(a) Includes management fees of \$ 96,053 to affiliates and \$ 0 to non-affiliates.

### EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 700,238	703,139
1.1 Bonds exempt from U.S. tax	(a) 8,217	8,217
1.2 Other bonds (unaffiliated)	(a) 1,429	4,444
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 43,412	43,412
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	4,373	4,373
10. Total gross investment income	757,669	763,585
11. Investment expenses		(g) 96,053
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)		96,053
17. Net investment income (Line 10 minus Line 16)		667,532

DETAILS OF WRITE-IN LINES		
0901. Miscellaneous Income/(Expense)	4,373	4,373
0902.		
0903.		
0998. Summary of remaining write-ins for Line 09 from overflow page		
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)	4,373	4,373
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		

- (a) Includes \$ 23,886 accrual of discount less \$ 25,433 amortization of premium and less \$ 2,540 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 96,053 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

### EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	3,966		3,966		
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)					
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)					
2.21 Common stocks of affiliates				251,498	
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets				538,132	
9. Aggregate write-ins for capital gains (losses)					
10. Total capital gains (losses)	3,966		3,966	789,630	

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

## EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 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	10,466		(10,466)
3. Mortgage loans on real estate (Schedule B):			
3.1 First lines			
3.2 Other than first lines			
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)	14,095,808	13,459,379	(636,429)
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)	14,106,274	13,459,379	(646,895)
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			
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums and contracts subject to redetermination			
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			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset			
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets			
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other-than-invested assets			
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	14,106,274	13,459,379	(646,895)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	14,106,274	13,459,379	(646,895)

DETAILS OF WRITE-IN LINES			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501.			
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)			

## NOTES TO FINANCIAL STATEMENTS

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

**A. Accounting Practices**

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

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

**NET INCOME**

	SSAP #	F/S Page	F/S Line #	2020	2019
(1) Liberty Northwest Insurance Corporation state basis (Page 4, Line 20, Columns 1 & 2)	X X X	X X X	X X X	450,378	4,753,834
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:					

Details of Depreciation of Fixed Assets		SSAP #	F/S Page	F/S Line #	2020	2019
.....						
Totals (Lines 01A0201 through 01A0225)					0	0

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

Details of Depreciation of Home Office Property		SSAP #	F/S Page	F/S Line #	2020	2019
.....						
Totals (Lines 01A0301 through 01A0325)					0	0

(4) NAIC SAP	(1 - 2 - 3 = 4)	X X X	X X X	X X X	450,378	4,753,834
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**SURPLUS**

	SSAP #	F/S Page	F/S Line #	2020	2019
(5) Liberty Northwest Insurance Corporation state basis (Page 3, Line 37, Columns 1 & 2)	X X X	X X X	X X X	57,079,444	56,391,328
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:					

e.g., Goodwill, net, Fixed Assets, Net		SSAP #	F/S Page	F/S Line #	2020	2019
.....						
Totals (Lines 01A0601 through 01A0625)					0	0

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

Home Office Property		SSAP #	F/S Page	F/S Line #	2020	2019
.....						
Totals (Lines 01A0701 through 01A0725)					0	0

(8) NAIC SAP	(5 - 6 - 7 = 8)	X X X	X X X	X X X	57,079,444	56,391,328
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**B. Use of Estimates in the Preparation of the Financial Statements**

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

**C. Accounting Policy**

## NOTES TO FINANCIAL STATEMENTS

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

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

1. Short term investments are carried at cost, adjusted where appropriate for amortization of premium or discount, or fair value as specified by the Purposes and Procedures Manual of the NAIC Investment Analysis Office (SVO Manual).
2. Bonds are carried at cost, adjusted where appropriate for amortization of premium or discount, or fair value as specified by the SVO Manual.
3. Common stocks are carried at fair value, except that investments in stocks of subsidiaries, controlled and affiliated ("SCA") companies are carried according to Note 1C(7).
4. Preferred stocks are carried at cost or fair value as specified by the SVO Manual. Preferred stocks of SCA companies are carried according to Note 1C(7).
5. Mortgage loans are carried at unpaid principal balances, 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 is used to value all mortgage backed/asset backed securities.
7. Investments in SCA companies are carried in accordance with SSAP No. 97, Investments in Subsidiary, Controlled, and Affiliated Entities, A Replacement of SSAP No. 88, and the SVO Manual.
8. Investments in joint ventures, partnerships, and limited liability companies are carried in accordance with SSAP No. 48, Joint Ventures, Partnerships and Limited Liability Companies, and the SVO Manual.
9. Derivative Securities, refer to Note 8.
10. Investment income is anticipated as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property Casualty Contracts - Premiums. Refer to Note 30.
11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and an amount, based on past experience, for losses and loss adjustment expenses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates, and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods, for making such estimates and for establishing the resulting liability, are continually reviewed and follow current standards of practice. Any adjustments to the liability are reflected in the period that they are determined.
12. The Company did not change its capitalization policy in 2020.
13. The Company has no pharmaceutical rebate receivables.

D. **Going Concern**

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

2. **Accounting Changes and Corrections of Errors**

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

3. **Business Combinations and Goodwill**

A. **Statutory Purchase Method**

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

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.

4. **Discontinued Operations**

The Company has no discontinued operations

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

B. **Change in Plan of Sale of Discontinued Operation**

Not Applicable

C. **Nature of Any Significant Continuing Involvement with Discontinued Operations After Disposal**



## NOTES TO FINANCIAL STATEMENTS

Not Applicable

D. Equity Interest Retained in the Discontinued Operation After Disposal

Not Applicable

**5. Investments**

A. Mortgage Loans, including Mezzanine Real Estate Loans

Not Applicable

B. Debt Restructuring

Not Applicable

C. Reverse Mortgages

Not Applicable

D. Loan-Backed Securities

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

(2) All Loaned Backed Securities with a recognized other-than-temporary impairment disclosed in the aggregate as of December 31, 2020: None

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 .....

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 .....

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 .....

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 .....

m. Annual Aggregate Total .....

	(1) Amortized Cost Basis Before Other-than-Temporary Impairment	(2) Other-than-Temporary Impairment Recognized in Loss	(3) Fair Value 1 - 2
a. Intent to sell	\$ 0	0	0
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	\$ 0	0	0
c. Total 1st Quarter	\$ 0	0	0
d. Intent to sell	\$ 0	0	0
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	\$ 0	0	0
f. Total 2nd Quarter	\$ 0	0	0
g. Intent to sell	\$ 0	0	0
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	\$ 0	0	0
i. Total 3rd Quarter	\$ 0	0	0
j. Intent to sell	\$ 0	0	0
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	\$ 0	0	0
l. Total 4th Quarter	\$ 0	0	0
m. Annual Aggregate Total	\$ X X X	0	

(3) Each Loaned Backed Security with a recognized other-than-temporary impairment held by the company at December 31, 2020: None

(1) CUSIP	(2) Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	(3) Present Value of Projected Cash Flows	(4) Recognized Other-than-Temporary Impairment	(5) Amortized Cost After Other-Than-Temporary Impairment	(6) Fair Value at time of OTTI	(7) Date of Financial Statement Where Reported
\$ Total	X X X	X X X	0	X X X	X X X	X X X

NOTE: Each CUSIP should be listed separately each time an OTTI is recognized

For Securities with amortized cost or adjusted amortized cost:

Column 2 minus Column 3 should equal Column 4

Column 2 minus Column 4 should equal Column 5

(4) All impaired Loaned Backed Securities for which an other-than-temporary impairment has not been recognized in earnings as a realized loss as of December 31, 2020:

## NOTES TO FINANCIAL STATEMENTS

a. The aggregate Amount of unrealized losses:

	(1)
Less than 12 months .....	\$ 0
12 Months or Longer .....	\$ 0

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

Less than 12 months .....	\$ 0
12 Months or Longer .....	\$ 0

(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.

(2) The Company has not pledged any of its assets as collateral as of December 31, 2020.

(3) Collateral Received

a. Aggregate Amount Collateral Received

1. Securities Lending

	Fair Value
Open .....	\$ 1,620,307
30 Days or Less .....	\$ 0
31 to 60 Days .....	\$ 0
61 to 90 Days .....	\$ 0
Greater Than 90 Days .....	\$ 0
Sub-Total .....	\$ 1,620,307
Securities Received .....	\$ 2,544,080
Total Collateral Received .....	\$ 4,164,387

2. Dollar Repurchase Agreement

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

b. The fair value of that collateral and of the portion that it has sold or repledged .....

\$ 4,164,387

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

The Company's security lending transactions are not administered by an affiliate agent.

(5) Collateral Reinvestment

a. Aggregate Amount Collateral Reinvested

## NOTES TO FINANCIAL STATEMENTS

## 1. Securities Lending

	Amortized Cost	Fair Value
Open	\$ 0	0
30 Days or Less	\$ 534,357	534,357
31 to 60 Days	\$ 725,758	725,758
61 to 90 Days	\$ 360,191	360,191
91 to 120 Days	\$ 0	0
121 to 180 Days	\$ 0	0
181 to 365 Days	\$ 0	0
1 to 2 years	\$ 0	0
2 to 3 year	\$ 0	0
Greater Than 3 years	\$ 0	0
Sub-Total	\$ 1,620,306	1,620,306
Securities Received	\$ 0	0
Total Collateral Reinvested	\$ 1,620,306	1,620,306

## 2. Dollar Repurchase Agreement

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

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

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

(7) Collateral for securities lending transactions that extend beyond one year from the reporting date:

The Company has not accepted collateral that extends beyond one year from the reporting date for securities lending transactions.

## F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not Applicable

## G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not Applicable

## H. Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable

## I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable

## J. Real Estate

The Company does not hold any investments in real estate.

## K. Investments in Low-Income Housing Tax Credits ("LIHTC")

The Company does not hold investments in low-income housing tax credits.

