



24198202020100100

ANNUAL STATEMENT

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

Peerless Insurance Company

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

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

Incorporated/Organized March 7, 1901 **Commenced Business** November 23, 1903

Statutory Home Office 100 Liberty Way, Dover, NH, US 03820
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 175 Berkeley Street
(Street and Number)
Boston, MA, US 02116 617-357-9500 x41420
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 175 Berkeley Street, Boston, MA, US 02116
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 175 Berkeley Street Boston, MA, US 02116 617-357-9500
(Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address www.libertymutualgroup.com

Statutory Statement Contact Simone Thomas 617-357-9500 x41420
(Name) (Area Code) (Telephone Number) (Extension)
Statutory.Compliance@LibertyMutual.com 603-430-1653
(E-Mail Address) (Fax Number)

OFFICERS

Chairman of the Board

David Henry Long

	Name	Title
1.	David Henry Long	President and Chief Executive Officer
2.	Mark Charles Touhey	Executive Vice President and Secretary
3.	Edward Jose Pena #	Executive Vice President and Treasurer

VICE-PRESIDENTS

Name	Title	Name	Title
Alison Brooke Erbig	Executive Vice President and Comptroller	Melanie Marie Foley	EVP-Chief Talent & Enterprises Services Off.
Neeti Bhalla Johnson	EVP and Chief Investment Officer	James Francis Kelleher	EVP and Chief Legal Officer
Dennis James Langwell	Executive Vice President	James Martin McGlennon	EVP and Chief Information Officer
Christopher Locke Peirce	EVP and Chief Financial Officer	Timothy Michael Sweeney	Executive Vice President

DIRECTORS OR TRUSTEES

Melanie Marie Foley	Neeti Bhalla Johnson	James Francis Kelleher	Dennis James Langwell
David Henry Long	James Martin McGlennon	Christopher Locke Peirce	Timothy Michael Sweeney
Mark Charles Touhey			

State of Massachusetts

County of Suffolk ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

_____ (Signature) David Henry Long (Printed Name) 1. President and Chief Executive Officer (Title)	_____ (Signature) Mark Charles Touhey (Printed Name) 2. Executive Vice President and Secretary (Title)	_____ (Signature) Edward Jose Pena # (Printed Name) 3. Executive Vice President and Treasurer (Title)
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Subscribed and sworn to (or affirmed) before me this on this
19th day of January, 2021, by

a. Is this an original filing? 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)	11,356,941,963		11,356,941,963	10,665,759,265
2. Stocks (Schedule D):				
2.1 Preferred stocks				4,340,000
2.2 Common stocks	808,168,696	683,926	807,484,770	1,207,041,388
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	686,554,324		686,554,324	603,448,895
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				1,420,000
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ (210,092,848), Schedule E - Part 1), cash equivalents (\$ 409,440,774, Schedule E - Part 2), and short-term investments (\$ 12,687,829, Schedule DA)	212,035,755		212,035,755	(4,307,431)
6. Contract loans (including \$ 0 premium notes)				729,565
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)	1,898,610,770		1,898,610,770	1,124,194,477
9. Receivables for securities	22,524,534		22,524,534	28,377,751
10. Securities lending reinvested collateral assets (Schedule DL)	256,773,962		256,773,962	197,227,840
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	15,241,610,004	683,926	15,240,926,078	13,828,231,750
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	88,931,698		88,931,698	85,182,039
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	461,994,990	55,378,679	406,616,311	373,962,348
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 4,079,082 earned but unbilled premiums)	1,500,014,545	407,910	1,499,606,635	1,472,554,172
15.3 Accrued retrospective premiums (\$ 0) and contracts subject to redetermination (\$ 0)	34,181,930	3,438,270	30,743,660	59,340,971
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	3,588	204	3,384	(32,958)
18.1 Current federal and foreign income tax recoverable and interest thereon	31,582,647		31,582,647	
18.2 Net deferred tax asset	180,994,000		180,994,000	211,450,001
19. Guaranty funds receivable or on deposit	2,716,843		2,716,843	4,425,155
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	167,310,804		167,310,804	5,736,031
24. Health care (\$ 0) and other amounts receivable				(4)
25. Aggregate write-ins for other-than-invested assets	312,782,793	13,453,824	299,328,969	296,403,275
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	18,022,123,842	73,362,813	17,948,761,029	16,337,252,780
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	18,022,123,842	73,362,813	17,948,761,029	16,337,252,780

DETAILS OF WRITE-IN LINES				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. Cash Surrender Value Life Insurance	216,369,239		216,369,239	211,361,465
2502. Equities and deposits in pools and associations	47,822,509		47,822,509	42,855,730
2503. Amounts receivable under high deductible policies	34,692,160		34,692,160	36,407,401
2598. Summary of remaining write-ins for Line 25 from overflow page	13,898,885	13,453,824	445,061	5,778,679
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	312,782,793	13,453,824	299,328,969	296,403,275

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Year	Prior Year
1. Losses (Part 2A, Line 35, Column 8)	8,027,144,971	7,152,830,843
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	74,695,266	22,693,561
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	1,524,541,687	1,460,310,685
4. Commissions payable, contingent commissions and other similar charges	153,080,747	121,710,030
5. Other expenses (excluding taxes, licenses and fees)	247,356,527	193,152,283
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	45,634,498	46,672,443
7.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))		16,026,198
7.2 Net deferred tax liability		
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 \$ 26,164,900 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)	3,379,482,799	3,202,858,595
10. Advance premium	20,661,506	19,924,456
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders	477,086	457,530
12. Ceded reinsurance premiums payable (net of ceding commissions)	1	1
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	9,693,842	15,928,275
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	4	4
19. Payable to parent, subsidiaries and affiliates	3,455,224	42,753,543
20. Derivatives	883,955	
21. Payable for securities	240,916,983	195,314,455
22. Payable for securities lending	256,773,962	197,227,840
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ 0 and interest thereon \$ 0		
25. Aggregate write-ins for liabilities	(557,558,210)	(504,731,569)
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	13,427,240,848	12,183,129,173
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	13,427,240,848	12,183,129,173
29. Aggregate write-ins for special surplus funds	71,262,041	13,107,377
30. Common capital stock	8,848,635	8,848,635
31. Preferred capital stock		
32. Aggregate write-ins for other-than-special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	2,066,113,364	2,066,113,364
35. Unassigned funds (surplus)	2,375,296,141	2,066,054,232
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)	4,521,520,181	4,154,123,608
38. Totals (Page 2, Line 28, Col. 3)	17,948,761,029	16,337,252,781

DETAILS OF WRITE-IN LINES		
2501. Other liabilities	133,757,359	135,609,003
2502. Amounts held under uninsured plans	107,209,484	105,250,217
2503. Retroactive reinsurance reserves	(798,525,053)	(745,590,789)
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	(557,558,210)	(504,731,569)
2901. Special surplus from retroactive reinsurance	71,262,041	13,107,377
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)	71,262,041	13,107,377
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
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	6,348,062,019	6,391,054,782
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	3,994,077,864	3,992,730,732
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	748,818,768	805,825,662
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	1,937,247,025	1,825,615,252
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Lines 2 through 5)	6,680,143,657	6,624,171,646
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(332,081,638)	(233,116,864)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	349,419,841	548,992,161
10. Net realized capital gains (losses) less capital gains tax of \$ 35,421,946 (Exhibit of Capital Gains (Losses))	133,389,727	17,481,290
11. Net investment gain (loss) (Lines 9 + 10)	482,809,568	566,473,451
OTHER INCOME		
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 1,192,845 amount charged off \$ 44,204,351)	(43,011,505)	(26,935,032)
13. Finance and service charges not included in premiums	40,181,717	39,381,840
14. Aggregate write-ins for miscellaneous income	36,096,623	16,450,891
15. Total other income (Lines 12 through 14)	33,266,835	28,897,699
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	183,994,765	362,254,286
17. Dividends to policyholders	3,242,285	2,506,345
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)	180,752,480	359,747,941
19. Federal and foreign income taxes incurred	(15,611,946)	57,970,753
20. Net income (Line 18 minus Line 19) (to Line 22)	196,364,426	301,777,188
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	4,154,123,605	3,715,950,255
22. Net income (from Line 20)	196,364,426	301,777,188
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ (817,845)	200,837,662	93,982,259
25. Change in net unrealized foreign exchange capital gain (loss)	1,699,521	17,854,912
26. Change in net deferred income tax	(31,273,846)	37,514,548
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	(231,187)	(12,955,557)
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)	367,396,576	438,173,350
39. Surplus as regards policyholders, December 31 current year (Lines 21 plus Line 38) (Page 3, Line 37)	4,521,520,181	4,154,123,605

DETAILS OF WRITE-IN LINES		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 05 from overflow page		
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)		
1401. Retroactive reinsurance gain/(loss)	44,265,803	12,625,237
1402. Other income/(expense)	(8,169,180)	3,825,654
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	36,096,623	16,450,891
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
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	6,494,111,783	6,365,369,957
2. Net investment income	405,990,425	584,334,029
3. Miscellaneous income	31,702,633	21,293,898
4. Total (Lines 1 through 3)	6,931,804,841	6,970,997,884
5. Benefit and loss related payments	3,087,722,653	3,530,937,287
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	2,536,636,635	2,554,912,344
8. Dividends paid to policyholders	3,222,728	2,493,426
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	67,418,845	70,532,963
10. Total (Lines 5 through 9)	5,695,000,861	6,158,876,020
11. Net cash from operations (Line 4 minus Line 10)	1,236,803,980	812,121,864
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	12,866,839,928	11,208,184,661
12.2 Stocks	960,324,495	665,852,035
12.3 Mortgage loans	219,538,017	48,013,702
12.4 Real estate	826,103	
12.5 Other invested assets	1,702,637,614	1,379,136,884
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(38,959)	(852,935)
12.7 Miscellaneous proceeds	6,572,168	(3,138,163)
12.8 Total investment proceeds (Lines 12.1 to 12.7)	15,756,699,366	13,297,196,184
13. Cost of investments acquired (long-term only):		
13.1 Bonds	13,436,046,082	11,954,606,319
13.2 Stocks	541,655,737	590,132,743
13.3 Mortgage loans	301,286,940	187,786,328
13.4 Real estate		
13.5 Other invested assets	2,380,238,701	1,300,817,088
13.6 Miscellaneous applications	(45,602,527)	(75,747,961)
13.7 Total investments acquired (Lines 13.1 to 13.6)	16,613,624,933	13,957,594,517
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)	(856,925,567)	(660,398,333)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(163,535,227)	(157,765,306)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(163,535,227)	(157,765,306)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	216,343,186	(6,041,775)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	(4,307,431)	1,734,344
19.2 End of year (Line 18 plus Line 19.1)	212,035,755	(4,307,431)

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

20.0001	2 - Net investment income	435,024	1,148,540
20.0002	12.1 - Proceeds from investments sold, matured or repaid - Bonds	34,802,432	48,000,049
20.0003	13.1 - Cost of Investment Acquired - Bonds	17,785,093	48,436,804
20.0004	16.6 - Other cash provided (applied)	(17,452,363)	(711,785)