## L. Restricted Assets

## NOTES TO FINANCIAL STATEMENTS

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted						
	Current Year					6 Total From Prior Year	7 Increase/ (Decrease) (5 minus 6)
	1 Total General Account (G/A)	2 G/A Supporting S/A Activity (a)	3 Total Separate Account (S/A) Restricted Ass	4 S/A Assets Supporting G/A Activity (b)	5 Total (1 plus 3)		
a. Subject to contractual obligation for which liability is not shown	\$ 0	0	0	0	0	0	0
b. Collateral held under security lending agreements	\$ 1,620,307	0	0	0	1,620,307	2,579,000	-958,693
c. Subject to repurchase agreements	\$ 0	0	0	0	0	0	0
d. Subject to reverse repurchase agreements	\$ 0	0	0	0	0	0	0
e. Subject to dollar repurchase agreements	\$ 0	0	0	0	0	0	0
f. Subject to dollar reverse repurchase agreements	\$ 0	0	0	0	0	0	0
g. Placed under option contracts	\$ 0	0	0	0	0	0	0
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	\$ 0	0	0	0	0	0	0
i. FHLB capital stock	\$ 0	0	0	0	0	0	0
j. On deposit with states	\$ 24,077,939	0	0	0	24,077,939	24,067,943	9,996
k. On deposit with other regulatory bodies	\$ 4,372,900	0	0	0	4,372,900	4,376,327	-3,427
l. Pledged as collateral to FHLB (including assets backing funding agreements)	\$ 0	0	0	0	0	0	0
m. Pledged as collateral not captured in other categories	\$ 0	0	0	0	0	0	0
n. Other restricted Assets	\$ 0	0	0	0	0	0	0
<b>o. Total Restricted Assets</b>	<b>\$ 30,071,146</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30,071,146</b>	<b>31,023,270</b>	<b>-952,124</b>

(a) Subset of Column 1

(b) Subset of Column 3

Restricted Asset Category	Current Year			
	8	9	Percentage	
	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	10	11
			Gross (Admitted Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Tot Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown	\$ 0	0	0.000	0.000
b. Collateral held under security lending agreements	\$ 0	1,620,307	2.208	2.733
c. Subject to repurchase agreements	\$ 0	0	0.000	0.000
d. Subject to reverse repurchase agreements	\$ 0	0	0.000	0.000
e. Subject to dollar repurchase agreements	\$ 0	0	0.000	0.000
f. Subject to dollar reverse repurchase agreements	\$ 0	0	0.000	0.000
g. Placed under option contracts	\$ 0	0	0.000	0.000
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	\$ 0	0	0.000	0.000
i. FHLB capital stock	\$ 0	0	0.000	0.000
j. On deposit with states	\$ 0	24,077,939	32.809	40.616
k. On deposit with other regulatory bodies	\$ 0	4,372,900	5.959	7.376
l. Pledged as collateral to FHLB (including assets backing funding agreements)	\$ 0	0	0.000	0.000
m. Pledged as collateral not captured in other categories	\$ 0	0	0.000	0.000
n. Other restricted Assets	\$ 0	0	0.000	0.000
<b>o. Total Restricted Assets</b>	<b>\$ 0</b>	<b>30,071,146</b>	<b>40.976</b>	<b>50.725</b>

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

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

## NOTES TO FINANCIAL STATEMENTS

(2) Details of Assets Pledged as Collateral Not Captured in Other Categories

(Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in Aggregate): Not Applicable

	Gross (Admitted & Nonadmitted) Restricted								
	Current Year								
Description of Assets	Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Ass	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ Decrease (5 minus 6)		
Total (c)	0	0	0	0	0	0	0		

	Percentage		
Description of Assets	Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
Total (c)	0	0.000	0.000

(a) Subset of column 1

(b) Subset of column 3

(c) Total Line for Column 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): Not Applicable

	Gross (Admitted & Nonadmitted) Restricted								
	Current Year								
Description of Assets	Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Ass	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ Decrease (5 minus 6)		
Total (c)	0	0	0	0	0	0	0		

	Percentage		
Description of Assets	Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
Total (c)	0	0.000	0.000

(a) Subset of column 1

(b) Subset of column 3

(c) Total Line for Column 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

## NOTES TO FINANCIAL STATEMENTS

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

Collateral Assets	1 Book/Adjusted Carrying Value (BACV)	2 Fair Value	3 % of BACV to Total Assets (Admitted and Nonadmitted*)	4 % of BACV to Total Admitted Assets**
<b>General Account:</b>				
a. Cash, Cash Equivalents and Short-Term Investments	\$ 0	0	0.000	0.000
b. Schedule D, Part 1	\$ 0	0	0.000	0.000
c. Schedule D, Part 2, Section 1	\$ 0	0	0.000	0.000
d. Schedule D, Part 2, Section 2	\$ 0	0	0.000	0.000
e. Schedule B	\$ 0	0	0.000	0.000
f. Schedule A	\$ 0	0	0.000	0.000
g. Schedule BA, Part 1	\$ 0	0	0.000	0.000
h. Schedule DL, Part 1	\$ 1,620,307	1,620,307	2.208	2.733
i. Other	\$ 0	0	0.000	0.000
<b>j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)</b>	<b>\$ 1,620,307</b>	<b>1,620,307</b>	<b>2.208</b>	<b>2.733</b>
<b>Separate Account:</b>				
k. Cash, Cash Equivalents and Short-Term Investments	\$ 0	0	0.000	0.000
l. Schedule D, Part 1	\$ 0	0	0.000	0.000
m. Schedule D, Part 2, Section 1	\$ 0	0	0.000	0.000
n. Schedule D, Part 2, Section 2	\$ 0	0	0.000	0.000
o. Schedule B	\$ 0	0	0.000	0.000
p. Schedule A	\$ 0	0	0.000	0.000
q. Schedule BA, Part 1	\$ 0	0	0.000	0.000
r. Schedule DL, Part 1	\$ 0	0	0.000	0.000
s. Other	\$ 0	0	0.000	0.000
<b>t. Total Collateral Assets (k+l+m+n+o+p+q+r+s)</b>	<b>\$ 0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>

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

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

u. Recognized Obligation to Return Collateral Assets (General Account)  
v. Recognized Obligation to Return Collateral Asset (Separate Account)

1 Amount	2 % of Liability to Total Liabilities*
\$ 1,620,307	2.733
\$ 0	0.000

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

M. Working Capital Finance Investments  
Not Applicable

N. Offsetting and Netting of Assets and Liabilities  
Not Applicable

O. 5GI Securities  
Not Applicable

P. Short Sales  
Not Applicable

Q. Prepayment Penalty and Acceleration Fees  
Not Applicable

### 6. Joint Ventures, Partnerships and Limited Liability Companies

A. Investments in joint ventures, partnerships and limited liability companies that exceed 10% of its admitted assets

The Company has investments in 600 Holladay LTD, but such investment is non-admitted and is therefore excluded as part of the admitted asset calculation.

As such the 10% threshold is not breached.

B. Impairments on joint ventures, partnerships or limited liability companies

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.

## NOTES TO FINANCIAL STATEMENTS

### 7. Investment Income

#### A. Accrued Investment Income

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

#### B. Amounts Nonadmitted

No amounts were excluded as of December 31, 2020.

### 8. Derivative Instruments

#### A. Derivatives under SSAP No. 86—Derivatives

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

### 9. Income Taxes

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

	12/31/2020			12/31/2019		
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	(Col 1 + 2) Total	Ordinary	Capital	(Col 4 + 5) Total
a. Gross Deferred Tax Assets	\$ 3,180,000	48,000	3,228,000	3,046,000	42,000	3,088,000
b. Statutory Valuation Allowance Adjustments	\$ 0	0	0	0	0	0
c. Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 3,180,000	48,000	3,228,000	3,046,000	42,000	3,088,000
d. Deferred Tax Assets Nonadmitted	\$ 0	0	0	0	0	0
e. Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 3,180,000	48,000	3,228,000	3,046,000	42,000	3,088,000
f. Deferred Tax Liabilities	\$ 254,000	3,424,000	3,678,000	249,000	3,384,000	3,633,000
g. Net Admitted Deferred Tax Assets / (Net Deferred Tax Liability) (1e - 1f)	\$ 2,926,000	(3,376,000)	(450,000)	2,797,000	(3,342,000)	(545,000)

	Change		
	(7)	(8)	(9)
	(Col 1 - 4) Ordinary	(Col 2 - 5) Capital	(Col 7 + 8) Total
a. Gross Deferred Tax Assets	\$ 134,000	6,000	140,000
b. Statutory Valuation Allowance Adjustments	\$ 0	0	0
c. Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 134,000	6,000	140,000
d. Deferred Tax Assets Nonadmitted	\$ 0	0	0
e. Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 134,000	6,000	140,000
f. Deferred Tax Liabilities	\$ 5,000	40,000	45,000
g. Net Admitted Deferred Tax Assets / (Net Deferred Tax Liability) (1e - 1f)	\$ 129,000	(34,000)	95,000

## NOTES TO FINANCIAL STATEMENTS

	12/31/2020			12/31/2019		
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	(Col 1 + 2) Total	Ordinary	Capital	(Col 4 + 5) Total
Admission Calculation Components SSAP No. 101						
a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 0	0	0	0	0	0
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)	\$ 0	0	0	0	0	0
1. Adjusted Gross Deferred Tax Assets to be Realized Following the Balance Sheet Date.	\$ 0	0	0	0	0	0
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	\$ X X X	X X X	8,574,434	X X X	X X X	7,966,692
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.	\$ 254,000	2,974,000	3,228,000	249,000	2,839,000	3,088,000
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total ( 2(a) + 2(b) + 2(c) )	\$ 254,000	2,974,000	3,228,000	249,000	2,839,000	3,088,000

	Change		
	(1)	(2)	(3)
	(Col 1 - 4) Ordinary	(Col 2 - 5) Capital	(Col 7 + 8) Total
Admission Calculation Components SSAP No. 101			
a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 0	0	0
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)	\$ 0	0	0
1. Adjusted Gross Deferred Tax Assets to be Realized Following the Balance Sheet Date.	\$ 0	0	0
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	\$ X X X	X X X	607,742
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.	\$ 5,000	135,000	140,000
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total ( 2(a) + 2(b) + 2(c) )	\$ 5,000	135,000	140,000

	2020	2019
a. Ratio Percentage Used to Determine Recover Period And Threshold Limitation Amount.	20795.500%	9541.500%
b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 57,079,441.000	56,391,328.000

	12/31/2020		12/31/2019		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	(Col 1 - 3) Ordinary	(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)	\$ 3,180,000	48,000	3,046,000	42,000	134,000	6,000
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)	\$ 3,180,000	48,000	3,046,000	42,000	134,000	6,000
4. Percentage of Net Admitted Adjusted Gross DTAs by Tax Character Attributable To The Impact of Tax Planning Strategies	0.000	0.000	0.000	0.000	0.000	0.000

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

B. Regarding deferred tax liabilities that are not recognized:

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

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



## NOTES TO FINANCIAL STATEMENTS

	(1)	(2)	(3)
	12/31/2020	12/31/2019	(Col 1 - 2) Change
(1) Current Income Tax			
a. Federal	\$ 211,167	(3,763,611)	3,974,778
b. Foreign	\$ 0	0	0
c. Subtotal	\$ 211,167	(3,763,611)	3,974,778
d. Federal Income Tax on net capital gains	\$ 833	62,611	(61,778)
e. Utilization of capital loss carry-forwards	\$ 0	0	0
f. Other	\$ 0	0	0
g. Federal and foreign income taxes incurred	\$ 212,000	(3,701,000)	3,913,000
(2) Deferred Tax Assets:			
a. Ordinary			
1. Discounting of unpaid losses	\$ 0	0	0
2. Unearned premium reserve	\$ 0	0	0
3. Policyholder reserves	\$ 0	0	0
4. Investments	\$ 220,000	220,000	0
5. Deferred acquisition costs	\$ 0	0	0
6. Policyholder dividends accrual	\$ 0	0	0
7. Fixed assets	\$ 0	0	0
8. Compensation and benefits accrual	\$ 0	0	0
9. Pension accrual	\$ 0	0	0
10. Receivables - nonadmitted	\$ 2,960,000	2,826,000	134,000
11. Net operating loss carry-forward	\$ 0	0	0
12. Tax credit carry-forward	\$ 0	0	0
13. Other (including items <5% of total ordinary tax assets)	\$ 0	0	0
99. Subtotal	\$ 3,180,000	3,046,000	134,000
b. Statutory valuation allowance adjustment	\$ 0	0	0
c. Nonadmitted	\$ 0	0	0
d. Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 3,180,000	3,046,000	134,000
e. Capital:			
(1) Investments	\$ 48,000	42,000	6,000
(2) Net capital loss carry-forward	\$ 0	0	0
(3) Real estate	\$ 0	0	0
(4) Other (including items <5% of total capital tax assets)	\$ 0	0	0
99. Subtotal	\$ 48,000	42,000	6,000
f. Statutory valuation allowance adjustment	\$ 0	0	0
g. Nonadmitted	\$ 0	0	0
h. Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$ 48,000	42,000	6,000
i. Admitted deferred tax assets (2d + 2h)	\$ 3,228,000	3,088,000	140,000
(3) Deferred Tax Liabilities:			
a. Ordinary			
1. Investments	\$ 254,000	249,000	5,000
2. Fixed assets	\$ 0	0	0
3. Deferred and uncollected premium	\$ 0	0	0
4. Policyholder reserves	\$ 0	0	0
5. Other (including items <5% of total ordinary tax liabilities)	\$ 0	0	0
99. Subtotal	\$ 254,000	249,000	5,000
b. Capital:			
1. Investments	\$ 3,424,000	3,384,000	40,000
2. Real Estate	\$ 0	0	0
3. Other (including items <5% of total capital tax liabilities)	\$ 0	0	0
99. Subtotal	\$ 3,424,000	3,384,000	40,000
c. Deferred tax liabilities (3a99 + 3b99)	\$ 3,678,000	3,633,000	45,000
(4) Net deferred tax assets/liabilities (2i - 3c)	\$ (450,000)	(545,000)	95,000

D. Effective tax rates differ from the current statutory rate of 21% principally due to the effects of revisions to prior year estimates.

## NOTES TO FINANCIAL STATEMENTS

- E. The Company has no net operating loss or tax credit carry-forwards available to offset future net income subject to Federal income tax.
- (1) The amount of Federal income taxes incurred and available for recoupment in the event of future losses is \$139,000 from the current year and \$228,000 from the preceding year.
- (2) The Company does not have deposits admitted under Section 6603 of the Internal Revenue Code.
- (3) Not applicable
- 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 Mutual Personal Insurance Company
America First Lloyd's Insurance Company	Liberty Mutual Technology Group, Inc.
American Economy Insurance Company	Liberty Northwest Insurance Corporation
American Fire and Casualty Company	Liberty Personal Insurance Company
American States Insurance Company	Liberty RE (Bermuda) Limited
American States Insurance Company of Texas	Liberty Sponsored Insurance (Vermont), Inc.
American States Lloyds Insurance Company	Liberty Surplus Insurance Corporation
American States Preferred Insurance Company	LIH-RE of America Corporation
Barrier Ridge LLC	LIU Specialty Insurance Agency Inc.
Berkeley Holding Company Associates, Inc.	LM General Insurance Company
Berkeley Management Corporation	LM Insurance Corporation
Capitol Court Corporation	LM Property and Casualty Insurance Company
Colorado Casualty Insurance Company	LMCRT-FRE-01 IC
Consolidated Insurance Company	LMHC Massachusetts Holdings Inc.
Diversified Settlements, Inc.	Managed Care Associates Inc.
Emerald City Insurance Agency, Inc.	Mid-American Fire & Casualty Company
Employers Insurance Company of Wausau	Nationale Borg Reinsurance N.V.
Excelsior Insurance Company	North Pacific Insurance Company
Excess Risk Reinsurance Inc.	Ocasco Budget, Inc.
F.B. Beattie & Co., Inc.	OCI Printing, Inc.
First National Insurance Company of America	Ohio Casualty Corporation
First State Agency Inc.	Ohio Security Insurance Company
General America Corporation	Open Seas Solutions, Inc.
General America Corporation of Texas	Oregon Automobile Insurance Company
General Insurance Company of America	Peerless Indemnity Insurance Company
Golden Eagle Insurance Corporation	Peerless Insurance Company
Gulf States AIF, Inc.	Pilot Insurance Services, Inc.
Hawkeye-Security Insurance Company	Rianoc Research Corporation
Indiana Insurance Company	S.C. Bellevue, 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 Hospitality Group, Inc.	SCIT, Inc.
Liberty Insurance Corporation	St. James Insurance Company Ltd.
Liberty Insurance Holdings, Inc.	The First Liberty Insurance Corporation
Liberty Insurance Underwriters Inc.	The Midwestern Indemnity Company
Liberty International Europe Inc.	The National Corporation
Liberty International Holdings Inc.	The Netherlands Insurance Company
Liberty Life Holdings Inc.	The Ohio Casualty Insurance Company
Liberty Lloyds of Texas Insurance Company	Wausau Business Insurance Company
Liberty Management Services, Inc.	Wausau General Insurance Company
Liberty Mexico Holdings Inc.	Wausau Underwriters Insurance Company
Liberty Mutual Agency Corporation	West American Insurance Company
Liberty Mutual Credit Risk Transfer PCC Inc.	Winmar Company, Inc.
Liberty Mutual Fire Insurance Company	Winmar of the Desert, Inc.
Liberty Mutual Group Asset Management Inc.	Winmar Oregon, Inc.
Liberty Mutual Group Inc.	Winmar-Metro, Inc.
Liberty Mutual Holding Company Inc.	Workgrid Software, Inc.

## NOTES TO FINANCIAL STATEMENTS

Liberty Mutual Insurance Company	
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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  
Not Applicable

I. Alternative Minimum Tax Credit  
Not Applicable

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

A. All the outstanding shares of capital stock of the Company are held by Peerless Insurance Company (“PIC”), a New Hampshire insurance company. PIC is wholly owned 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.

C. There have been no material transactions with the Company's affiliates during 2020.

D. At December 31, 2020, the Company reported a payable of \$49,117 due to Liberty Mutual Insurance Company, a receivable of \$75,806 due from Liberty Mutual Group Asset Management Inc., and a receivable of \$3,641,802 due from LM Investment Advisors. In general, the terms of the intercompany arrangements require settlement at least quarterly.

E. 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 other than that disclosed in Note 14G.

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

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. Liberty Northwest Insurance Corporation's investment in its subsidiaries, North Pacific Insurance Company and Oregon Auto Insurance Company, are greater than 10% of its admitted assets.

	Assets	Liabilities	Results of Operations
North Pacific Insurance Company	8,789,323 □	444,652	133,064
Oregon Auto Insurance Company	8,330,491	73,946	122,415

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 does not hold any investments in downstream non-insurance holding companies.

M. All SCA Investments

## NOTES TO FINANCIAL STATEMENTS

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

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
.....				
Total SSAP No. 97 8a Entities	X X X	0	0	0
b. SSAP No. 97 8b(ii) Entities				
.....				
Total SSAP No. 97 8b(ii) Entities	X X X	0	0	0
c. SSAP No. 97 8b(iii) Entities				
.....				
01. Liberty Management Services Inc.	100.000	10,466	0	10,466
.....				
Total SSAP No. 97 8b(iii) Entities	X X X	10,466	0	10,466
d. SSAP No. 97 8b(iv) Entities				
.....				
Total SSAP No. 97 8b(iv) Entities	X X X	0	0	0
e. Total SSAP No. 97 8b Entities (except 8bi entities) (b + c + d)	X X X	10,466	0	10,466
f. Aggregate Total (a + e)	X X X	10,466	0	10,466

(2) NAIC Filing Response Information

SCA Entity (Should be same entities as shown in M(1) above.)	Type of NAIC Filing *	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received Y / N	NAIC Disallowe Entities Valuatio Method, Resubmission Required Y / N	Code **
a. SSAP No. 97 8a Entities						
.....						
Total SSAP No. 97 8a Entities	X X X	X X X	0	X X X	X X X	X X X
b. SSAP No. 97 8b(ii) Entities						
.....						
Total SSAP No. 97 8b(ii) Entities	X X X	X X X	0	X X X	X X X	X X X
c. SSAP No. 97 8b(iii) Entities						
.....						
01. Liberty Management Services Inc.	S2	10/22/2020	0	Y	N	I
.....						
Total SSAP No. 97 8b(iii) Entities	X X X	X X X	0	X X X	X X X	X X X
d. SSAP No. 97 8b(iv) Entities						
.....						
Total SSAP No. 97 8b(iv) Entities	X X X	X X X	0	X X X	X X X	X X X
e. Total SSAP No. 97 8b Entities (except 8bi entities) (b + c + d)	X X X	X X X	0	X X X	X X X	X X X
f. Aggregate Total (a + e)	X X X	X X X	0	X X X	X X X	X X X

\* S1 - Sub-1, S2 - Sub 2 or RDF - Resubmission of Disallowed

\*\* I - Immaterial or M - Material

N. Investment in Insurance SCAs

Not Applicable. 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 Loss Tracking

Not Applicable. The Company does not hold investments in SCAs.

11 Debt

A. Debt (Including Capital Notes)

The Company has no debt, including capital notes.

B. FHLB (Federal Home Loan Bank) Agreements

Not Applicable

## NOTES TO FINANCIAL STATEMENTS

C. There were no outstanding borrowings as of December 31, 2020

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

A. Defined Benefit Plans

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

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

A. The Company has 10,000,000 shares authorized, and 1,000,000 shares issued and outstanding as of December 31, 2020. All shares have a stated par value of \$3

B. Preferred Stock

Not applicable.

C. There are no dividend restrictions.

D. The Company did not pay any dividend to its parent in 2020.

E. The maximum amount of dividends that can be paid by Oregon-domiciled insurance companies to shareholders without prior approval of the Insurance Commissioner is the greater of (a) 10% of surplus or (b) net income, subject to the availability of accumulated undistributed earnings. The maximum dividend payout which may be made without prior approval in 2021 is \$385,074.

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: \$ 17,128,576  
after applicable deferred taxes of (\$2,928,437)

K. The company issued the following surplus debentures or similar obligations:

Not Applicable

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

Not Applicable

M. Quasi-reorganization (effective date)

Not applicable

### 14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

Refer to Note 10E

(1) Total SSAP No. 97 - Investments in Subsidiary, Control  
Partnerships and Limited Liability Companies contingen \$ 0

#### B. Assessments

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.