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 – PREMIUMS EARNED

Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year- per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire	173,060,978	65,409,107	69,206,227	169,263,858
2. Allied lines	138,214,059	54,557,438	62,323,236	130,448,261
3. Farmowners multiple peril	26,404,703	11,198,326	13,685,385	23,917,644
4. Homeowners multiple peril	1,311,350,860	673,594,464	711,381,838	1,273,563,486
5. Commercial multiple peril	469,805,348	233,757,258	238,083,300	465,479,306
6. Mortgage guaranty				
8. Ocean marine	44,953,464	18,743,957	24,922,025	38,775,396
9. Inland marine	211,870,668	56,235,083	61,125,738	206,980,013
10. Financial guaranty	7,123,128		6,428,125	695,003
11.1 Medical professional liability—occurrence	17,293,821	8,927,887	7,270,211	18,951,497
11.2 Medical professional liability—claims-made	35,430,405	14,770,594	17,694,077	32,506,922
12. Earthquake	17,503,005	8,029,715	8,905,503	16,627,217
13. Group accident and health	23,837,467	7,561,857	3,634,658	27,764,666
14. Credit accident and health (group and individual)				
15. Other accident and health	6,607,999	1,380,345	2,253,291	5,735,053
16. Workers' compensation	351,806,721	45,288,138	55,909,168	341,185,691
17.1 Other liability—occurrence	498,580,246	246,708,598	290,198,619	455,090,225
17.2 Other liability—claims-made	217,901,356	134,044,795	159,655,619	192,290,532
17.3 Excess workers' compensation	13,533,581	5,236,182	6,894,845	11,874,918
18.1 Products liability—occurrence	30,118,454	16,627,463	18,284,326	28,461,591
18.2 Products liability—claims-made	5,748,455	3,200,501	2,064,982	6,883,974
19.1,19.2 Private passenger auto liability	1,350,023,531	667,926,291	695,947,761	1,322,002,061
19.3,19.4 Commercial auto liability	258,158,278	138,632,095	127,100,023	269,690,350
21. Auto physical damage	940,911,443	512,174,401	527,536,606	925,549,238
22. Aircraft (all perils)	7,758,580	3,121,868	1,741,222	9,139,226
23. Fidelity	4,939,868	2,656,527	1,236,477	6,359,918
24. Surety	223,170,791	144,409,979	146,875,098	220,705,672
26. Burglary and theft	151,153	300,026	71,937	379,242
27. Boiler and machinery	9,603,442	3,868,000	4,547,122	8,924,320
28. Credit	10,145,207	9,141,939	10,441,381	8,845,765
29. International				
30. Warranty				
31. Reinsurance-nonproportional assumed property	109,735,659	8,548,361	29,382,786	88,901,234
32. Reinsurance-nonproportional assumed liability	33,073,526	7,456,449	11,364,327	29,165,648
33. Reinsurance-nonproportional assumed financial lines	14,589,191	18,400,679	25,053,408	7,936,462
34. Aggregate write-ins for other lines of business	11,470	2,360	6,989	6,841
35. TOTALS	6,563,416,857	3,121,910,683	3,341,226,310	6,344,101,230

DETAILS OF WRITE-IN LINES				
3401. Tuition Protection Plan	10,307	2,360	4,616	8,051
3402. Other	1,163		2,373	(1,210)
3403.				
3498. Sum of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	11,470	2,360	6,989	6,841

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	62,252,051	6,954,176			69,206,227
2. Allied lines	60,488,153	1,835,082			62,323,235
3. Farmowners multiple peril	13,683,338	2,046			13,685,384
4. Homeowners multiple peril	711,427,709	(45,871)			711,381,838
5. Commercial multiple peril	230,674,677	8,761,850	(1,353,226)		238,083,301
6. Mortgage guaranty					
8. Ocean marine	13,311,592	11,610,434			24,922,026
9. Inland marine	48,216,304	12,909,434			61,125,738
10. Financial guaranty	6,428,125				6,428,125
11.1 Medical professional liability—occurrence	6,975,507	294,704			7,270,211
11.2 Medical professional liability—claims-made	13,783,316	3,910,761			17,694,077
12. Earthquake	8,653,267	252,236			8,905,503
13. Group accident and health	3,634,658				3,634,658
14. Credit accident and health (group and individual)					
15. Other accident and health	2,247,549	5,742			2,253,291
16. Workers' compensation	99,190,065	6,900,308	(1,723,370)	(48,457,836)	55,909,167
17.1 Other liability—occurrence	230,333,805	51,190,998	(737,695)	9,411,511	290,198,619
17.2 Other liability—claims-made	80,773,625	78,887,315	(5,320)		159,655,620
17.3 Excess workers' compensation	6,306,072	682,363		(93,589)	6,894,846
18.1 Products liability—occurrence	12,134,429	6,122,454	(259,470)	286,914	18,284,327
18.2 Products liability—claims-made	1,154,164	910,818			2,064,982
19.1,19.2 Private passenger auto liability	695,947,760	1			695,947,761
19.3,19.4 Commercial auto liability	121,566,540	857,888	4,524	4,671,070	127,100,022
21. Auto physical damage	527,419,349	117,257			527,536,606
22. Aircraft (all perils)	2,032,440	(291,217)			1,741,223
23. Fidelity	2,273,350	(1,036,873)			1,236,477
24. Surety	48,431,532	98,443,566			146,875,098
26. Burglary and theft	47,127	24,810			71,937
27. Boiler and machinery	4,453,802	93,319			4,547,121
28. Credit	3,603,437	6,837,945			10,441,382
29. International					
30. Warranty					
31. Reinsurance-nonproportional assumed property	7,920,057	21,462,729			29,382,786
32. Reinsurance-nonproportional assumed liability	10,640,325	724,001			11,364,326
33. Reinsurance-nonproportional assumed financial lines	7,255,292	17,798,117			25,053,409
34. Aggregate write-ins for other lines of business	6,989				6,989
35. TOTALS	3,043,266,406	336,216,393	(4,074,557)	(34,181,930)	3,341,226,312
36. Accrued retrospective premiums based on experience					34,181,930
37. Earned but unbilled premiums					4,074,559
38. Balance (Sum of Lines 35 through 37)					3,379,482,801

DETAILS OF WRITE-IN LINES					
3401. Tuition Protection Plan	4,616				4,616
3402. Other	2,373				2,373
3403.					
3498. Sum of remaining write-ins for Line 34 from overflow page					
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	6,989				6,989

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B – PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non- Affiliates	4 To Affiliates	5 To Non- Affiliates	
1. Fire	3,209,223	173,060,978		3,209,223		173,060,978
2. Allied lines	796,097	138,214,059		796,097		138,214,059
3. Farmowners multiple peril	3,054,745	26,404,703		3,054,745		26,404,703
4. Homeowners multiple peril	7,208,101	1,311,350,860		7,208,101		1,311,350,860
5. Commercial multiple peril	14,234,078	469,805,348		14,234,078		469,805,348
6. Mortgage guaranty						
8. Ocean marine		44,953,464				44,953,464
9. Inland marine	1,175,710	211,870,668		1,175,710		211,870,668
10. Financial guaranty		7,123,128				7,123,128
11.1 Medical professional liability--occurrence		17,293,821				17,293,821
11.2 Medical professional liability--claims-made		35,430,405				35,430,405
12. Earthquake	187,660	17,503,005		187,660		17,503,005
13. Group accident and health		23,837,467				23,837,467
14. Credit accident and health (group and individual)						
15. Other accident and health		6,607,999				6,607,999
16. Workers' compensation	2,272,425	351,806,721		2,272,425		351,806,721
17.1 Other liability—occurrence	6,213,184	498,580,246		6,213,184		498,580,246
17.2 Other liability—claims-made	104,139	217,901,356		104,139		217,901,356
17.3 Excess workers' compensation		13,533,581				13,533,581
18.1 Products liability—occurrence	31,279	30,118,454		31,279		30,118,454
18.2 Products liability—claims-made		5,748,455				5,748,455
19.1,19.2 Private passenger auto liability	4,731,936	1,350,023,531		4,731,936		1,350,023,531
19.3,19.4 Commercial auto liability	8,969,184	258,158,278		8,969,184		258,158,278
21. Auto physical damage	6,601,765	940,911,443		6,601,765		940,911,443
22. Aircraft (all perils)		7,758,580				7,758,580
23. Fidelity	1,034	4,939,868		1,034		4,939,868
24. Surety	237,095	223,170,791		237,095		223,170,791
26. Burglary and theft	2,888	151,153		2,888		151,153
27. Boiler and machinery	(113)	9,603,442		(113)		9,603,442
28. Credit		10,145,207				10,145,207
29. International						
30. Warranty						
31. Reinsurance-nonproportional assumed property	X X X	109,735,659				109,735,659
32. Reinsurance-nonproportional assumed liability	X X X	33,073,526				33,073,526
33. Reinsurance-nonproportional assumed financial lines	X X X	14,589,191				14,589,191
34. Aggregate write-ins for other lines of business		11,470				11,470
35. TOTALS	59,030,430	6,563,416,857		59,030,430		6,563,416,857

DETAILS OF WRITE-IN LINES						
3401. Tuition Protection Plan		10,307				10,307
3402. Other		1,163				1,163
3403.						
3498. Sum of remaining write-ins for Line 34 from overflow page						
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)		11,470				11,470

(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 2 – LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire	1,155,166	85,801,389	1,155,166	85,801,389	101,234,780	96,965,347	90,070,822	53.213
2. Allied lines	244,089	64,469,904	244,089	64,469,904	100,690,246	64,743,109	100,417,041	76.978
3. Farmowners multiple peril	(5,335,124)	12,479,031	(5,335,124)	12,479,031	11,933,854	6,337,345	18,075,540	75.574
4. Homeowners multiple peril	3,474,574	671,268,530	3,474,574	671,268,530	411,689,745	314,982,305	767,975,970	60.301
5. Commercial multiple peril	16,574,712	248,140,108	16,574,712	248,140,108	541,447,941	473,800,671	315,787,378	67.841
6. Mortgage guaranty								
8. Ocean marine		14,839,656		14,839,656	35,761,312	24,215,104	26,385,864	68.048
9. Inland marine	457,584	123,548,876	457,584	123,548,876	30,226,626	28,388,756	125,386,746	60.579
10. Financial guaranty		109,374		109,374	216,716		326,090	46.919
11.1 Medical professional liability—occurrence		4,010,362		4,010,362	44,782,839	38,583,660	10,209,541	53.872
11.2 Medical professional liability—claims-made		12,216,008		12,216,008	65,192,282	46,272,788	31,135,502	95.781
12. Earthquake		343,551		343,551	2,005,709	(922,110)	3,271,370	19.675
13. Group accident and health		27,148,381		27,148,381	19,899,125	24,645,402	22,402,104	80.686
14. Credit accident and health (group and individual)								
15. Other accident and health		2,072,595		2,072,595	5,635,633	4,391,495	3,316,733	57.833
16. Workers' compensation	11,144,760	204,919,360	11,144,760	204,919,360	2,102,241,314	2,146,086,230	161,074,444	47.210
17.1 Other liability—occurrence	4,129,148	241,843,760	4,129,148	241,843,760	1,497,243,851	1,189,110,774	549,976,837	120.850
17.2 Other liability—claims-made	(4,363)	66,703,479	(4,363)	66,703,479	515,278,632	439,015,647	142,966,464	74.349
17.3 Excess workers' compensation		3,119,012		3,119,012	128,776,804	120,086,948	11,808,868	99.444
18.1 Products liability—occurrence	30,000	14,751,491	30,000	14,751,491	85,348,545	85,893,409	14,206,627	49.915
18.2 Products liability—claims-made		850,628		850,628	13,756,357	13,317,501	1,289,484	18.732
19.1,19.2 Private passenger auto liability	7,520,523	697,237,289	7,520,523	697,237,289	1,381,208,212	1,275,462,730	802,982,771	60.740
19.3,19.4 Commercial auto liability	7,813,560	163,246,080	7,813,560	163,246,080	542,282,219	512,880,036	192,648,263	71.433
21. Auto physical damage	3,431,892	429,159,693	3,431,892	429,159,693	27,341,234	32,082,023	424,418,904	45.856
22. Aircraft (all perils)		9,653,757		9,653,757	26,138,668	22,080,551	13,711,874	150.033
23. Fidelity	(212)	1,101,503	(212)	1,101,503	15,173,418	16,001,767	273,154	4.295
24. Surety	(5,388)	33,984,066	(5,388)	33,984,066	107,450,258	60,306,278	81,128,046	36.758
26. Burglary and theft		141,147		141,147	1,309,767	1,371,512	79,402	20.937
27. Boiler and machinery		1,776,761		1,776,761	3,644,479	3,472,362	1,948,878	21.838
28. Credit		4,332,014		4,332,014	4,528,000	3,391,059	5,468,955	61.826
29. International								
30. Warranty					184,611	188,950	(4,339)	
31. Reinsurance-nonproportional assumed property	X X X	(4,184,240)		(4,184,240)	88,853,375	9,788,873	74,880,262	84.229
32. Reinsurance-nonproportional assumed liability	X X X	3,674,209		3,674,209	107,897,619	94,560,383	17,011,445	58.327
33. Reinsurance-nonproportional assumed financial lines	X X X	958,458		958,458	7,775,549	5,329,944	3,404,063	42.891
34. Aggregate write-ins for other lines of business		8,128		8,128	(4,749)	(4)	3,383	49.452
35. TOTALS	50,630,921	3,139,724,360	50,630,921	3,139,724,360	8,027,144,971	7,152,830,845	4,014,038,486	63.272