(1) The Company has no net guaranty fund or other assessment liabilities to report. Refer to Note 26.

C. Gain Contingencies

Not Applicable

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

## NOTES TO FINANCIAL STATEMENTS

Claims related ECO and bad faith losses paid during the reporting period	\$ <span style="border: 1px solid black; padding: 2px;">200,000</span>
Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period: (a) 0-25 claims (b) 26-50 claims (c) 51-100 claims (d) 101-500 claims (e) More than 500 claims	
Answer (A, B, C, D, or E):	A
Indicate whether claim count information is disclosed (f) per claim or (g) per claimant	
Answer (F or G):	F

E. Product Warranties

Not Applicable. The Company does not write product warranty business.

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.

There is no unfunded liability that the Company is exposed to and no liability was recognized on the Company's financials as of December 31, 2020. LMGI's pension plan is in excess of both ERISA and PBGC funding requirements and has not been required to make contributions to remain above minimum funding requirements.

The Company routinely assesses the collectability of its premium receivable balances. The Company does not believe the amounts in excess of non-admitted amounts are material.

15. Leases.

A. Lessee Leasing Arrangements

a. The Company has no net lease obligations. Refer to Note 26.

B. Leasing as a Significant Part of Lessors's Business Activities

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

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

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

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

A. Transfers of Receivables Reported as Sales

(1) The Company did not have any transfers of receivables reported as sales.

(2) Not applicable

B. Transfers and Servicing of Financial Assets

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.

(1) At December 31, 2020 the total fair value of securities on loan was \$4,067,708 with corresponding collateral value of \$4,164,387 of which \$1,620,307 represents cash collateral that was reinvested.

C. Wash Sales:

Not Applicable

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

Not Applicable

## NOTES TO FINANCIAL STATEMENTS

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

The Company has no direct premiums written or produced through managing general agents or third party administrators.

### 20. Fair Value Measurements

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

Pursuant to the guidance in SSAP No. 100, Fair Value Measurements, the Company carries no assets or liabilities on its balance sheet measured at fair value.

#### B. Other Fair Value Disclosures

Not Applicable

#### C. Aggregate Fair Value of All Financial Instruments

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
01 Cash, Cash Equivalents & Short Term	\$ 156,972	156,972	0	0	0	156,972	0
02 Bonds	\$ 39,280,093	37,027,975	38,490,731	789,363	0	0	0
03 Preferred Stock	\$ 0	0	0	0	0	0	0
04 Common Stock	\$ 0	0	0	0	0	0	0
05 Securities Lending	\$ 1,620,318	1,620,307	0	1,620,318	0	0	0
06 Mortgage Loans	\$ 0	0	0	0	0	0	0
07 Surplus Notes	\$ 0	0	0	0	0	0	0
09 Net Derivatives	\$ 0	0	0	0	0	0	0
Total	\$ 41,057,383	38,805,254	38,490,731	2,409,681	0	156,972	0

#### D. Reasons Not Practical to Estimate Fair Value

Not Applicable

#### E. Instruments Measured at Net Asset Value (NAV)

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

### 21. Other items

#### A. Unusual or Infrequent Items

The Company has no unusual or infrequent items to report.

#### B. Troubled Debt Restructuring

Not Applicable

#### C. Other Disclosures

##### 1. Interrogatory 6.1

The Company cedes 100% of its business to Liberty Mutual Insurance Company, the lead company in the Liberty Mutual Pool. Liberty Mutual Insurance Company purchases external catastrophe reinsurance coverage.

##### Interrogatory 6.2

As a member of the Liberty Intercompany Pool, the Pool employs industry recognized catastrophe modeling software to estimate the Probable Maximum Loss. For property exposures, we utilize RMS's RiskLink v15.0 and AIR's Touchstone v3.1 software. For workers' compensation, Liberty Mutual utilizes RiskLink v15.0 from RMS.

##### Interrogatory 6.3

The Company cedes 100% of its business to Liberty Mutual Insurance Company, the lead company in the Liberty Mutual Pool. Liberty Mutual Insurance Company purchases external catastrophe reinsurance coverage.

##### 2. Florida Special Disability Trust Fund

Not applicable.

3. Receivable from parent, subsidiaries and affiliates increased by \$3,664,018, primarily driven by the intercompany receivable with LM Investment Advisors. The payable to parent, subsidiaries and affiliates decreased by \$11,886,502 due to the timing of the intercompany settlement with LMIC. Other Assets decreased by \$15,722,539, primarily driven by the Company's investment in the Liquidity Pool in 2019 which did not occur in 2020.

#### D. Business Interruption Insurance Recoveries

The company does not purchase business interruption coverage

#### E. State Transferable Tax Credits

## NOTES TO FINANCIAL STATEMENTS

(1) Description of State Transferrable Tax Credits

The Company does not hold state transferable and/or non-transferable tax credits.

F. Subprime-Mortgage-Related Risk Exposure

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

(2) Direct exposure through investments in subprime mortgage loans:  
The Company does not have any direct exposure through investments in subprime mortgage loans.

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

(3) Direct exposure through other investments:  
The Company does not have direct exposure through their investment in residential mortgage-backed securities.

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

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

(4) Underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage: The Company does not have any underwriting exposure to sub-prime mortgage risk.

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

G. Insurance-Linked Securities (ILS) Contracts

Not Applicable. The Company did not receive proceeds as the issuer, ceding insurer or counterparty of insurance linked securities

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



## NOTES TO FINANCIAL STATEMENTS

The Company evaluated subsequent events through February 21, 2021, the date the annual statement was available to be issued.

There were no events subsequent to December 31, 2020 that would require disclosure.

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

	Current Year	Prior Year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?		
Not Applicable		

**23. Reinsurance**

A. Unsecured Reinsurance Recoverables

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

--	--	--	--

B. Reinsurance Recoverable in Dispute

Not Applicable. 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) Report the maximum amount of return commission which would have been due reinsurers....

	Assumed		Ceded		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
	(1)	(2)	(3)	(4)	(5)	(6)
a. Affiliates	\$ 0	0	289,686	0	(289,686)	0
b. All Other	\$ 0	0	0	0	0	0
c. TOTAL	\$ 0	0	289,686	0	(289,686)	0
d. Direct Unearned Premium Reserve	\$ 289,686					

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

<u>REINSURANCE</u>	<u>Direct</u>	<u>Assumed</u>	<u>Ceded</u>	<u>Net</u>
a. Contingent Commission	\$ (43,895)	0	(43,895)	0
b. Sliding Scale Adjustments	\$ 0	0	0	0
c. Other Profit Commission Arrangements	\$ 0	0	0	0
d. TOTAL	\$ (43,895)	0	(43,895)	0

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

<u>Protected Cell Name</u>	<u>Covered Exposure</u>	<u>Ultimate Exposure Amt</u>	<u>Fair Value of Assets 12/31</u>	<u>Initial Contract Date</u>	<u>Maturity Date</u>
(99) Totals Lines 23C0301 through 23C0305		0	0		

D. UNCOLLECTIBLE REINSURANCE

Not Applicable

E. COMMUTATION OF CEDED REINSURANCE

Not Applicable

F. RETROACTIVE REINSURANCE

Not Applicable

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, 2020.

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

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

b. The Company does not transact business with Certified Reinsurers.

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

## NOTES TO FINANCIAL STATEMENTS

b. The Company is not a Certified Reinsurer.

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation  
Not Applicable

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

- A. The Company does not have net accrued retrospective premiums. Refer to Note 26.
- B. The Company did not receive any assessments under the Affordable Care Act.

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

- A. The Company has no net exposure to changes in incurred losses and loss adjustment expenses. Refer to Note 26.

**26. Intercompany Pooling Arrangements**

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

		NAIC Company Number	Pooling Companies	Line of Business
Lead Company:	Liberty Mutual Insurance Company ("LMIC")	23043	50%	All Lines
Affiliated	Peerless Insurance Company ("PIC")	24198	20%	All Lines
Pool Companies:	Employers Insurance Company of Wausau ("EICOW")	21458	8%	All Lines
	Liberty Mutual Fire Insurance Company ("LMFIC")	23035	8%	All Lines
	The Ohio Casualty Insurance Company ("OCIC")	24074	8%	All Lines
	Safeco Insurance Company of America ("SICOA")	24740	6%	All Lines
	American Economy Insurance Company ("AEIC")	19690	0%	All Lines
	America First Insurance Company ("AFIC")	12696	0%	All Lines
	America Fire and Casualty Company ("AFCIC")	24066	0%	All Lines
	America First Lloyd's Insurance Company ("AFLIC")	11526	0%	All Lines
	American States Insurance Company ("ASIC")	19704	0%	All Lines
	American States Insurance Company of Texas ("ASICT")	19712	0%	All Lines
	American States Lloyd's Insurance Company ("ASLCO")	31933	0%	All Lines
	American States Preferred Insurance Company ("ASPC")	37214	0%	All Lines
	Colorado Casualty Insurance Company ("CCIC")	41785	0%	All Lines
	Consolidated Insurance Company ("CIC")	22640	0%	All Lines
	Excelsior Insurance Company ("EIC")	11045	0%	All Lines
	First National Insurance Company of America ("FNICA")	24724	0%	All Lines
	The First Liberty Insurance Corporation ("FST")	33588	0%	All Lines
	General Insurance Company of America ("GICA")	24732	0%	All Lines
	Golden Eagle Insurance Corporation ("GEIC")	10836	0%	All Lines
	Hawkeye-Security Insurance Company ("HSIC")	36919	0%	All Lines
	Insurance Company of Illinois ("ICIL")	26700	0%	All Lines
	Indiana Insurance Company ("IIC")	22659	0%	All Lines
	Ironshore Indemnity Inc. ("IIL")	23647	0%	All Lines
	Ironshore Specialty Insurance Company ("ISIC")	25445	0%	All Lines
	Liberty Insurance Corporation ("LIC")	42404	0%	All Lines
	Liberty Insurance Underwriters, Inc. ("LIU")	19917	0%	All Lines
	Liberty County Mutual Insurance Company ("LCMIC")	19544	0%	All Lines
	LM General Insurance Company ("LMGIC")	36447	0%	All Lines
	Liberty Lloyd's of Texas Insurance Company ("LLOT")	11041	0%	All Lines
	LM Insurance Corporation ("LMC")	33600	0%	All Lines
	Liberty Mutual Mid-Atlantic Insurance Company ("LMM")	14486	0%	All Lines
	Liberty Mutual Personal Insurance Company ("LMPICO")	12484	0%	All Lines
	Liberty Northwest Insurance Corporation ("LNW")	41939	0%	All Lines
	Liberty Personal Insurance Company ("LPIC")	11746	0%	All Lines
	Liberty Surplus Insurance Corporation ("LSI")	10725	0%	All Lines
	Mid-American Fire & Casualty Company ("MAFCC")	23507	0%	All Lines
	Montgomery Mutual Insurance Company ("MMIC")	14613	0%	All Lines
	The Midwestern Indemnity Company ("MWIC")	23515	0%	All Lines
	National Insurance Association ("NIA")	27944	0%	All Lines
	The Netherlands Insurance Company ("NIC")	24171	0%	All Lines
	North Pacific Insurance Company ("NPIC")	23892	0%	All Lines
	Ohio Security Insurance Company ("OSIC")	24082	0%	All Lines
	Oregon Automobile Insurance Company ("OAIC")	23922	0%	All Lines
	Peerless Indemnity Insurance Company ("PIIC")	18333	0%	All Lines