DETAILS OF WRITE-IN LINES								
3401. Tuition Protection Plan		10,704		10,704	(3,547)	(4)	7,161	88.945
3402. Other		(2,576)		(2,576)	(1,202)		(3,778)	312.231
3403.								
3498. Sum of remaining write-ins for Line 34 from overflow page								
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)		8,128		8,128	(4,749)	(4)	3,383	49.452

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

Line of Business	Reported Losses				Incurred But Not Reported			Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	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	1,742,973	57,884,781	1,742,973	57,884,781	3,612,243	43,349,999	3,612,243	101,234,780	7,421,575
2. Allied lines	545,109	31,988,777	545,109	31,988,777	(990,600)	68,701,469	(990,600)	100,690,246	5,659,502
3. Farmowners multiple peril	5,816,358	6,911,862	5,816,358	6,911,862	6,846,558	5,021,992	6,846,558	11,933,854	1,247,690
4. Homeowners multiple peril	1,854,564	213,092,013	1,854,564	213,092,013	791,889	198,597,732	791,889	411,689,745	58,251,752
5. Commercial multiple peril	37,971,047	266,648,662	37,971,044	266,648,665	54,482,583	274,799,275	54,482,582	541,447,941	155,202,054
6. Mortgage guaranty									
8. Ocean marine		13,026,623		13,026,623		22,734,689		35,761,312	3,143,158
9. Inland marine	138,343	23,407,400	138,343	23,407,400	21,622	6,819,226	21,622	30,226,626	7,268,983
10. Financial guaranty		458		458		216,258		216,716	
11.1 Medical professional liability—occurrence		8,666,432		8,666,432		36,116,407		44,782,839	4,196,200
11.2 Medical professional liability—claims-made		28,492,938		28,492,938		36,699,344		65,192,282	9,635,135
12. Earthquake	(1)	364,289	(1)	364,289	1,125	1,641,420	1,125	2,005,709	311,885
13. Group accident and health		8,461,973		8,461,973		11,437,152		(a) 19,899,125	812,275
14. Credit accident and health (group and individual)									
15. Other accident and health		2,327,974		2,327,974		3,307,659		(a) 5,635,633	159,464
16. Workers' compensation	48,301,435	969,642,977	48,301,435	969,642,977	72,200,615	1,132,598,337	72,200,615	2,102,241,314	419,116,096
17.1 Other liability—occurrence	14,794,463	437,142,283	14,794,463	437,142,283	49,024,895	1,060,101,568	49,024,895	1,497,243,851	301,707,557
17.2 Other liability—claims-made	28,000	129,669,660	28,000	129,669,660	221,765	385,608,972	221,765	515,278,632	97,423,582
17.3 Excess workers' compensation		47,860,937	(1)	47,860,938		80,915,866		128,776,804	20,142,417
18.1 Products liability—occurrence	220,000	16,069,007	220,000	16,069,007	283,125	69,279,538	283,125	85,348,545	56,578,771
18.2 Products liability—claims-made		3,121,360		3,121,360		10,634,997		13,756,357	6,816,435
19.1,19.2 Private passenger auto liability	7,793,203	640,078,466	7,793,203	640,078,466	(2,112,285)	741,129,746	(2,112,285)	1,381,208,212	262,396,220
19.3,19.4 Commercial auto liability	8,268,040	209,366,779	8,268,040	209,366,779	19,786,943	332,915,440	19,786,943	542,282,219	57,008,849
21. Auto physical damage	302,349	2,598,115	302,349	2,598,115	561,162	24,743,119	561,162	27,341,234	24,837,661
22. Aircraft (all perils)		2,612,521		2,612,521		23,526,147		26,138,668	3,454,574
23. Fidelity		2,466,974		2,466,974	315,103	12,706,444		15,173,418	2,057,370
24. Surety	10,910	(8,802,624)	10,910	(8,802,624)	35,938	115,771,500	(445,444)	107,450,258	12,717,885
26. Burglary and theft		2,262		2,262		1,307,505		1,309,767	302,286
27. Boiler and machinery		1,819,494		1,819,494	193	1,824,985	193	3,644,479	862,757
28. Credit		398,915		398,915		4,129,085		4,528,000	223,813
29. International									
30. Warranty						184,611		184,611	36,640
31. Reinsurance-nonproportional assumed property	X X X	32,931,920		32,931,920	X X X	55,921,455		88,853,375	1,830,230
32. Reinsurance-nonproportional assumed liability	X X X	27,090,400		27,090,400	X X X	80,807,219		107,897,619	3,567,800
33. Reinsurance-nonproportional assumed financial lines	X X X	2,211,978		2,211,978	X X X	5,563,571		7,775,549	151,017
34. Aggregate write-ins for other lines of business		(4,749)	3	(4,752)			1	(4,753)	56
35. TOTALS	127,786,793	3,177,550,857	127,786,792	3,177,550,858	205,082,874	4,849,112,727	204,601,492	8,027,144,967	1,524,541,689

DETAILS OF WRITE-IN LINES									
3401. Other		(1,202)		(1,202)				(1,202)	56
3402. Tuition Protection Plan		(3,547)	3	(3,550)			1	(3,551)	
3403.									
3498. Sum of remaining write-ins for Line 34 from overflow page									
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)		(4,749)	3	(4,752)			1	(4,753)	56

(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	9,537,321			9,537,321
1.2 Reinsurance assumed	351,673,008			351,673,008
1.3 Reinsurance ceded	9,537,265			9,537,265
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	351,673,064			351,673,064
2. Commission and brokerage:				
2.1 Direct, excluding contingent		8,899,276		8,899,276
2.2 Reinsurance assumed, excluding contingent		518,209,565		518,209,565
2.3 Reinsurance ceded, excluding contingent		8,899,276		8,899,276
2.4 Contingent—direct		(14,338)		(14,338)
2.5 Contingent—reinsurance assumed		98,668,859		98,668,859
2.6 Contingent—reinsurance ceded		(14,338)		(14,338)
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)		616,878,424		616,878,424
3. Allowances to manager and agents		60,662,077		60,662,077
4. Advertising	396,020	144,578,753	50,183	145,024,956
5. Boards, bureaus and associations	1,466,360	9,501,685	38,172	11,006,217
6. Surveys and underwriting reports	231,671	29,383,595	18,393	29,633,659
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries	234,555,309	535,707,145	11,502,857	781,765,311
8.2 Payroll taxes	12,890,330	39,278,117	2,580,803	54,749,250
9. Employee relations and welfare	29,513,796	89,187,112	5,703,921	124,404,829
10. Insurance	21,040,607	808,718	52,965	21,902,290
11. Directors' fees	10,373	30,749	2,095	43,217
12. Travel and travel items	4,272,976	9,610,239	179,211	14,062,426
13. Rent and rent items	13,580,506	41,431,059	4,043,585	59,055,150
14. Equipment	13,895,213	43,994,469	2,693,781	60,583,463
15. Cost or depreciation of EDP equipment and software	10,802,234	(537,360)	1,710,238	11,975,112
16. Printing and stationery	1,287,483	5,408,866	126,285	6,822,634
17. Postage, telephone and telegraph, exchange and express	6,443,460	33,499,899	295,454	40,238,813
18. Legal and auditing	1,980,119	7,201,933	220,519	9,402,571
19. Totals (Lines 3 to 18)	352,366,457	1,049,747,056	29,218,462	1,431,331,975
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ 436,004		132,683,252		132,683,252
20.2 Insurance department licenses and fees		14,388,937		14,388,937
20.3 Gross guaranty association assessments		(267,493)		(267,493)
20.4 All other (excluding federal and foreign income and real estate)		19,610,211		19,610,211
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		166,414,907		166,414,907
21. Real estate expenses			4,091	4,091
22. Real estate taxes				
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses	44,779,248	104,206,639	5,222,070	154,207,957
25. Total expenses incurred	748,818,769	1,937,247,026	34,444,623	(a) 2,720,510,418
26. Less unpaid expenses—current year	1,524,541,687	446,071,772		1,970,613,459
27. Add unpaid expenses—prior year	1,460,310,685	361,534,756		1,821,845,441
28. Amounts receivable relating to uninsured plans, prior year		(32,958)		(32,958)
29. Amounts receivable relating to uninsured plans, current year		3,384		3,384
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	684,587,767	1,852,746,352	34,444,623	2,571,778,742

DETAILS OF WRITE-IN LINES				
2401. Other expenses	44,779,248	104,206,639	5,222,070	154,207,957
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)	44,779,248	104,206,639	5,222,070	154,207,957

(a) Includes management fees of \$ 934,215,673 to affiliates and \$ 60,652,014 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a)	14,421,868	11,788,638
1.1 Bonds exempt from U.S. tax	(a)	49,212,144	48,252,245
1.2 Other bonds (unaffiliated)	(a)	276,152,100	285,259,782
1.3 Bonds of affiliates	(a)		
2.1 Preferred stocks (unaffiliated)	(b)		
2.11 Preferred stocks of affiliates	(b)		
2.2 Common stocks (unaffiliated)		11,442,473	9,868,353
2.21 Common stocks of affiliates		5,886,254	5,886,254
3. Mortgage loans	(c)	26,752,541	26,454,383
4. Real estate	(d)	34,986	34,986
5. Contract loans			
6. Cash, cash equivalents and short-term investments	(e)	2,271,763	2,258,132
7. Derivative instruments	(f)		
8. Other invested assets		(8,764,170)	(8,764,170)
9. Aggregate write-ins for investment income		2,825,862	2,825,862
10. Total gross investment income		380,235,821	383,864,465
11. Investment expenses	(g)		34,444,623
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)			34,444,623
17. Net investment income (Line 10 minus Line 16)			349,419,842

DETAILS OF WRITE-IN LINES			
0901. Miscellaneous Income/(Expense)		2,825,862	2,825,862
0902.			
0903.			
0998. Summary of remaining write-ins for Line 09 from overflow page			
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)		2,825,862	2,825,862
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 \$	9,598,152	accrual of discount less \$	50,445,191	amortization of premium and less \$	29,263,950	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 \$	1,179,159	accrual of discount less \$	31,612	amortization of premium and less \$	26,854	paid for accrued interest on purchases.
(d)	Includes \$	34,986	for company's occupancy of its own buildings; and excludes \$	0	interest on encumbrances.		
(e)	Includes \$	213,530	accrual of discount less \$	339,862	amortization of premium and less \$	17,864	paid for accrued interest on purchases.
(f)	Includes \$	0	accrual of discount less \$	0	amortization of premium.		
(g)	Includes \$	34,440,532	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	38,240,912		38,240,912		
1.1 Bonds exempt from U.S. tax	29,958,344		29,958,344	(1,647,002)	
1.2 Other bonds (unaffiliated)	122,036,558	(13,188,684)	108,847,874	966,907	607,676
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)	(3,113,785)		(3,113,785)		
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	14,039,645	(1,552,469)	12,487,176	(8,648,536)	
2.21 Common stocks of affiliates				14,047,935	
3. Mortgage loans	462,314		462,314	(253,355)	
4. Real estate	61,215	(655,111)	(593,896)		
5. Contract loans					
6. Cash, cash equivalents and short-term investments	(38,959)		(38,959)	1,405	
7. Derivative instruments	(10,603,263)		(10,603,263)	3,492,955	
8. Other invested assets	(7,407,765)	(3,466)	(7,411,231)	192,198,294	828,227
9. Aggregate write-ins for capital gains (losses)	576,189		576,189	(138,786)	263,618
10. Total capital gains (losses)	184,211,405	(15,399,730)	168,811,675	200,019,817	1,699,521