## NOTES TO FINANCIAL STATEMENTS

	Safeco Insurance Company of Illinois ("SICIL")	39012	0%	All Lines
	Safeco Insurance Company of Indiana ("SICIN")	11215	0%	All Lines
	Safeco Insurance Company of Oregon ("SICOR")	11071	0%	All Lines
	Safeco Lloyds Insurance Company ("SLICO")	11070	0%	All Lines
	Safeco National Insurance Company ("SNIC")	24759	0%	All Lines
	Safeco Surplus Lines Insurance Company ("SSLIC")	11100	0%	All Lines
	Wausau Business Insurance Company ("WBIC")	26069	0%	All Lines
	Wausau General Insurance Company ("WGIC")	26425	0%	All Lines
	Wausau Underwriters Insurance Company ("WUIC")	26042	0%	All Lines
100% Quota Share	West American Insurance Company ("WAIC")	44393	0%	All Lines
Affiliated Companies:	LM Property and Casualty Insurance Company ("LMPCA")	32352	0%	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. The Company has no amounts due (to)/from affiliated entities participating in the Liberty Mutual Second Amended and Restated Intercompany Reinsurance Agreement as of December 31, 2020.

**27. Structured Settlements**

- A. The Company has no net exposure to contingent liabilities from the purchase of annuities. Refer to Note 26.
- B. Not applicable.

**28. Health Care Receivables**

Not Applicable

**29. Participating Policies**

Not Applicable

**30. Premium Deficiency Reserves**

01. Liability carried for premium deficiency reserves (1)  
\$ 0
02. Date of the most recent evaluation of this liability 12/31/2020
03. Was anticipated investment income utilized in the calculation? Yes [ ] No [X] No

**31. High Deductible**

Not Applicable

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

The Company has no net loss and loss adjustment expense reserves. Refer to Note 26.

**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? NO

## NOTES TO FINANCIAL STATEMENTS

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The Company has no net exposure to asbestos and environmental claims. Refer to Note 26.

**34. Subscriber Savings Accounts**

Not Applicable

**35. Multiple Peril Crop Insurance**

Not Applicable

**36. Financial Guaranty Insurance**

Not Applicable

# GENERAL INTERROGATORIES

## PART 1 – COMMON INTERROGATORIES

### GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes  No  ]
- If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes  No  ] N/A  ]
- 1.3 State Regulating? Oregon
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes  No  ]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes  No  ]
- 2.2 If yes, date of change: \_\_\_\_\_
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2018
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2018
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 08/28/2020
- 3.4 By what department or departments?  
Oregon Department of Insurance  
.....  
.....  
.....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes  No  ] N/A  ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes  No  ] N/A  ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes  No  ]
- 4.12 renewals? Yes  No  ]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes  No  ]
- 4.22 renewals? Yes  No  ]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes  No  ]
- If yes, complete and file the merger history data file with the NAIC.

## GENERAL INTERROGATORIES

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

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

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]

6.2 If yes, give full information:  
 .....  
 .....  
 .....

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [X]

7.2 If yes, 0.00 %

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

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

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

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

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

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

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

## GENERAL INTERROGATORIES

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

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

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

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

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

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

12.11 Name of real estate holding company	600 HOLLADAY LTD
12.12 Number of parcels involved	1
12.13 Total book/adjusted carrying value	\$ 14,095,808

12.2 If yes, provide explanation:  
 Liberty Northwest Insurance Corporation owns 51% of 600 Holladay LTD  
 .....  
 .....

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

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

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

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

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

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?  
 a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
 b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
 c. Compliance with applicable governmental laws, rules, and regulations;  
 d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
 e. Accountability for adherence to the code. Yes [X] No [ ]

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

## GENERAL INTERROGATORIES

14.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]

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

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

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]

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

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

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

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

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

## BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No [ ]

17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No [ ]

18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No [ ]

## FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]

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

20.11 To directors or other officers	\$		0
20.12 To stockholders not officers	\$		0
20.13 Trustees, supreme or grand (Fraternal only)	\$		0

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers	\$		0
20.22 To stockholders not officers	\$		0
20.23 Trustees, supreme or grand (Fraternal only)	\$		0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [ ] No [X]

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

21.21 Rented from others	\$		0
21.22 Borrowed from others	\$		0
21.23 Leased from others	\$		0
21.24 Other	\$		0



## GENERAL INTERROGATORIES

- 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 | \$ | 0 |
|  | 22.22 Amount paid as expenses                  | \$ | 0 |
|  | 22.23 Other amounts paid                       | \$ | 0 |
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No [ ]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

## INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [X] No [ ]
- 24.02 If no, give full and complete information, relating thereto:  
 .....  
 .....  
 .....
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)  
 See Note 17B  
 .....  
 .....  
 .....
- 24.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk Based Capital Instructions. \$ 4,164,387
- 24.05 For the reporting entity's securities lending program report amount of collateral for other programs. \$ 0
- 24.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [X] No [ ] N/A [ ]
- 24.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [X] No [ ] N/A [ ]
- 24.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [X] No [ ] N/A [ ]
- 24.09 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- |  |  |    |           |
|--|--|----|-----------|
| 24.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2                   |  | \$ | 1,620,307 |
| 24.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 |  | \$ | 1,620,307 |
| 24.093 Total payable for securities lending reported on the liability page                                       |  | \$ | 1,620,307 |
- 25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes [X] No [ ]

## GENERAL INTERROGATORIES

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

	25.21 Subject to repurchase agreements	\$ <u>0</u>
	25.22 Subject to reverse repurchase agreements	\$ <u>0</u>
	25.23 Subject to dollar repurchase agreements	\$ <u>0</u>
	25.24 Subject to reverse dollar repurchase agreements	\$ <u>0</u>
	25.25 Placed under option agreements	\$ <u>0</u>
	25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock	\$ <u>0</u>
	25.27 FHLB Capital Stock	\$ <u>0</u>
	25.28 On deposit with states	\$ <u>24,077,939</u>
	25.29 On deposit with other regulatory bodies	\$ <u>4,372,900</u>
	25.30 Pledged as collateral - excluding collateral pledged to an FHLB	\$ <u>0</u>
	25.31 Pledged as collateral to FHLB - including assets backing funding agreements	\$ <u>0</u>
	25.32 Other	\$ <u>0</u>

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....	.....	0
.....	.....	0
.....	.....	0

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes  No

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

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

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

26.4 If the response to 26.3 is YES, does the reporting entity utilize:

	26.41 Special accounting provision of SSAP No. 108	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
	26.42 Permitted accounting practice	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
	26.43 Other accounting guidance	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

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

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes  No

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

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

## GENERAL INTERROGATORIES

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

1 Name of Custodian(s)	2 Custodian's Address
JP Morgan Chase	1 Chase Manhattan Plaza, New York, NY 10005

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

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

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [ ] No [X]

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

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

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

1 Name Firm or Individual	2 Affiliation
Liberty Mutual Group Asset Management Inc.	A

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

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

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

1 Name Firm or Individual	2 Central Registration Depository Number	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
Liberty Mutual Group Asset Management Inc.	N/A	N/A	N/A	DS

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

29.2 If yes, complete the following schedule:

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

## GENERAL INTERROGATORIES

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

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	37,027,975	39,280,093	2,252,118
30.2 Preferred stocks	0	0	0
30.3 Totals	37,027,975	39,280,093	2,252,118

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

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

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

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

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

.....

.....

.....

.....

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

32.2 If no, list exceptions:

.....

.....

.....

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

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

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

## GENERAL INTERROGATORIES

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

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

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

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

- a. The shares were purchased prior to January 1, 2019.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
- d. The fund only or predominantly holds bonds in its portfolio.
- e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
- f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

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

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

- a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
- b. If the investment is with a nonrelated party or 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 36.a - 36.c are reported as long-term investments.

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

## OTHER

37.1 Amount of payments to trade associations, service organizations and statistical or Rating Bureaus, if any? \$ \_\_\_\_\_ 0

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

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

38.1 Amount of payments for legal expenses, if any? \$ \_\_\_\_\_ 0

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

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

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

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

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



# GENERAL INTERROGATORIES

## PART 2 – PROPERTY & CASUALTY INTERROGATORIES

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

1.2 If yes, indicate premium earned on U.S. business only. \$ 0

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

1.31 Reason for excluding

.....

.....

.....

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$ 0

1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$ 0

1.6 Individual policies:

Most current three years:

1.61 Total premium earned \$ 0

1.62 Total incurred claims \$ 0

1.63 Number of covered lives 0

All years prior to most current three years:

1.64 Total premium earned \$ 0

1.65 Total incurred claims \$ 0

1.66 Number of covered lives 0

1.7 Group policies:

Most current three years:

1.71 Total premium earned \$ 0

1.72 Total incurred claims \$ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned \$ 0

1.75 Total incurred claims \$ 0

1.76 Number of covered lives 0

2. Health Test:

	1	2
	Current Year	Prior Year
2.1 Premium Numerator	\$ 0	\$ 0
2.2 Premium Denominator	\$ 0	\$ 0
2.3 Premium Ratio (2.1 / 2.2)	0.00	0.00
2.4 Reserve Numerator	\$ 0	\$ 0
2.5 Reserve Denominator	\$ 0	\$ 0
2.6 Reserve Ratio (2.4 / 2.5)	0.00	0.00

3.1 Did the reporting entity issue participating policies during the calendar year? Yes [X] No [ ]

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

3.21 Participating policies \$ 0

3.22 Non-participating policies \$ 712,761

4. For Mutual reporting entities and Reciprocal Exchanges only:

4.1 Does the reporting entity issue assessable policies? Yes [ ] No [X]

4.2 Does the reporting entity issue non-assessable policies? Yes [ ] No [X]

4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? 0 %

4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. \$ 0

5. For Reciprocal Exchanges Only:

5.1 Does the exchange appoint local agents? Yes [ ] No [X]

5.2 If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation Yes [ ] No [ ] N/A [X]

5.22 As a direct expense of the exchange Yes [ ] No [ ] N/A [X]

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

.....

.....

.....

5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [ ] No [X]

5.5 If yes, give full information

.....

.....

.....

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit loss: see Note 21C1

.....

.....

.....