DETAILS OF WRITE-IN LINES					
0901. FOREIGN EXCHANGE GAIN/LOSS - OTHER		718,951		718,951	
0902. DEFERRED G/L-TRFSR OF ASSETS-INTERCO NON-CASH				(138,786)	
0903. ACCUMULATED TRANSLATION ADJUST-E/S					263,618
0998. Summary of remaining write-ins for Line 09 from overflow page		(142,762)		(142,762)	
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)		576,189		576,189	(138,786)

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	683,926	683,276	(650)
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)			
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)	683,926	683,276	(650)
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	55,378,679	48,095,635	(7,283,044)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	407,910	1,504,221	1,096,311
15.3 Accrued retrospective premiums and contracts subject to redetermination	3,438,270	6,622,096	3,183,826
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	204		(204)
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		1,812	1,812
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable		3	3
25. Aggregate write-ins for other-than-invested assets	13,453,824	16,130,770	2,676,946
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	73,362,813	73,037,813	(325,000)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	73,362,813	73,037,813	(325,000)

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	13,453,824	16,119,446	2,665,622
2502. Amounts receivable under high deductible policies		11,324	11,324
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	13,453,824	16,130,770	2,676,946

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 New Hampshire, the accompanying financial statements of Peerless Insurance Company (the "Company") have been prepared in conformity with the National Association of Insurance Commissioners ("NAIC") Accounting Practices and Procedures Manual ("APP Manual").

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

NET INCOME

	SSAP #	F/S Page	F/S Line #	2020	2019
(1) Peerless Insurance Company state basis (Page 4, Line 20, Columns 1 & 2)	X X X	X X X	X X X	196,364,426	301,777,188
(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	196,364,426	301,777,188
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SURPLUS

	SSAP #	F/S Page	F/S Line #	2020	2019
(5) Peerless Insurance Company state basis (Page 3, Line 37, Columns 1 & 2)	X X X	X X X	X X X	4,521,520,181	4,154,123,608
(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	4,521,520,181	4,154,123,608
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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**

On August 24, 2007, the Company and three affiliates (Liberty Mutual Fire Insurance Company ("LMFIC"), a Wisconsin insurance company; Employers Insurance Company of Wausau ("EICOW"), a Wisconsin insurance company; and Liberty Mutual Insurance Company ("LMIC"), a Massachusetts insurance company) acquired all of the issued and outstanding voting shares of Ohio Casualty Corporation, a non-insurance holding company, which is the upstream parent of four property casualty insurance companies. The Company directly acquired an 8% ownership interest in Ohio Casualty Corporation, while the affiliates account for the remaining 92% (LMFIC 6%, PIC 8%, and LMIC 78%). The transaction was accounted for as a statutory purchase and the cost was \$222,400,560, resulting in goodwill in the amount of \$117,712,240. Goodwill was fully amortized as of December 31, 2017.

The transaction was accounted for as a statutory purchase, and reflects the following:

(1) Purchased entity	(2) Acquisition date	(3) Cost of acquired entity	(4) Original amount of admitted goodwill	(5) Admitted goodwill as of the reporting date	(6) Amount of goodwill amortized during the reporting period	(7) Admitted goodwill as a % of SCA BACV, gross of admitted goodwill

B. **Statutory Merger**

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

C. **Impairment Loss**

NOTES TO FINANCIAL STATEMENTS

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
Not Applicable

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

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

The minimum and maximum lending rates for mortgage loans for 2020 were:

Farm mortgages: N/A

Residential mortgages: 2.69% and 5.21%

(1) Commercial mortgages: 1.877% and 5.125%

(2) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 87%

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

Current Year	Prior Year
14,311	23,206

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

a. Current Year

1. Recorded Investment (All)

	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
(a) Current Year	\$ 0	0	154,442,685	0	532,474,413	0	686,917,098
(b) 30 - 59 Days Past Due	\$ 0	0	0	0	0	0	0
(c) 60 - 89 Days Past Due	\$ 0	0	0	0	0	0	0
(d) 90 - 179 Days Past Due	\$ 0	0	0	0	0	0	0
(e) 180 + Days Past Due	\$ 0	0	0	0	3,373	0	3,373

2. Accruing Interest 90 - 179 Days Past Due

(a) Recorded Investment	\$ 0	0	0	0	0	0	0
(b) Interest Accrued	\$ 0	0	0	0	0	0	0

3. Accruing Interest 180 + Days Past Due

(a) Recorded Investment	\$ 0	0	0	0	0	0	0
(b) Interest Accrued	\$ 0	0	0	0	0	0	0

4. Interest Reduced

(a) Recorded Investment	\$ 0	0	0	0	9,083,801	0	9,083,801
(b) Number of Loans	\$ 0	0	0	0	136	0	136
(c) Percent Reduced	0.000%	0.000%	0.000%	0.000%	0.600%	0.000%	0.600%

5. Participant or Co-lender in a Mortgage Loan Agreement

(a) Recorded Investment	\$ 0	0	154,442,685	0	532,477,786	0	686,920,472
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b. Prior Year

1. Recorded Investment

(a) Current Year	\$ 0	0	0	0	603,180,508	0	603,180,508
(b) 30 - 59 Days Past Due	\$ 0	0	0	0	248,099	0	248,099
(c) 60 - 89 Days Past Due	\$ 0	0	0	0	0	0	0
(d) 90 - 179 Days Past Due	\$ 0	0	0	0	0	0	0
(e) 180 + Days Past Due	\$ 0	0	0	0	133,082	0	133,082

2. Accruing Interest 90 - 179 Days Past Due

(a) Recorded Investment	\$ 0	0	0	0	0	0	0
(b) Interest Accrued	\$ 0	0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

3. Accruing Interest 180 + Days Past Due

(a) Recorded Investment	\$	0	0	0	0	0	0
(b) Interest Accrued	\$	0	0	0	0	0	0
4. Interest Reduced							
(a) Recorded Investment	\$	0	0	0	995,590	0	995,590
(b) Number of Loans	\$	0	0	0	41	0	41
(c) Percent Reduced	\$	0.000%	0.000%	0.000%	0.900%	0.000%	0.900%
5. Participant or Co-lender in a Mortgage Loan Agreement							
(a) Recorded Investment	\$	0	0	0	603,561,688	0	603,561,688

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

a. Current Year

	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
1. With Allowance for Credit Losses	\$	0	0	0	1,400,359	0	1,400,359
2. No Allowance for Credit Losses	\$	0	0	0	1,572,673	0	1,572,673
3. Total (1+2)	\$	0	0	0	2,973,032	0	2,973,032
4. Subject to a participant or co-lender mortgage loan agreement for which the reporting entity is restricted from unilaterally foreclosing on the mortgage loan	\$	0	0	0	2,973,032	0	2,973,032
b. Prior Year							
1. With Allowance for Credit Losses	\$	0	0	0	330,840	0	330,840
2. No Allowance for Credit Losses	\$	0	0	0	1,390,829	0	1,390,829
3. Total (1+2)	\$	0	0	0	1,721,669	0	1,721,669
4. Subject to a participant or co-lender mortgage loan agreement for which the reporting entity is restricted from unilaterally foreclosing on the mortgage loan	\$	0	0	0	1,721,669	0	1,721,669

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

a. Current Year

	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
1. Average Recorded Investment	\$	0	0	0	2,347,351	0	2,347,351
2. Interest Income Recognized	\$	0	0	0	57,094	0	57,094
3. Recorded Investments on Nonaccrual Status	\$	0	0	0	3,373	0	3,373
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting	\$	0	0	0	57,750	0	57,750
b. Prior Year							
1. Average Recorded Investment	\$	0	0	0	1,523,966	0	1,523,966
2. Interest Income Recognized	\$	0	0	0	82,812	0	82,812
3. Recorded Investments on Nonaccrual Status	\$	0	0	0	133,082	0	133,082
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting	\$	0	0	0	79,494	0	79,494

(7) Allowance for Credit Losses:

	Current Year	Prior Year
a. Balance at beginning of period	\$ 112,793	60,914
b. Additions charged to operations	\$ 388,623	72,624
c. Direct write-downs charged against the allowances	\$ (175,300)	(20,745)
d. Recoveries of amounts previously charged off	\$ 0	0
e. Balance at end of period	\$ 326,116	112,793

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

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

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

B. Debt Restructuring

NOTES TO FINANCIAL STATEMENTS

	Current Year	Prior Year
(1) Total recorded investment in restructured loans, as of year end	\$ 2,809,593	1,681,571
(2) The realized capital losses related to these loans	\$ 0	0
(3) Total contractual commitments to extend credit to debtors owing receivables whose terms have been modified in troubled debt restructurings	\$ 0	0

The Company accrues interest income on impaired loans to the extent it is deemed collectible (delinquent less than 90 days) and the loan continues to perform under its original or restructured contractual terms. Interest income on non-performing loans is generally recognized on a cash basis.

C. Reverse Mortgages

Not Applicable

D. Loan-Backed Securities

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

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)
CUSIP	Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	Present Value of Projected Cash Flows	Recognized Other-than-Temporary Impairment	Amortized Cost After Other-Than-Temporary Impairment	Fair Value at time of OTTI	Date of Financial Statement Where Reported
87249Y-AC-7	1,998,920	1,320,000	678,920	1,320,000	1,408,000	06/30/2020
61749B-AB-9	251,032	210,376	40,656	210,376	197,354	09/30/2020
59023X-AB-2	129,981	117,963	12,018	117,963	122,009	09/30/2020
45112A-AC-1	1,151,233	731,828	419,405	731,828	739,931	09/30/2020
45112A-AA-5	5,913,946	4,705,112	1,208,834	4,705,112	4,798,317	09/30/2020
Total	X X X	X X X	2,359,833	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 Loan 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	\$	(2,502,910)
12 Months or Longer	\$	(9,052,550)

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

Less than 12 months	\$	115,599,124
12 Months or Longer	\$	289,450,566

(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	\$	256,773,962
30 Days or Less	\$	0
31 to 60 Days	\$	0
61 to 90 Days	\$	0
Greater Than 90 Days	\$	0
Sub-Total	\$	256,773,962
Securities Received	\$	110,030,315
Total Collateral Received	\$	366,804,277

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

\$ 366,804,277

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

(4) Securities Lending Transactions Administered by an Affiliated Agent

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.

(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	\$ 84,680,909	84,680,909
31 to 60 Days	\$ 115,012,684	115,012,684
61 to 90 Days	\$ 57,080,369	57,080,369
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	\$ 256,773,962	256,773,962
Securities Received	\$ 0	0
Total Collateral Reinvested	\$ 256,773,962	256,773,962

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

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

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

Description of Collateral	Amount
Total Collateral Extending beyond one year of reporting date	\$ 0

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not Applicable

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not Applicable

H. Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable

NOTES TO FINANCIAL STATEMENTS

J. Real Estate

1. In 2020 the Company recognized an impairment of \$655,111 on one (1) of its commercial real estate properties which is depicted below. The property was classified as held for sale during the year and an impairment was recorded to account for the difference between net book value and estimated sales price. The impairment is included in the "Net realized capital gains" caption on the Statement of Income.

Property Location Impairment
Keene, NH \$655,111

2. The Keene, NH property was disposed of in July 2020. The Company received \$826,103 for the sale of this property and recognized a gain of \$61,214 on the transaction.

3. The Company did not experience any changes to its plans regarding sale of its investments in real estate other than what has been disclosed in questions 1 and 2.