## GENERAL INTERROGATORIES

### PART 2 – PROPERTY & CASUALTY INTERROGATORIES

- 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:  
see Note 21C1
- 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?  
see Note 21C1
- 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 unreinsured catastrophic loss  
The Company cedes 100% of its business to Liberty Mutual Insurance Company, the lead company in the Liberty Mutual Pool. Liberty Mutual Insurance Company purchases external catastrophe reinsurance coverage.
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes [ ] No [X]
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions. \_\_\_\_\_ 0
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [ ] No [ ]
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes [ ] No [X]
- 8.2 If yes, give full information
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:  
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;  
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;  
(c) Aggregate stop loss reinsurance coverage;  
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;  
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or  
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. Yes [ ] No [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 37 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 [ ]



## GENERAL INTERROGATORIES

### PART 2 – PROPERTY & CASUALTY INTERROGATORIES

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [ ] No [ ] N/A [X]
- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force: Yes [ ] No [X]
- 11.2 If yes, give full information  
 .....  
 .....
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
- |   |  |    |   |  |
|---|--|----|---|--|
| 12.11 Unpaid losses   |  | \$ | 0 |  |
| 12.12 Unpaid underwriting expenses (including loss adjustment expenses) |  | \$ | 0 |  |
- 12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds? \$ 0
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? 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 |  |  | 0.00 % |  |
| 12.42 To   |  |  | 0.00 % |  |
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes [ ] No [X]
- 12.6 If yes, state the amount thereof at December 31 of current year:
- |                                  |  |    |   |  |
|----------------------------------|--|----|---|--|
| 12.61 Letters of Credit          |  | \$ | 0 |  |
| 12.62 Collateral and other funds |  | \$ | 0 |  |
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$ 0
- 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. 0
- 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 allocation agreements, including the intercompany pooling agreement.  
 .....  
 .....
- 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [ ] No [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  
 .....  
 .....
- 16.1 Does the reporting entity write any warranty business? Yes [ ] No [X]  
 If yes, disclose the following information for each of the following types of warranty coverage:

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

\* Disclose type of coverage: \_\_\_\_\_

## GENERAL INTERROGATORIES

### PART 2 – PROPERTY & CASUALTY INTERROGATORIES

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

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

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

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

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

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

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

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

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

## FIVE – YEAR HISTORICAL DATA

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

	1	2	3	4	5
	2020	2019	2018	2017	2016
<b>Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 &amp; 3)</b>					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	228,603	5,017,259	21,984,094	31,666,261	39,761,093
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	258,900	529,401	794,114	1,222,503	1,462,923
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	225,258	987,651	2,247,390	3,634,086	6,566,107
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)					
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
6. Total (Line 35)	712,761	6,534,311	25,025,598	36,522,850	47,790,123
<b>Net Premiums Written (Page 8, Part 1B, Col. 6)</b>					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)					
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
12. Total (Line 35)					
<b>Statement of Income (Page 4)</b>					
13. Net underwriting gain (loss) (Line 8)					
14. Net investment gain (loss) (Line 11)	670,666	996,713	20,271,010	732,394	937,127
15. Total other income (Line 15)	(9,121)	(6,490)	(4,434)	(5,280)	(26,801)
16. Dividends to policyholders (Line 17)					
17. Federal and foreign income taxes incurred (Line 19)	211,167	(3,763,611)	4,801,925	1,090,835	(834,075)
18. Net income (Line 20)	450,378	4,753,834	15,464,651	(363,721)	1,744,401
<b>Balance Sheet Lines (Pages 2 and 3)</b>					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	59,282,081	71,464,079	59,073,341	59,896,402	56,652,623
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)					
20.2 Deferred and not yet due (Line 15.2)					
20.3 Accrued retrospective premiums (Line 15.3)					
21. Total liabilities excluding protected cell business (Page 3, Line 26)	2,202,637	15,072,752	7,252,440	4,378,294	925,868
22. Losses (Page 3, Line 1)					
23. Loss adjustment expenses (Page 3, Line 3)					
24. Unearned premiums (Page 3, Line 9)					
25. Capital paid up (Page 3, Lines 30 & 31)	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
26. Surplus as regards policyholders (Page 3, Line 37)	57,079,444	56,391,328	51,820,902	55,518,108	55,726,756
<b>Cash Flow (Page 5)</b>					
27. Net cash from operations (Line 11)	512,090	4,423,419	14,577,733	128,397	1,382,409
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital	57,079,441	56,391,328	51,820,902	55,518,108	55,726,756
29. Authorized control level risk-based capital	274,480	591,013	1,498,394	1,907,495	227,390
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	66.8	64.9	70.4	67.7	69.4
31. Stocks (Lines 2.1 & 2.2)	30.0	29.5	27.4	27.0	28.7
32. Mortgage loans on real estate (Lines 3.1 and 3.2)					
33. Real estate (Lines 4.1, 4.2 & 4.3)					
34. Cash, cash equivalents and short-term investments (Line 5)	0.3	0.8	2.2	0.7	1.4
35. Contract loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)		0.2			
38. Receivables for securities (Line 9)					
39. Securities lending reinvested collateral assets (Line 10)	2.9	4.6		4.6	0.5
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
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	16,611,682	16,360,184	16,096,888	15,878,744	15,723,777
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					
48. Total of above Lines 42 to 47	16,611,682	16,360,184	16,096,888	15,878,744	15,723,777
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)	29.1	29.0		28.6	28.2

## FIVE – YEAR HISTORICAL DATA (Continued)

	1	2	3	4	5
	2020	2019	2018	2017	2016
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24)	676,623	847,200	1,276,591	1,290,423	1,038,166
52. Dividends to stockholders (Line 35)			(17,892,822)		
53. Change in surplus as regards policyholders for the year (Line 38)	688,114	4,570,426	(3,697,205)	(208,649)	1,928,402
<b>Gross Losses Paid (Page 9, Part 2, Cols. 1 &amp; 2)</b>					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	31,166,920	31,141,106	33,876,044	49,503,244	50,877,540
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	305,010	129,178	256,891	1,011,866	847,635
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	255,817	1,254,973	3,153,407	5,623,709	2,782,260
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)					
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
59. Total (Line 35)	31,727,747	32,525,257	37,286,342	56,138,819	54,507,435
<b>Net Losses Paid (Page 9, Part 2, Col. 4)</b>					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)					
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
65. Total (Line 35)					
<b>Operating Percentages (Page 4)</b> (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)					
68. Loss expenses incurred (Line 3)					
69. Other underwriting expenses incurred (Line 4)					
70. Net underwriting gain (loss) (Line 8)					
<b>Other Percentages</b>					
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)					
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)					
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)					
<b>One Year Loss Development (\$000 omitted)</b>					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)					
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)					
<b>Two Year Loss Development (\$000 omitted)</b>					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12)					
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)					

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

Yes [ ] No [ ]

requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

If no, please explain:

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

## SCHEDULE P – ANALYSIS OF LOSSES AND LOSS EXPENSES

### SCHEDULE P – PART 1 – SUMMARY

(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments						12 Number of Claims Reported Direct and Assumed		
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1–2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments			10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	X X X	X X X	X X X	18,095	18,095	1,001	1,001				X X X	
2. 2011	247,803	247,803		133,916	133,916	10,601	10,601	236	236		X X X	
3. 2012	205,493	205,493		111,256	111,256	8,733	8,733	139	139		X X X	
4. 2013	131,454	131,454		64,826	64,826	4,849	4,849	(143)	(143)		X X X	
5. 2014	95,625	95,625		51,736	51,736	4,106	4,106	(101)	(101)		X X X	
6. 2015	67,737	67,737		25,779	25,779	1,945	1,945	62	62		X X X	
7. 2016	51,696	51,696		20,939	20,939	1,783	1,783	63	63		X X X	
8. 2017	37,047	37,047		14,511	14,511	1,275	1,275	28	28		X X X	
9. 2018	25,999	25,999		8,501	8,501	588	588	13	13		X X X	
10. 2019	7,692	7,692		2,306	2,306	85	85	4	4		X X X	
11. 2020	2,423	2,423		400	400	7	7				X X X	
12. Totals	X X X	X X X	X X X	452,265	452,265	34,973	34,973	301	301		X X X	

	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		Other Unpaid				
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	21 Direct and Assumed	22 Ceded			
1. Prior	256,287	256,287	91,804	91,804	11,453	11,453	6,769	6,769	(303)	(303)			X X X
2. 2011	8,796	8,796	41,652	41,652	544	544	1,643	1,643	(47)	(47)			X X X
3. 2012	6,357	6,357	61,933	61,933	585	585	2,142	2,142	(35)	(35)			X X X
4. 2013	6,068	6,068	31,398	31,398	335	335	1,764	1,764	(89)	(89)			X X X
5. 2014	22,225	22,225	(3,455)	(3,455)	484	484	32	32	(88)	(88)			X X X
6. 2015	3,147	3,147	(4,464)	(4,464)	381	381	376	376	(65)	(65)			X X X
7. 2016	2,441	2,441	3,119	3,119	324	324	1,151	1,151	(115)	(115)			X X X
8. 2017	3,074	3,074	815	815	156	156	594	594	(165)	(165)			X X X
9. 2018	2,747	2,747	(229)	(229)	211	211	395	395	(296)	(296)			X X X
10. 2019	1,281	1,281	1,912	1,912	87	87	279	279	(885)	(885)			X X X
11. 2020	504	504	595	595			103	103	28,052	28,052			X X X
12. Totals	312,927	312,927	225,080	225,080	14,560	14,560	15,248	15,248	25,964	25,964			X X X

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior	X X X	X X X	X X X	X X X	X X X	X X X			X X X		
2. 2011	197,341	197,341		79.636	79.636						
3. 2012	191,110	191,110		93.001	93.001						
4. 2013	109,008	109,008		82.925	82.925						
5. 2014	74,939	74,939		78.368	78.368						
6. 2015	27,161	27,161		40.098	40.098						
7. 2016	29,705	29,705		57.461	57.461						
8. 2017	20,288	20,288		54.763	54.763						
9. 2018	11,930	11,930		45.886	45.886						
10. 2019	5,069	5,069		65.900	65.900						
11. 2020	29,661	29,661		1224.144	1224.144						
12. Totals	X X X	X X X	X X X	X X X	X X X	X X X			X X X		

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.