4. The Company has not experienced any changes to a plan of sale for investment in real estate

5. The Company does not engage in retail land sale operations

6. The Company does not hold real estate investments with participating mortgage loan features.

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

1. There are twelve years remaining of unexpired tax credits. The required holding period for the LIHTC investment is fifteen years.

2. There were \$30,730,523 of LIHTC and other tax benefits recognized during the year.

3. The balance of the investment recognized in the statement of financial position for the current year is \$149,021,063.

4. The Company's LIHTC property is required to meet regulatory benchmarks to comply with the LIHTC program which include the review of tenant files. Oversight of the projects is administered by the State Housing agencies.

5. The carrying value of the Company's investment in LIHTC did not exceed 10% of its admitted assets.

6. The Company did not recognize any impairment loss on its LIHTC investment during the year.

7. The Company did not write-down its LIHTC investment or reclassify the LIHTC during the year due to the forfeiture or ineligibility of tax credits

L. Restricted Assets

NOTES TO FINANCIAL STATEMENTS

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted						
	Current Year					6 Total From Prior Year	7 Increase/ (Decrease) (5 minus 6)
	1 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	\$ 256,773,962	0	0	0	256,773,962	197,227,840	59,546,122
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	\$ 4,924,400	0	0	0	4,924,400	6,750,000	-1,825,600
j. On deposit with states	\$ 460,581,225	0	0	0	460,581,225	474,608,464	-14,027,239
k. On deposit with other regulatory bodies	\$ 0	0	0	0	0	0	0
l. Pledged as collateral to FHLB (including assets backing funding agreements)	\$ 0	0	0	0	0	0	0
m. Pledged as collateral not captured in other categories	\$ 0	0	0	0	0	0	0
n. Other restricted Assets	\$ 0	0	0	0	0	0	0
o. Total Restricted Assets	\$ 722,279,587	0	0	0	722,279,587	678,586,304	43,693,283

(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 Gross (Admitted Nonadmitted) Restricted to Total Assets (c)	11 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	256,773,962	1.425	1.431
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	4,924,400	0.027	0.027
j. On deposit with states	\$ 0	460,581,225	2.556	2.566
k. On deposit with other regulatory bodies	\$ 0	0	0.000	0.000
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
o. Total Restricted Assets	\$ 0	722,279,587	4.008	4.024

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

(b) Column 9 divided by Assets Page, Column 1, 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)

	Gross (Admitted & Nonadmitted) Restricted						
	Current Year					6	7
	1	2	3	4	5		
Description of Assets	Total General Account (G/A)	G/A Supportin S/A Activity (a)	Total Separate Account (S/A) Restricted Ass	S/A Assets Supporting G/ 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		
	8	9	10
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 Characteristic Reinsurance and Derivatives, Are Reported in the Aggregate)

	Gross (Admitted & Nonadmitted) Restricted						
	Current Year					6	7
	1	2	3	4	5		
Description of Assets	Total General Account (G/A)	G/A Supportin S/A Activity (a)	Total Separate Account (S/A) Restricted Ass	S/A Assets Supporting G/ 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		
	8	9	10
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.

	1	2	3	4
Collateral Assets	Book/Adjusted Carrying Value (BACV)	Fair Value	% of BACV to Total Assets (Admitted and Nonadmitted*)	% of BACV to Total Admitted Assets**
General Account:				
a. Cash, Cash Equivalents and Short-Term Investments	\$ 0	0	0.000	0.000
b. Schedule D, Part 1	\$ 0	0	0.000	0.000
c. Schedule D, Part 2, Section 1	\$ 0	0	0.000	0.000
d. Schedule D, Part 2, Section 2	\$ 0	0	0.000	0.000
e. Schedule B	\$ 0	0	0.000	0.000
f. Schedule A	\$ 0	0	0.000	0.000
g. Schedule BA, Part 1	\$ 0	0	0.000	0.000
h. Schedule DL, Part 1	\$ 256,773,962	256,773,962	1.425	1.431
i. Other	\$ 0	0	0.000	0.000
j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	\$ 256,773,962	256,773,962	1.425	1.431
Separate Account:				
k. Cash, Cash Equivalents and Short-Term Investments	\$ 0	0	0.000	0.000
l. Schedule D, Part 1	\$ 0	0	0.000	0.000
m. Schedule D, Part 2, Section 1	\$ 0	0	0.000	0.000
n. Schedule D, Part 2, Section 2	\$ 0	0	0.000	0.000
o. Schedule B	\$ 0	0	0.000	0.000
p. Schedule A	\$ 0	0	0.000	0.000
q. Schedule BA, Part 1	\$ 0	0	0.000	0.000
r. Schedule DL, Part 1	\$ 0	0	0.000	0.000
s. Other	\$ 0	0	0.000	0.000
t. Total Collateral Assets (k+l+m+n+o+p+q+r+s)	\$ 0	0	0.000	0.000

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

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

	1	2
Amount	Amount	% of Liability to Total Liabilities*
u. Recognized Obligation to Return Collateral Assets (General Account)	\$ 256,773,962	1.431
v. Recognized Obligation to Return Collateral Asset (Separate Account)	\$ 0	0.000

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

M. Working Capital Finance Investments
Not Applicable

N. Offsetting and Netting of Assets and Liabilities
Not Applicable

O. 5GI Securities
Not Applicable

P. Short Sales
Not Applicable

Q. Prepayment Penalty and Acceleration Fees

	General Account	Separate Account
(1) Number of CUSIPs	76	0
(2) Aggregate Amount of Investment Income	2,971,169	0

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

NOTES TO FINANCIAL STATEMENTS

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.

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., 2., 3. Derivative financial instruments utilized by the Company during 2020 and 2019 included interest rate futures and swap contracts, credit default swaps, and equity index collars (index call and put options) agreements.
(1,2,3)

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

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

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

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

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

The Company uses equity collars (index call and put options), to hedge public equity exposure with the goal of preserving some potential upside for the existing exposure, while limiting some of the potential downside. Changes in fair value of the options are reported as net unrealized gains in unassigned surplus. Periodic settlements of the equity collar agreements, which represent amounts receivable from or payable to the counterparty are based on the settlement terms of the agreement and any gains or losses are recorded as net realized capital gains or losses. Gains at the exercise date are reported as net realized gains. Gains at the exercise date are reported as net realized gains.

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

- (4) The Company entered into futures contracts, and credit default swaps in 2020 and 2019 which required the payment/receipt of premiums at either the inception of the contracts or throughout the life of the contracts, depending on the agreement with counterparties and brokers.
- (5) The Company did not have gains or losses in net unrealized capital gains or losses that represented a component of any derivatives' gain or loss that was excluded from the assessment of hedge effectiveness in 2020 and 2019.
- (6) The Company did not have gains or losses in net unrealized gains or losses that resulted from derivatives that no longer qualify for hedge accounting treatment in 2020 and 2019.
- (7) The company did not have derivatives accounted for as cash flow hedges of a forecasted transaction.

NOTES TO FINANCIAL STATEMENTS

(8)

a.

Fiscal Year	Derivative Premium Payments Due
Year Ending December 31	
1. 2020	\$ 0
2. 2021	\$ 0
3. 2022	\$ 0
4. 2023	\$ 0
5. Thereafter	\$ 0
6. Total Future Settled Premiums	\$ 0

b.

	Undiscounted Future Premium Commitments	Derivative Fair Value With Premium Commitments (Reported on DB)	Derivative Fair Value Excluding Impact of Future Settled Premiums
1. Prior Year	\$ 0	\$ 0	\$ 0
2. Current Year	\$ 0	\$ 0	\$ 0

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

NOTES TO FINANCIAL STATEMENTS

(1) Discussion of hedged item/hedging instruments and hedging strategy:

Not applicable

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

a. Scheduled Amortization

Amortization Year	Deferred Assets	Deferred Liabilities
1. 2020	\$ 0	\$ 0
2. 2021	\$ 0	\$ 0
3. 2022	\$ 0	\$ 0
4. 2023	\$ 0	\$ 0
5. 2024	\$ 0	\$ 0
6. 2025	\$ 0	\$ 0
7. 2026	\$ 0	\$ 0
8. 2027	\$ 0	\$ 0
9. 2028	\$ 0	\$ 0
10. 2029	\$ 0	\$ 0
11. Total	\$ 0	\$ 0

b. Total Deferred Balance * \$ 0

* Should agree to Column 18 of Schedule DB, Part E

c. Reconciliation of Amortization:

1. Prior Year Total Deferred Balance	\$ 0
2. Current Year Amortization	\$ 0
3. Current Year Deferred Recognition	\$ 0
4. Ending Deferred Balance [1-(2+3)]	\$ 0

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

1. Total Derivative Fair Value Change	\$ 0
Change in Fair Value Reflected as a Natural Offset to VM21	
2. Liability under SSAP No. 108	\$ 0
Change in Fair Value Reflected as a Deferred Asset / Liability	
3. Under SSAP No. 108	\$ 0
4. Other Changes	\$ 0
Unrealized Gain / Loss Recognized for Derivative Under SSAP	
5. No. 86 [1-(sum of 2 through 4)]	\$ 0

e. Open Derivative Removed from SSAP No. 86 and Captured in Scope

1. Total Derivative Fair Value Change	\$ 0
Unrealized Gain / Loss Recognized Prior to the Reclassification	
2. to SSAP No. 108	\$ 0
3. Other Changes	\$ 0
Fair Value Change Available for Application under SSAP No.	
4. 108 [1-(2+3)]	\$ 0

(3) Hedging Strategies Identified as No Longer Highly Effective

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

NOTES TO FINANCIAL STATEMENTS

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

c. Amortization

Amortization Year	Recognized Deferred Assets	Recognized Deferred Liabilities	Accelerated Amortization	Original Amortization
1. 2020	\$ 0	\$ 0	\$ 0	\$ 0
2. 2021	\$ 0	\$ 0	\$ 0	\$ 0
3. 2022	\$ 0	\$ 0	\$ 0	\$ 0
4. 2023	\$ 0	\$ 0	\$ 0	\$ 0
5. 2024	\$ 0	\$ 0	\$ 0	\$ 0
6. Total Adjusted Amortization	\$ 0			

(4) Hedging Strategies Terminated

b. Details of Hedging Strategies Terminated

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

c. Amortization

Amortization Year	Recognized Deferred Assets	Recognized Deferred Liabilities	Accelerated Amortization	Original Amortization
1. 2020	\$ 0	\$ 0	\$ 0	\$ 0
2. 2021	\$ 0	\$ 0	\$ 0	\$ 0
3. 2022	\$ 0	\$ 0	\$ 0	\$ 0
4. 2023	\$ 0	\$ 0	\$ 0	\$ 0
5. 2024	\$ 0	\$ 0	\$ 0	\$ 0
6. Total Adjusted Amortization	\$ 0			

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	\$ 371,202,000	3,613,000	374,815,000	371,497,000	6,726,000	378,223,000
b. Statutory Valuation Allowance Adjustments	\$ 0	0	0	0	0	0
c. Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 371,202,000	3,613,000	374,815,000	371,497,000	6,726,000	378,223,000
d. Deferred Tax Assets Nonadmitted	\$ 0	0	0	0	0	0
e. Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 371,202,000	3,613,000	374,815,000	371,497,000	6,726,000	378,223,000
f. Deferred Tax Liabilities	\$ 92,658,000	101,163,000	193,821,000	91,332,000	75,441,000	166,773,000
g. Net Admitted Deferred Tax Assets / (Net Deferred Tax Liability) (1e - 1f)	\$ 278,544,000	(97,550,000)	180,994,000	280,165,000	(68,715,000)	211,450,000

NOTES TO FINANCIAL STATEMENTS

	Change		
	(7)	(8)	(9)
	(Col 1 - 4) Ordinary	(Col 2- 5) Capital	(Col 7 + 8) Total
a. Gross Deferred Tax Assets	\$ (295,000)	(3,113,000)	(3,408,000)
b. Statutory Valuation Allowance Adjustments	\$ 0	0	0
c. Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ (295,000)	(3,113,000)	(3,408,000)
d. Deferred Tax Assets Nonadmitted	\$ 0	0	0
e. Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ (295,000)	(3,113,000)	(3,408,000)
f. Deferred Tax Liabilities	\$ 1,326,000	25,722,000	27,048,000
g. Net Admitted Deferred Tax Assets / (Net Deferred Tax Liability) (1e - 1f)	\$ (1,621,000)	(28,835,000)	(30,456,000)

	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.	\$ 70,859,109	357,733	71,216,842	100,734,552	54,525	100,789,077
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)	\$ 211,131,306	0	211,131,306	186,456,709	0	186,456,709
1. Adjusted Gross Deferred Tax Assets to be Realized Following the Balance Sheet Date.	\$ 211,131,306	0	211,131,306	186,456,709	0	186,456,709
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	\$ X X X	X X X	663,893,035	X X X	X X X	610,990,396
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.	\$ 89,211,585	3,255,267	92,466,852	84,305,739	6,671,475	90,977,214
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 371,202,000	3,613,000	374,815,000	371,497,000	6,726,000	378,223,000

	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.	\$ (29,875,443)	303,208	(29,572,235)
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)	\$ 24,674,597	0	24,674,597
1. Adjusted Gross Deferred Tax Assets to be Realized Following the Balance Sheet Date.	\$ 24,674,597	0	24,674,597
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	\$ X X X	X X X	52,902,639
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.	\$ 4,905,846	(3,416,208)	1,489,638
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ (295,000)	(3,113,000)	(3,408,000)

	2020	2019
	a. Ratio Percentage Used to Determine Recover Period And Threshold Limitation Amount.	497.200%
b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 4,340,526,186.000	3,942,673,607.000

(4)	12/31/2020	12/31/2019	Change
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NOTES TO FINANCIAL STATEMENTS

Impact of Tax-Planning Strategies	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	(Col 1 - 3) Ordinary	(Col 2 - 4) Capital
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)	\$ 371,202,000	3,613,000	371,497,000	6,726,000	(295,000)	(3,113,000)
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)	\$ 371,202,000	3,613,000	371,497,000	6,726,000	(295,000)	(3,113,000)
4. Percentage of Net Admitted Adjusted Gross DTAs by Tax Character Attributable To The Impact of Tax Planning Strategies	0.000	0.000	0.000	0.000	0.000	0.000

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

B. Regarding deferred tax liabilities that are not recognized:

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

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

	(1)	(2)	(3)
	12/31/2020	12/31/2019	(Col 1 - 2) Change
(1) Current Income Tax			
a. Federal	\$ (15,613,082)	57,859,248	(73,472,330)
b. Foreign	\$ 1,136	111,505	(110,369)
c. Subtotal	\$ (15,611,946)	57,970,753	(73,582,699)
d. Federal Income Tax on net capital gains	\$ 35,421,946	4,982,247	30,439,699
e. Utilization of capital loss carry-forwards	\$ 0	0	0
f. Other	\$ 0	0	0
g. Federal and foreign income taxes incurred	\$ 19,810,000	62,953,000	(43,143,000)

(2) Deferred Tax Assets:

a. Ordinary

	(1)	(2)	(3)
1. Discounting of unpaid losses	\$ 140,038,000	127,803,000	12,235,000
2. Unearned premium reserve	\$ 145,964,000	138,518,000	7,446,000
3. Policyholder reserves	\$ 0	0	0
4. Investments	\$ 9,609,000	10,664,000	(1,055,000)
5. Deferred acquisition costs	\$ 0	0	0
6. Policyholder dividends accrual	\$ 0	0	0
7. Fixed assets	\$ 1,000	256,000	(255,000)
8. Compensation and benefits accrual	\$ 6,344,000	6,771,000	(427,000)
9. Pension accrual	\$ 0	0	0
10. Receivables - nonadmitted	\$ 15,406,000	15,338,000	68,000
11. Net operating loss carry-forward	\$ 0	0	0
12. Tax credit carry-forward	\$ 36,540,000	59,278,000	(22,738,000)
13 Other (including items <5% of total ordinary tax assets)	\$ 17,300,000	12,869,000	4,431,000
99. Subtotal	\$ 371,202,000	371,497,000	(295,000)

b. Statutory valuation allowance adjustment	\$ 0	0	0
c. Nonadmitted	\$ 0	0	0
d. Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 371,202,000	371,497,000	(295,000)

e. Capital:

(1) Investments	\$ 3,613,000	6,726,000	(3,113,000)
(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	\$ 3,613,000	6,726,000	(3,113,000)

f. Statutory valuation allowance adjustment	\$ 0	0	0
g. Nonadmitted	\$ 0	0	0
h. Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$ 3,613,000	6,726,000	(3,113,000)
i. Admitted deferred tax assets (2d + 2h)	\$ 374,815,000	378,223,000	(3,408,000)

NOTES TO FINANCIAL STATEMENTS

(3) Deferred Tax Liabilities:

a. Ordinary

1. Investments	\$ 4,060,000	3,804,000	256,000
2. Fixed assets	\$ 57,266,000	49,518,000	7,748,000
3. Deferred and uncollected premium	\$ 0	0	0
4. Policyholder reserves	\$ 25,358,000	30,429,000	(5,071,000)
5. Other (including items <5% of total ordinary tax liabilities)	\$ 5,974,000	7,581,000	(1,607,000)
99. Subtotal	\$ 92,658,000	91,332,000	1,326,000

b. Capital:

1. Investments	\$ 101,163,000	75,441,000	25,722,000
2. Real Estate	\$ 0	0	0
3. Other (including items <5% of total capital tax liabilities)	\$ 0	0	0
99. Subtotal	\$ 101,163,000	75,441,000	25,722,000

c. Deferred tax liabilities (3a99 + 3b99)	\$ 193,821,000	166,773,000	27,048,000
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(4) Net deferred tax assets/liabilities (2i - 3c)	\$ 180,994,000	211,450,000	(30,456,000)
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D. Effective tax rates differ from the current statutory rate of 21% principally due to the effects of discounting of unpaid losses and loss adjustment expenses, compensation adjustments, tax exempt income, intercompany dividends, LP & LLC income, limits on unearned premium reserve deductions, amortization, depreciation, partnership income/loss, derivatives, loss reserve transitional adjustment and utilization of general business credits.

E. The Company has no net operating loss carry-forwards available to offset future net income subject to Federal income tax.

(1) The Company has general business credit carry-forwards which expire as follows:

Year	Generated	Amount	Expiration
2019	\$9,452,000		2039
2020	\$27,088,000		2040

(2) The amount of Federal income taxes incurred and available for recoupment in the event of future losses is \$21,141,000 from the current year and \$53,031,000 from the preceding year.

(3) The Company does not have deposits admitted under Section 6603 of the Internal Revenue Code.

F. The method of federal income tax allocation is subject to a written agreement. Allocation is based upon separate return calculations with credit applied for losses as appropriate. The Company has the enforceable right to recoup prior year payments in the event of future losses.

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

America First Insurance Company	Liberty 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

NOTES TO FINANCIAL STATEMENTS

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.
Liberty Mutual Insurance Company	

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

Not Applicable

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

- A. All the outstanding shares of capital stock of the Company are held by Liberty Mutual Agency Corporation, an insurance holding company incorporated in Delaware. Liberty Mutual Agency Corporation is wholly owned by Liberty Insurance Holdings, Inc., an insurance holding company incorporated in Delaware. Liberty Insurance Holdings, Inc. is wholly owned by Liberty Mutual Insurance Company ("LMIC"), a Massachusetts insurance company. The ultimate parent of LMIC is Liberty Mutual Holding Company Inc., a Massachusetts company.
- B. Transactions between the Company and its affiliates are listed on Schedule Y Part 2.
- As of December 31, 2020, the Company had the following capital transactions with its parent and subsidiaries:
1. Received capital contributions of \$0.
 2. Received return of capital distributions of \$0.
 3. Contributed capital in the amount of \$570,029,532
 4. Received dividends in the amount of \$12,486,254.
- C.
- D. At December 31, 2020, the Company reported a net \$163,855,581 due from affiliates. 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.

NOTES TO FINANCIAL STATEMENTS

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).

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

Company	Credit Line
Liberty Mutual Insurance Company	\$475,000,000
Employers Insurance Company of Wausau	\$125,000,000
Liberty Mutual Fire Insurance Company	\$130,000,000
The Ohio Casualty Insurance Company	\$200,000,000
Safeco Insurance Company of America	\$150,000,000

There were no outstanding loans as of December 31, 2020.

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

Company	Credit Line
Liberty Mutual Insurance Company	\$475,000,000
Employers Insurance Company of Wausau	\$125,000,000
Liberty Mutual Fire Insurance Company	\$130,000,000
The Ohio Casualty Insurance Company	\$200,000,000
Safeco Insurance Company of America	\$150,000,000

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

G. The Company is a member of a holding company structure as illustrated in Schedule Y Part 1

H. The Company does not own shares of any upstream intermediate or ultimate parent, either directly or indirectly via a downstream subsidiary, controlled or affiliated company.

I. The Company does not own investments in subsidiary, controlled or affiliated companies that exceed 10% of its admitted.

J. The Company did not recognize any impairment write down for its SCA companies during the statement period

K. The Company does not use CARVM in calculating its investment in its foreign subsidiaries.

L. The company utilizes the look-through approach for the valuation of the following downstream non-insurance holding companies:

Carrying Value	
Ohio Casualty Corporation	\$ 171,845,064

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

M. All SCA Investments

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

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amou
Total SSAP No. 97 8A Entities	X X X	0	0	0
b. SSAP No. 97 8b(ii) Entities				
01. Ohio Casualty Corporation	100.000	171,845,064	171,845,064	0
Total SSAP No. 97 8b(ii) Entities	X X X	171,845,064	171,845,064	0
c. SSAP No. 97 8b(iii) Entities				
01. Liberty USA Corporation	8.000	167,800,183	167,116,257	683,926
Total SSAP No. 97 8b(iii) Entities	X X X	1,655,435,036	1,654,751,110	683,926

NOTES TO FINANCIAL STATEMENTS

c. SSAP No. 97 8b(iii) Entities				
02. Liberty Structured Holdings LLC	45,000	582,376,463	582,376,463	0
03. Liberty Mutual Investment Holdings LLC	22,000	848,318,161	848,318,161	0
04. LMAT Holdings LLC	30,000	56,940,229	56,940,229	0
Total SSAP No. 97 8b(iii) Entities	X X X	1,655,435,036	1,654,751,110	683,926
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	1,827,280,100	1,826,596,174	683,926
f. Aggregate Total (a + e)	X X X	1,827,280,100	1,826,596,174	683,926

(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 Disallow Entities Valuat 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						
01. Ohio Casualty Corporation	S2	10/22/2020	0	Y	N	I
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 USA Corporation	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

O. SCA Loss Tracking

Not Applicable

11 Debt

A. Debt (Including Capital Notes)

The Company has no debt, including capital notes.

B. FHLB (Federal Home Loan Bank) Agreements

NOTES TO FINANCIAL STATEMENTS

The Company is a member of the Federal Home Loan Bank (FHLB) of Boston. There were no outstanding borrowings as of December 31, 2020. The Company has determined the actual maximum borrowing capacity as \$1,200,000,000 per Board of Directors consent.