**NONE Schedule P - Part 2, 3, 4 - Summary**

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

States, Etc.	1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		Active Status (a)	2						
		Direct Premiums Written	Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges Not Included in Premiums	Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
1. Alabama	AL	N							
2. Alaska	AK	L	5,441	(80,970)		4,778,249	988,867	51,452,625	
3. Arizona	AZ	N							
4. Arkansas	AR	N							
5. California	CA	L	(663,721)	(785,046)		1,359,030	(865,299)	9,940,873	
6. Colorado	CO	N							
7. Connecticut	CT	N							
8. Delaware	DE	N							
9. District of Columbia	DC	N							
10. Florida	FL	N							
11. Georgia	GA	N							
12. Hawaii	HI	N							
13. Idaho	ID	L	572,041	773,912	169,863	4,185,708	1,263,245	61,753,975	
14. Illinois	IL	N							
15. Indiana	IN	N							
16. Iowa	IA	N							
17. Kansas	KS	N							
18. Kentucky	KY	N							
19. Louisiana	LA	N							
20. Maine	ME	N							
21. Maryland	MD	N							
22. Massachusetts	MA	L							
23. Michigan	MI	N							
24. Minnesota	MN	N							
25. Mississippi	MS	N							
26. Missouri	MO	N							
27. Montana	MT	L	(195,509)	(67,394)		3,656,863	(691,492)	78,152,282	
28. Nebraska	NE	N							
29. Nevada	NV	N							
30. New Hampshire	NH	N			(12,626)				
31. New Jersey	NJ	N							
32. New Mexico	NM	N							
33. New York	NY	N							
34. North Carolina	NC	N							
35. North Dakota	ND	N							
36. Ohio	OH	N							
37. Oklahoma	OK	N							
38. Oregon	OR	L	863,258	2,214,096	2,986	16,206,684	(1,037,761)	326,903,784	
39. Pennsylvania	PA	Q							
40. Rhode Island	RI	N							
41. South Carolina	SC	N							
42. South Dakota	SD	N							
43. Tennessee	TN	N							
44. Texas	TX	N							
45. Utah	UT	L							
46. Vermont	VT	N							
47. Virginia	VA	N							
48. Washington	WA	L	131,251	369,088		1,541,211	(299,583)	9,800,749	
49. West Virginia	WV	N							
50. Wisconsin	WI	N							
51. Wyoming	WY	L							
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	X X X							
59. Totals	(a)	9	712,761	2,423,686	160,223	31,727,745	(642,023)	538,004,288	

DETAILS OF WRITE-INS									
58001.		X X X							
58002.		X X X							
58003.		X X X							
58998.	Summary of remaining write-ins for Line 58 from overflow page	X X X							
58999.	Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X							

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

(a) Active Status Counts

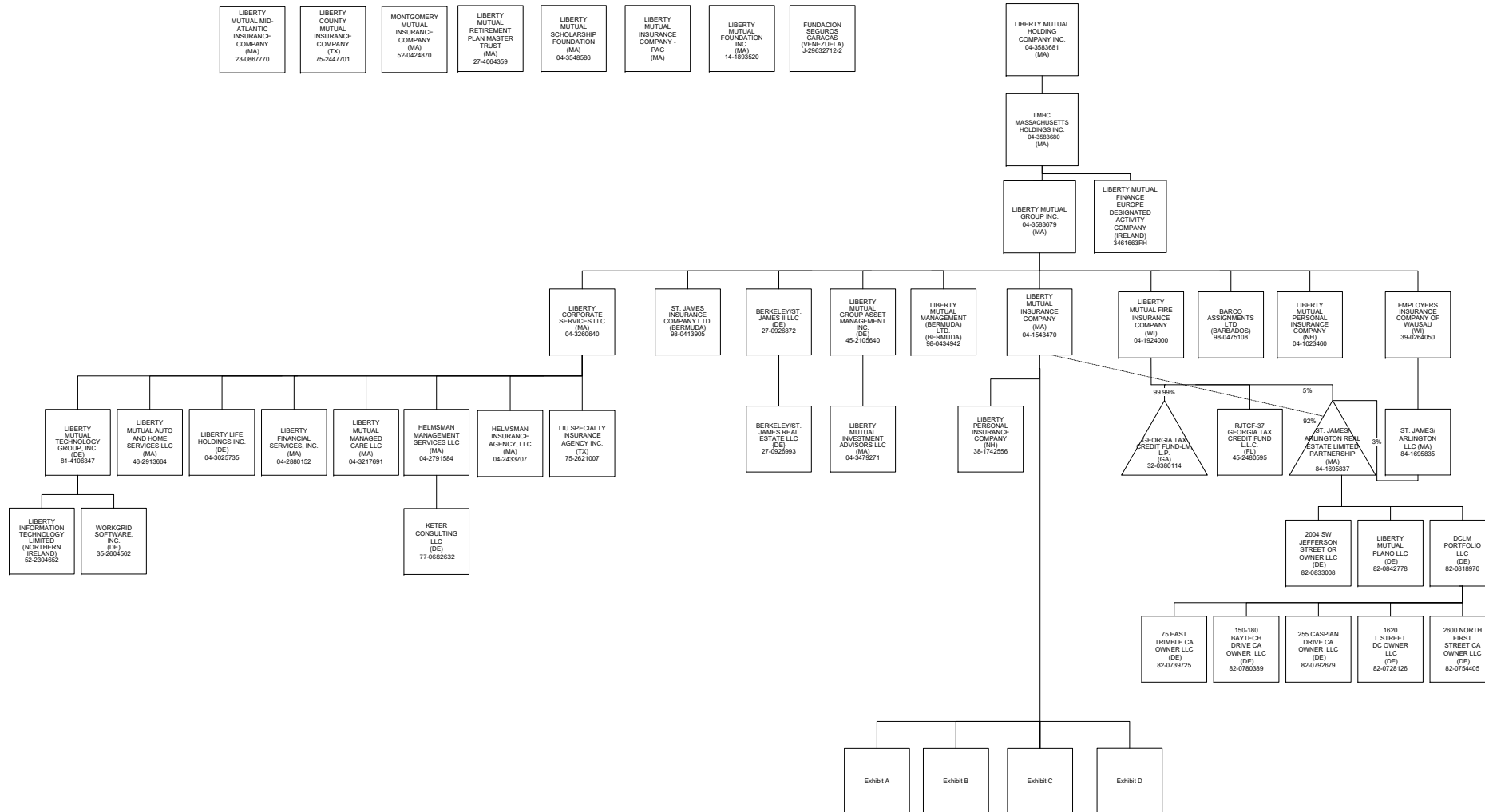
L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG	9
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state	_____
D - Domestic Surplus Lines Insurer (DSL) - Reporting entities authorized to write surplus lines in the state of domicile	_____
R - Registered - Non-domiciled RRGs	_____
Q - Qualified - Qualified or accredited reinsurer	1
N - None of the above - Not allowed to write business in the state (other than their state of domicile - See DSL)	47