- (1) Directors consent.
- (2) FHLB Capital Stock

a. Aggregate Totals

1. Current Year

	(1) Total 2+3	(2) General Account	(3) Protected Cell Accounts
(a) Membership Stock - Class A	\$ 0	0	0
(b) Membership Stock - Class B	\$ 4,924,400	4,924,400	0
(c) Activity Stock	\$ 0	0	0
(d) Excess Stock	\$ 0	0	0
(e) Aggregate Total (a + b + c + d)	\$ 4,924,400	4,924,400	0
(f) Actual or est. Borrowing Capacity as Determined by the Insurer	\$ 1,200,000,000	X X X	X X X

2. Prior Year-end

	(1) Total 2+3	(2) General Account	(3) Protected Cell Accounts
(a) Membership Stock - Class A	\$ 0	0	0
(b) Membership Stock - Class B	\$ 4,640,400	4,640,400	0
(c) Activity Stock	\$ 0	0	0
(d) Excess Stock	\$ 0	0	0
(e) Aggregate Total (a + b + c + d)	\$ 4,640,400	4,640,400	0
(f) Actual or est. Borrowing Capacity as Determined by the Insurer	\$ 1,200,000,000	X X X	X X X

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

	1 Current Year Total (2 + 3 + 4 + 5 + 6)	2 Not Eligible for Redemption	Eligible for Redemption			
			3 Less Than 6 Months	4 6 Months to Less Than 1 Year	5 1 to Less Than 3 Years	6 3 to 5 Years
1. Class A	\$ 0	0	0	0	0	0
2. Class B	\$ 4,924,400	4,924,400	0	0	0	0

(3) Collateral Pledged to FHLB

a. Amount Pledged as of Reporting Date

	1 Fair Value	2 Carrying Value	3 Aggregate Total Borrowing
1. Current Year Total General and Protected Cell (Lines 2 + 3)	\$ 0	0	0
2. Current Year General Account (Total Pledged)	\$ 0	0	0
3. Current Year Protected Cell (Total Pledged)	\$ 0	0	0
4. Prior Year-end Total General and Protected Cell (Total Pledged)	\$ 0	0	0

b. Maximum Amount Pledged During Reporting Period

	1 Fair Value	2 Carrying Value	3 Amount Borrowed at Time of Max. Collateral
1. Current Year Total General and Protected Cell (Lines 2 + 3)	\$ 0	0	0
2. Current Year General Account (Maximum Pledged)	\$ 0	0	0
3. Current Year Protected Cell (Maximum Pledged)	\$ 0	0	0
4. Prior Year-end Total General and Protected Cell (Maximum Pledged)	\$ 0	0	0

(4) Borrowing From FHLB

a. Amount as of the Reporting Date

NOTES TO FINANCIAL STATEMENTS

1. Current Year

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

2. Prior Year-end

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

b. Maximum Amount during Reporting Period (Current Year)

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

c. FHLB- Prepayment Obligations

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

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.

	Overfunded		Underfunded	
	2020	2019	2020	2019
(1) Change in benefit obligation:				
a. Pension Benefits				
1. Benefit obligation at beginning of year	\$ 0	0	0	0
2. Service cost	\$ 0	0	0	0
3. Interest cost	\$ 0	0	0	0
4. Contribution by plan participants	\$ 0	0	0	0
5. Actuarial gain (loss)	\$ 0	0	0	0
6. Foreign currency exchange rate changes	\$ 0	0	0	0
7. Benefits paid	\$ 0	0	0	0
8. Plan amendments	\$ 0	0	0	0
9. Business combinations, etc.	\$ 0	0	0	0
10. Benefit obligation at end of year	\$ 0	0	0	0

NOTES TO FINANCIAL STATEMENTS

b. Postretirement Benefits					
1.	Benefit obligation at beginning of year	\$ 0	0	0	0
2.	Service cost	\$ 0	0	0	0
3.	Interest cost	\$ 0	0	0	0
4.	Contribution by plan participants	\$ 0	0	0	0
5.	Actuarial gain (loss)	\$ 0	0	0	0
6.	Foreign currency exchange rate changes	\$ 0	0	0	0
7.	Benefits paid	\$ 0	0	0	0
8.	Plan amendments	\$ 0	0	0	0
9.	Business combinations, etc.	\$ 0	0	0	0
10.	Benefit obligation at end of year	\$ 0	0	0	0

c. Special or Contractual Benefits Per SSAP No. 11					
1.	Benefit obligation at beginning of year	\$ 0	0	0	0
2.	Service cost	\$ 0	0	0	0
3.	Interest cost	\$ 0	0	0	0
4.	Contribution by plan participants	\$ 0	0	0	0
5.	Actuarial gain (loss)	\$ 0	0	0	0
6.	Foreign currency exchange rate changes	\$ 0	0	0	0
7.	Benefits paid	\$ 0	0	0	0
8.	Plan amendments	\$ 0	0	0	0
9.	Business combinations, etc.	\$ 0	0	0	0
10.	Benefit obligation at end of year	\$ 0	0	0	0

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
	2020	2019	2020	2019	2020	2019
(2) Change in plan assets:						
a.	Fair value of plan assets beginning of year	\$ 0	0	0	0	0
b.	Actual return on plan assets	\$ 0	0	0	0	0
c.	Foreign currency exchange rate changes	\$ 0	0	0	0	0
d.	Reporting Entity contribution	\$ 0	0	0	0	0
e.	Plan participants contributions	\$ 0	0	0	0	0
f.	Benefits paid	\$ 0	0	0	0	0
g.	Business combinations, etc.	\$ 0	0	0	0	0
h.	Fair value of plan assets end of year	\$ 0	0	0	0	0

(3) Funded status:					
a. Components:					
1.	Prepaid benefit costs	\$ 0	0	0	0
2.	Overfunded plan assets	\$ 0	0	0	0
3.	Accrued benefit costs	\$ 0	0	0	0
4.	Liability for pension benefits	\$ 0	0	0	0
b. Assets and liabilities recognized					
1.	Assets (nonadmitted)	\$ 0	0	0	0
2.	Liabilities recognized	\$ 0	0	0	0
c. Unrecognized liabilities					
		\$ 0	0	0	0

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
	2020	2019	2020	2019	2020	2019
(4) Components of net periodic benefit cost:						
a.	Service cost	\$ 0	0	0	0	0
b.	Interest cost	\$ 0	0	0	0	0
c.	Expected return on plan assets	\$ 0	0	0	0	0
d.	Amortization of unrecognized transition oblig. or transition asset	\$ 0	0	0	0	0
e.	Amount of recognized gains and losses	\$ 0	0	0	0	0
f.	Amount of prior service cost recognized	\$ 0	0	0	0	0
g.	Amount of gain or loss recog. due to a settlement or curtailment	\$ 0	0	0	0	0
h.	Total net periodic benefit cost	\$ 0	0	0	0	0
i.	ERP P&L Charge	\$ 0	0	0	0	0
j.	Total net periodic benefit cost	\$ 0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

	Pension Benefits		Postretirement Benefits	
	2020	2019	2020	2019
(5) Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost:				
a. Items not yet recognized as a components of net period cost - pri	\$ 0	0	0	0
b. Net transition asset or obligation recognized	\$ 0	0	0	0
c. Net prior service cost or credit arising during the period	\$ 0	0	0	0
d. Net prior service cost of credit recognized	\$ 0	0	0	0
e. Net gain and loss arising during the period	\$ 0	0	0	0
f. Net gain and loss recognized	\$ 0	0	0	0
g. Items not yet recognized as a component of net periodic cost - cu	\$ 0	0	0	0

	Pension Benefits		Postretirement Benefits	
	2020	2019	2020	2019
(6) Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit cost:				
a. Net transition asset or obligation	\$ 0	0	0	0
b. Net prior service cost or credit	\$ 0	0	0	0
c. Net recognized gains and losses	\$ 0	0	0	0

(7) Weighted-average assumptions used to determine net periodic benefit costs as of Dec. 31:	
a. Weighted average discount rate	0.000 0.000
b. Expected long-term rate of return on plan assets	0.000 0.000
c. Rate of compensation increase	0.000 0.000
d. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates)	0.000 0.000

Weighted-average assumptions used to determine projected benefit obligations as of Dec. 31:

e. Weighted average discount rate	0.000 0.000
f. Rate of compensation increase	0.000 0.000
g. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates)	0.000 0.000

(8) Not applicable

(9) Not applicable

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

2021	\$ 0
2022	\$ 0
2023	\$ 0
2024	\$ 0
2025	\$ 0
2026 thru 2030	\$ 0

(11) Not applicable

(12) Not applicable

(13) Not applicable

(14) Not applicable

(15) Not applicable

(16) Not applicable

(17) Not applicable

(18) Not applicable

B.

(1) Information about Plan Assets

Not Applicable

C. Not Applicable

E. Defined Contribution Plan

Not Applicable

F. Multiemployer Plans

NOTES TO FINANCIAL STATEMENTS

Not Applicable

G. Consolidated/Holding Company Plans

Not Applicable

I. Impact of Medicare Modernization Act on Postretirement Benefits (I)

Not Applicable

13 Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

A. The Company has 5,000,000 common shares authorized, and 3,524,456 shares issued and outstanding as of December 31, 2020. All shares have a stated par value of \$2.50.
The Company has 113,043 preferred shares authorized and no shares are issued and outstanding as of December 31, 2020. All shares have a stated par value of \$2.50.

Preferred Stock

B. Not applicable.

C. There are no dividend restrictions.

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

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E. The maximum amount of dividends that can be paid by New Hampshire-domiciled insurance companies to shareholders without prior approval of the Insurance Commissioner is less than 10% of surplus or net income. The maximum dividend payout which may be made without prior approval in 2021 is \$ 62,974,701.

F. As of December 31, 2020, the Company has pre-tax restricted surplus of 71,262,041 resulting from retroactive reinsurance contracts.

G. The Company had no advances to surplus.

H. The Company does not hold stock for special purposes.

I. The Company had changes in special surplus funds resulting from prior year's retroactive reinsurance contracts during 2020.

J. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses: \$ (89,374,349)
after applicable deferred taxes of (\$13,391,317)

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, Con Partnerships and Limited Liability Companies contin \$ 0

NOTES TO FINANCIAL STATEMENTS

(2)

1	2	3	4	5
Nature and circumstances of guarantee and key attributes, including date and duration of agreement	Liability recognition of guarantee. (Include amount recognized at inception. If no initial recognition, document exception allowed under SSAP No. 5R)	Ultimate financial statement impact if action under the guarantee is required	Maximum potential amount of future payments (undiscounted) the guarantor could be required to make under the guarantee. If unable to develop an estimate, this should be specifically noted. (a)	Current status of payment or performance risk of guarantee. Also provide additional discussion as warranted
Total	0	X X X	0	X X X

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

(3)

- a. Aggregate Maximum Potential of Future Payments of All Guarantees (undiscounted) the guarantor could be required to make under guarantees. (Should equal total of Column 4 for (2) above.)

\$	0
b. Current Liability Recognized in F/S:	
1. Noncontingent Liabilities	\$ 0
2. Contingent Liabilities	\$ 0
c. Ultimate Financial Statement Impact if action under the guarantee is required.	
1. Investments in SCA	\$ 0
2. Joint Venture	\$ 0
3. Dividends to Stockholders (capital contribution)	\$ 0
4. Expense	\$ 0
5. Other	\$ 0
6. Total (Should equal (3)a.)	\$ 0

B. Assessments

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

The Company was subject to a North Carolina Plan assessment of \$167,140 and a Texas Windstorm assessment, which was accrued for in 2019, of \$1,839,240. In addition, the Company received a refund of \$211,451 related to the total 2019 North Carolina Plan assessment of \$268,640.

The Company has accrued a liability for guaranty funds and other assessments of \$17,538,460 that is offset by future premium tax credits of \$436,004. Current guaranty fund assessments and assessments

based on losses paid are expected to be paid out in the next two years, while premium tax offsets are realized over the period determined by each individual state once the guaranty fund assessment has been paid. The Company continues to remit payment relating to prior year insolvencies.