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

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

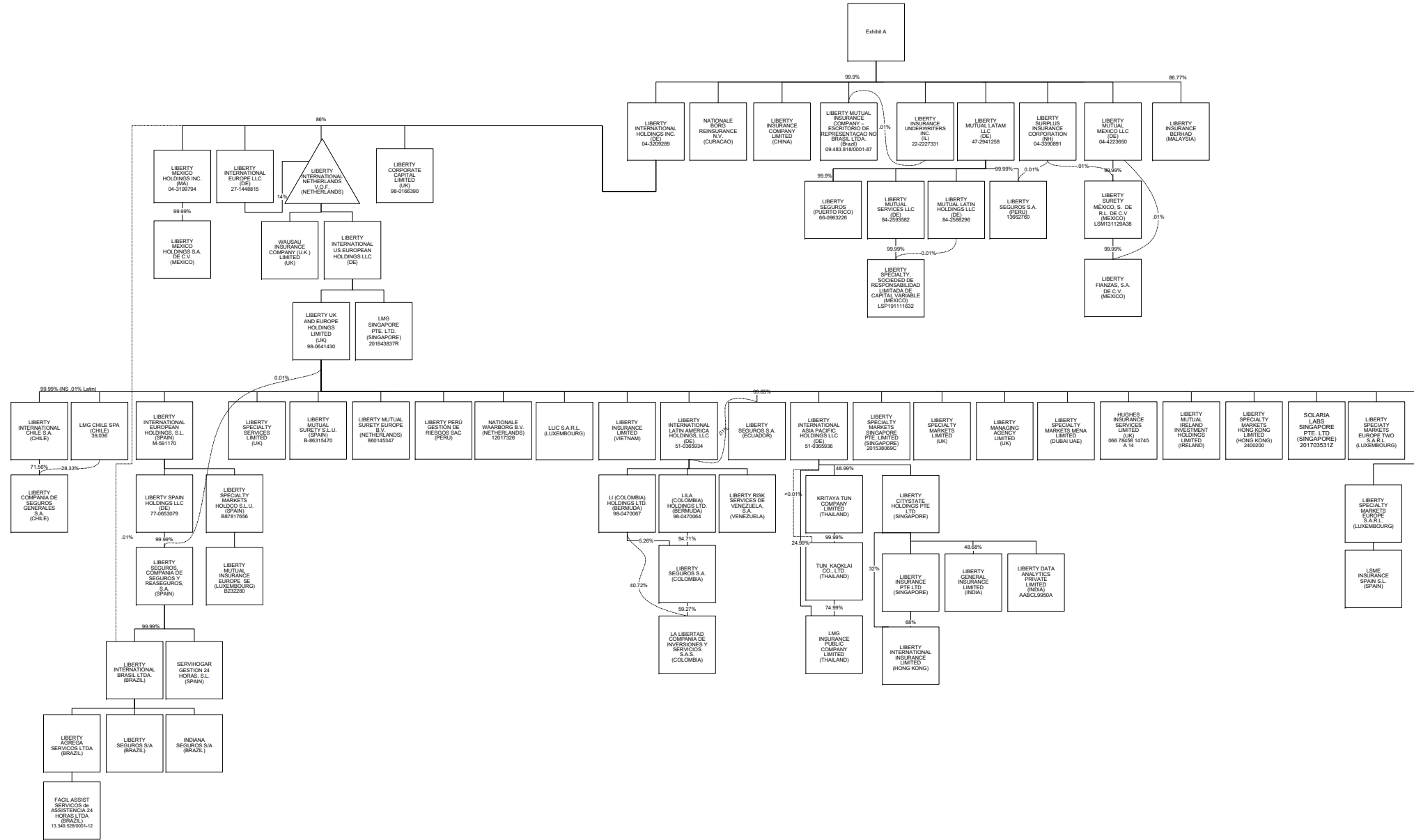
## PART 1 - ORGANIZATIONAL CHART





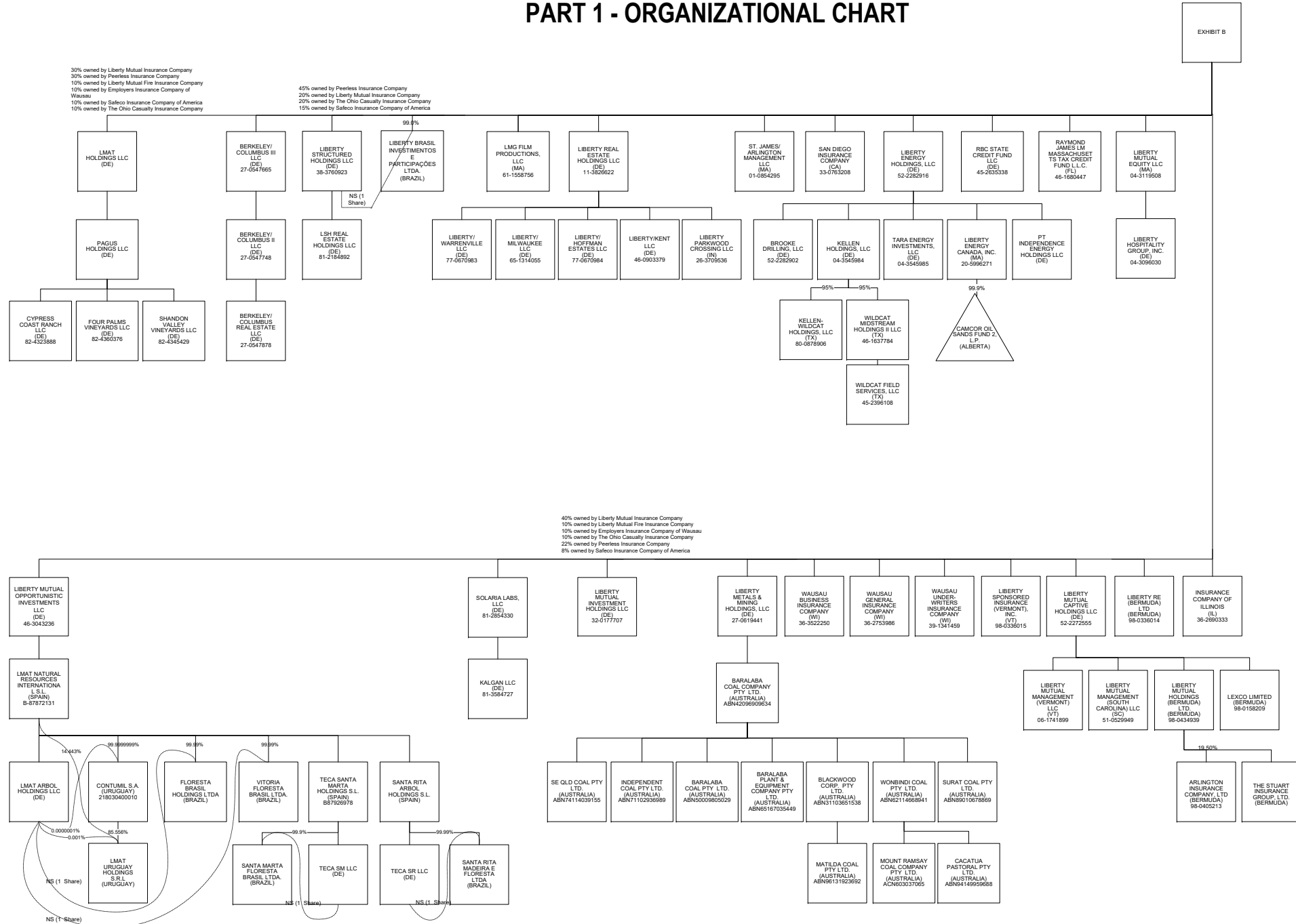
# SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

## PART 1 - ORGANIZATIONAL CHART



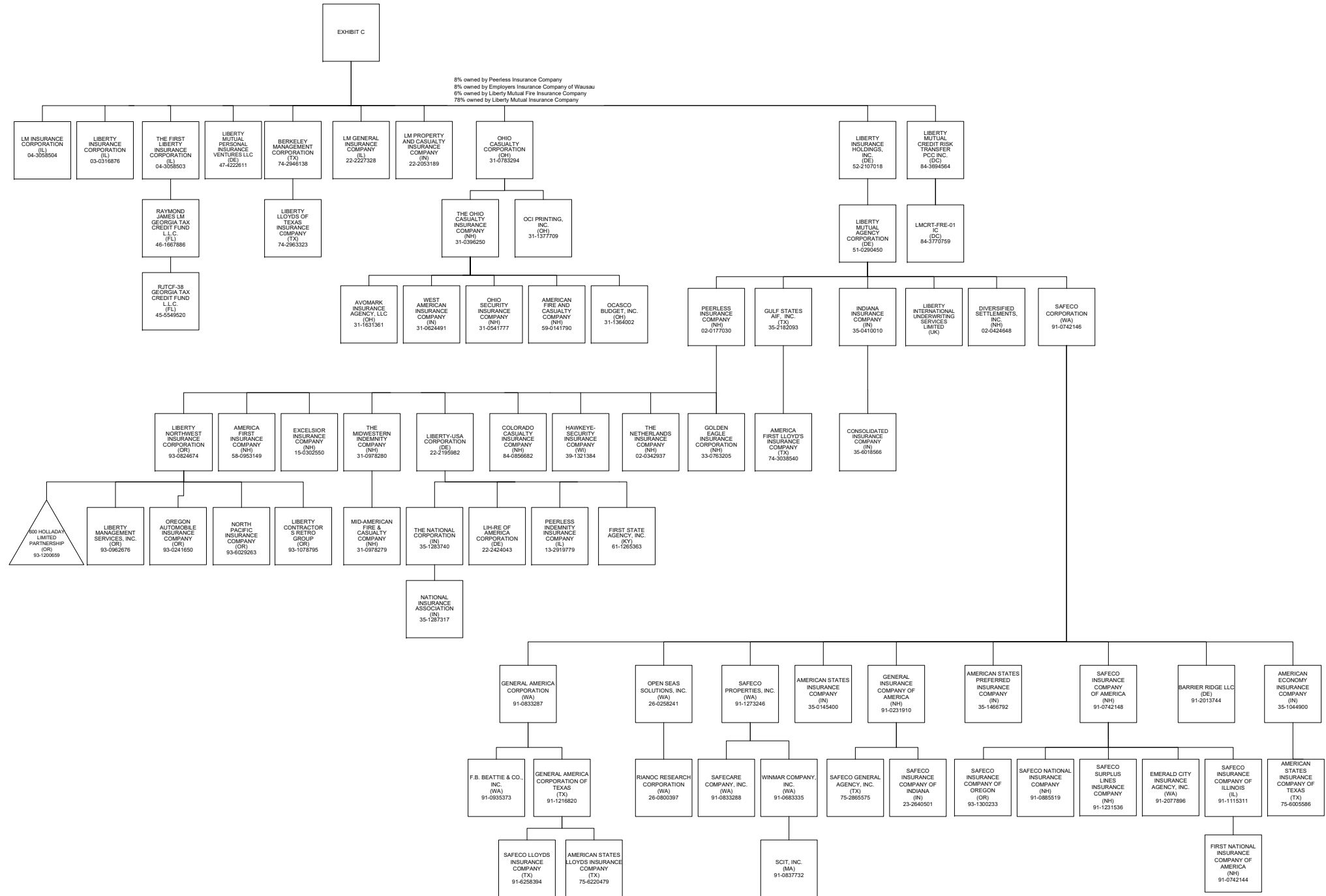
# SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

## PART 1 - ORGANIZATIONAL CHART



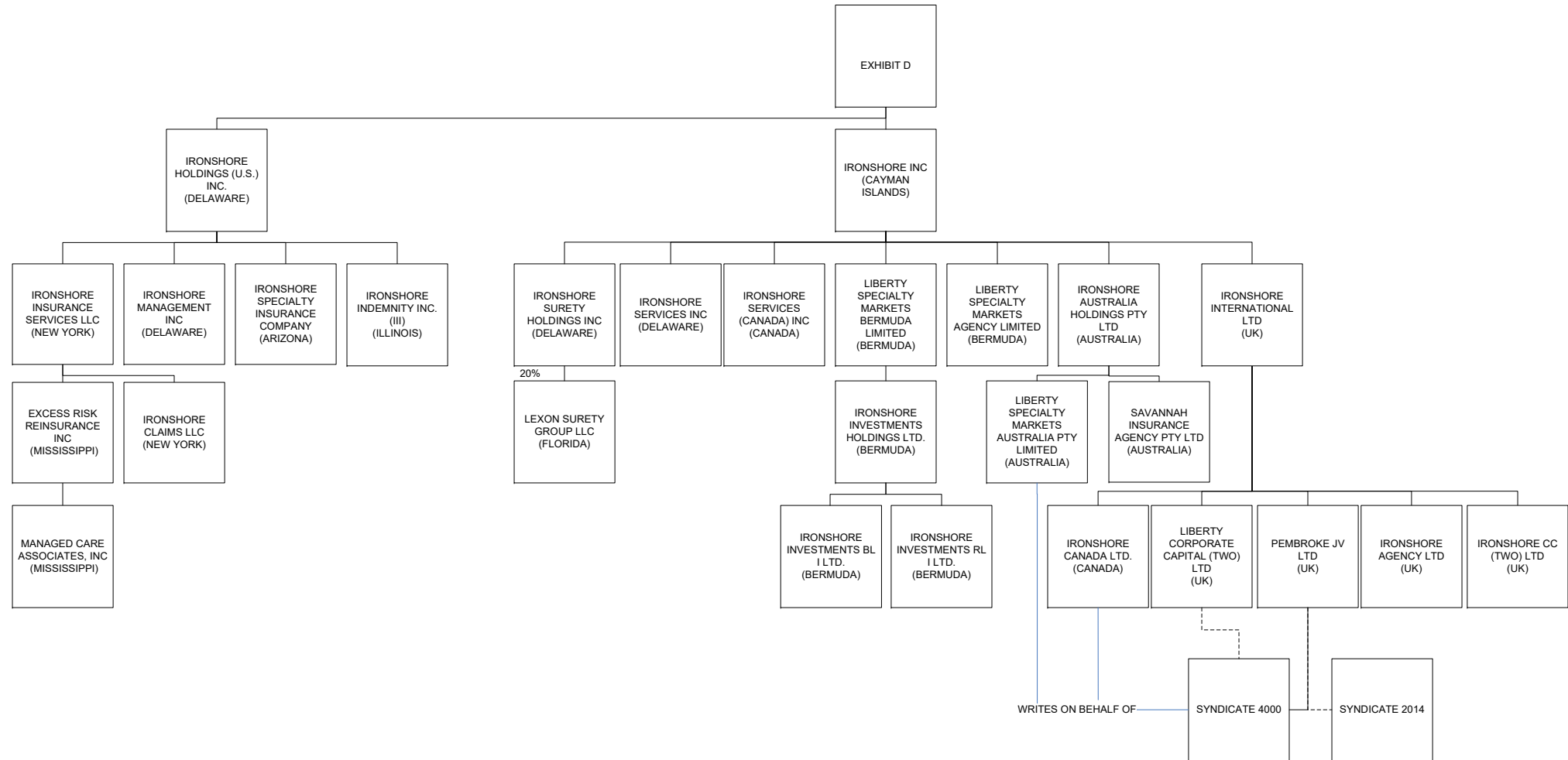
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## PART 1 - ORGANIZATIONAL CHART



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## PART 1 - ORGANIZATIONAL CHART



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