(2)

- a. Assets recognized from paid and accrued premium t policy surcharges prior year-end \$ 528,838
- b. Decreases current year:
- | | |
|----------------------------|------------|
| Premium tax offset applied | \$ 528,838 |
|----------------------------|------------|
- c. Increases current year:
- | | |
|--|--|
| | |
|--|--|
- d. Assets recognized from paid and accrued premium t policy surcharges current year-end \$ 436,004

(3)

- a. Discount Rate Applied 0.000
- b. The Undiscounted and Discounted Amount of the G Assessments and Related Assets by Insolvency

NOTES TO FINANCIAL STATEMENTS

c. Increases current year:

Premium tax offset increase	\$	436,004
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d. Assets recognized from paid and accrued premium t
policy surcharges current year-end

\$	436,004
----	---------

(3)

a. Discount Rate Applied 0.000

b. The Undiscounted and Discounted Amount of the G
Assessments and Related Assets by Insolvency

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

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

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

C. Gain Contingencies

Not Applicable

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

Not Applicable

E. Product Warranties

Not Applicable

F. Joint and Several Liabilities

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

G. All Other Contingencies

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

As disclosed in Note 9F, the Company is a member of a controlled group for federal income tax purposes, and that group includes Liberty Mutual Group Inc. ("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.

The Company refunded all premium and interest held in an escrow fund to certain of its policyholders in accordance with North Carolina General Statutes § 58-36-25(b). These distributions represented the full disposition of the Company's escrow fund

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.

NOTES TO FINANCIAL STATEMENTS

(1) See below

The Company leases office space, plant and equipment under various non-cancelable operating lease arrangements. The Company's minimum lease obligations, including sales-leaseback transactions, under these agreements are as follows:

a. See below

b. See below

(2)

a. At January 1, 2021, the minimum aggregate rental commitments are as follows: (Dollars in thousands)

Operating Leases

Year Ending December 31 Operating Leases

2021 (as seen in Notes text)	\$ 24,276,497
2022 (as seen in Notes text)	\$ 20,129,452
2023 (as seen in Notes text)	\$ 16,510,164
2024 (as seen in Notes text)	\$ 15,916,354
2025 (as seen in Notes text)	\$ 11,076,388
2026 & thereafter	\$ 21,018,315
Total	\$ 108,927,170

The amount of liability the Company recognized in its financial statements for lease agreements for which it is no longer using the leased property benefits is \$22,406,662.

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

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

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

(1)

c. Lessor Leases

Future minimum lease payment receivables under noncancelable leasing arrangements as of December 31, 2020 are as follows:

Operating Leases

Year Ending December 31

2021 (as seen in Notes text)	\$ 0
2022 (as seen in Notes text)	\$ 0
2023 (as seen in Notes text)	\$ 0
2024 (as seen in Notes text)	\$ 0
2025 (as seen in Notes text)	\$ 0
2026 & thereafter	\$ 0
Total	\$ 0

(2) Leveraged Leases

b. The Company's investment in leveraged leases relates to equipment...
Dec. 31, 2020 were as shown below: (In thousands)

2020 2019
(years as seen in Notes text)

Income from leveraged leases before income tax including investment tax credit	\$ 0	0
Less current income tax	\$ 0	0
Net income from leverage leases	\$ 0	0

c. The components of the investment in leveraged leases at
Dec. 31, 2020 and Dec. 31, 2019 were as shown below: (In thousands)

2020 2019
(years as seen in Notes text)

Lease contracts receivable (net principal & interest non-recourse financing)	\$ 0	0
Estimated residual value of leased assets	\$ 0	0
Unearned and deferred income	\$ 0	0
Investment in leveraged leases	\$ 0	0
Deferred income taxes related to leveraged leases	\$ 0	0
Net investment in leveraged leases	\$ 0	0

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

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

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

	ASSETS		LIABILITIES	
	2020	2019	2020	2019

NOTES TO FINANCIAL STATEMENTS

	(years as seen in Notes text)		(years as seen in Notes text)	
a. Swaps	\$	0	0	0
b. Futures	\$	0	1,669,000	13,882,000
c. Options	\$	0	0	0
d. Totals	\$	0	1,669,000	13,882,000

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

- (2) The credit risk, market risk, cash requirements, and accounting policies of the Company's derivative instruments utilized during 2020 and 2019 are discussed in Note 8.

The Company is exposed to credit-related losses in the event of nonperformance by counterparties to financial instruments, but it does not expect any counterparties to fail to meet their obligations given their high credit ratings. The credit exposure is represented by the fair value of contracts with a positive statement value at the reporting date. Because exchange-traded futures are affected through a regulated exchange and positions are marked to market on a daily basis, the Company has little exposure to credit-related losses in the event of nonperformance by counterparties to such financial instruments. The Company has not incurred any losses on derivative financial instruments due to counterparty non-performance.

- (3)

The Company is required to put up collateral for any futures contracts that are entered. The Company pledges or obtains collateral when certain predetermined exposure limits are exceeded. The amount of collateral that is required is determined by the exchange on which it is traded and is typically in the form of cash. The Company currently puts up cash and U.S. Treasury Bonds to satisfy this collateral requirement.

- (4)

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

A. Transfers of Receivables Reported as Sales

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

- (2) Not applicable

B. Transfers and Servicing of Financial Assets

- (1) The Company participates in a Securities Lending Program to generate additional income, whereby certain fixed income and mortgage backed securities are loaned for a period of time from the Company's portfolio to qualifying third parties, via a lending agent. The company does not participate in term loans; therefore, the company does not have contractual collateral transactions that extend beyond one year from the reporting date. Borrowers of these securities provide collateral equal to or in excess of 102% of the market value of the loaned securities. Acceptable collateral may be in the form of cash or U.S. Government securities, such as Treasuries and Agency Bonds. The market value of the loaned securities is monitored and additional collateral is obtained if the market value of the collateral falls below 102% of the market value of the loaned securities. Additionally, the lending agent indemnifies the Company against borrower defaults. Cash collateral is carried as an asset with an offsetting liability on the balance sheet, as the collateral is unrestricted and the Company can exercise discretion as to how the collateral is invested. The loaned securities remain a recorded asset of the Company. At December 31, 2020 the total fair value of securities on loan was \$357,910,576 with corresponding collateral value of \$366,804,277 of which \$256,773,962 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

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

NOTES TO FINANCIAL STATEMENTS

Fair Value Measurements by Levels 1, 2 and 3

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

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

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

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

(1) Fair Value Measurements at Reporting Date

(1) Description	(2) (Level 1)	(3) (Level 2)	(4) (Level 3)	(6) Net Asset Value	(7) Total
a. Assets at fair Value					
01. Bonds	\$ 0	0	0	0	0
02. Residential MBS	\$ 0	1,469,475	0	0	1,469,475
03. Commercial MBS	\$ 0	5,438,088	14,004,395	0	19,442,483
04. Other MBS and ABS	\$ 0	55,814,496	1,120,192	0	56,934,688
05. U.S. State and municipal	\$ 0	3,678,255	0	0	3,678,255
06. Corporate and other	\$ 0	141,143,519	20,262,995	0	161,406,514
07. Foreign government securities	\$ 0	0	0	0	0
09. Preferred Stocks	\$ 0	0	0	0	0
11. Common Stocks	\$ 306,925,135	10,495,130	8,835,891	0	326,256,156
Total assets at fair value	\$ 306,925,135	218,038,963	44,223,473	0	569,187,571
b. Liabilities at fair value					
01. Derivative Liabilities	\$ 883,955	0	0	0	883,955
Total liabilities at fair value	\$ 883,955	0	0	0	883,955

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

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Beginning Balance at 01/01/2020	Transfers in- to Level 3 (a)	Transfers out of Level 3 (b)	Total gains and (losses) included in Net income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2020
Assets:										
Bonds	\$ 0	0	0	0	0	0	0	0	0	0
Residential MBS	\$ 0	0	0	0	0	0	0	0	0	0
Commercial MBS	\$ 14,292,641	0	0	0	(1,409,361)	0	0	0	1,121,115	14,004,395
Other MBS and ABS	\$ 0	1,185,765	0	0	(65,573)	0	0	0	0	1,120,192
U.S. State and municipal	\$ 0	0	0	0	0	0	0	0	0	0
Corporate and other	\$ 20,960,002	3,039,470	(8,734,945)	140,243	(20,808)	11,827,480	0	(6,966,933)	18,486	20,262,995
Foreign government securities	\$ 0	0	0	0	0	0	0	0	0	0
Preferred Stocks	\$ 4,340,000	0	0	(3,112,035)	0	11,637,500	0	(12,865,465)	0	0
Common Stocks	\$ 4,640,400	3,911,490	0	0	0	284,000	0	0	0	8,835,890
Total	\$ 44,233,043	8,136,725	(8,734,945)	(2,971,792)	(1,495,742)	23,748,980	0	(19,832,398)	1,139,601	44,223,472

NOTES TO FINANCIAL STATEMENTS

(4) Inputs and Techniques Used for Fair Value

Fixed Maturities

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

U.S. Government and Agency Securities

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

Mortgage-Backed Securities

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

Asset-Backed Securities

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

Municipal Securities

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

Corporate debt and other

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

Foreign government securities

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

Common and Preferred Stocks

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

Other Invested Assets

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

Derivatives

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

B. Other Fair Value Disclosures

Not Applicable

C. Aggregate Fair Value of All Financial Instruments

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
01 Cash, Cash Equivalents & Short Term	\$ 212,043,595	212,035,755	(210,092,848)	44,750,178	0	377,386,264	0
02 Bonds	\$ 12,014,544,59	11,356,941,96	867,087,451	10,769,759,55	377,697,592	0	0
03 Preferred Stock	\$ 0	0	0	0	0	0	0
04 Common Stock	\$ 326,256,155	326,256,153	306,925,135	10,495,130	8,835,890	0	0
05 Securities Lending	\$ 256,775,669	256,773,962	0	256,775,669	0	0	0
06 Mortgage Loans	\$ 686,554,324	686,920,472	0	0	686,554,324	0	0
07 Surplus Notes	\$ 237	370	0	237	0	0	0
Total	\$ 13,495,290,61	12,838,044,72	963,035,783	11,081,780,76	1,073,087,806	377,386,264	0

NOTES TO FINANCIAL STATEMENTS

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Practicable (Carrying Value)
09 Net Derivatives	\$ (883,955)	(883,955)	(883,955)	0	0	0	0
Total	\$ 13,495,290,61	12,838,044,72	963,035,783	11,081,780,76	1,073,087,806	377,386,264	0

D. Reasons Not Practical to Estimate Fair Value

Not Applicable

E. Instruments Measures at Net Asset Value (NAV)

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

21. Other items

A. Unusual or Infrequent Items

The Company has no unusual or infrequent items to report.

B. Troubled Debt Restructuring

Not Applicable

C. Other Disclosures

1. Florida Special Disability Trust Fund

Not applicable.

D. Business Interruption Insurance Recoveries

The Company does not purchase business interruption coverage.

E. State Transferable Tax Credits

(1) Description of State Transferrable Tax Credits

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

Description of State Transferable Tax Credits	State	Carrying Value	Unused Amount
Total	X X X	0	0

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

(3) Impairment Loss

(4) State Tax Credits Admitted and Nonadmitted

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

F. Subprime-Mortgage-Related Risk Exposure

- (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. The Company's only exposure to subprime was inherited through past acquisitions of insurance companies.

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

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

NOTES TO FINANCIAL STATEMENTS

Not Applicable

C. REINSURANCE ASSUMED AND CEDED

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

	Assumed		Ceded		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
	(1)	(2)	(3)	(4)	(5)	(6)
a. Affiliates	\$ 3,379,482,798	0	26,164,900	0	3,353,317,898	0
b. All Other	0	0	0	0	0	0
c. TOTAL	\$ 3,379,482,798	0	26,164,900	0	3,353,317,898	0
d. Direct Unearned Premium Reserve	\$ 26,164,901					

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

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

Certain contracts provide for additional or return commissions based on the actual loss experience of the produced or reinsured business. Amounts accrued at December 31, 2020 are as follows:

	REINSURANCE			
	Direct	Assumed	Ceded	Net
a. Contingent Commission	\$ 81,002,142	117,914,841	81,002,142	117,914,841
b. Sliding Scale Adjustments	0	141,507	0	141,507
c. Other Profit Commission Arrangements	0	0	0	0
d. TOTAL	\$ 81,002,142	118,056,348	81,002,142	118,056,348

(3) Reinsurance

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

D. UNCOLLECTIBLE REINSURANCE

(1) The company has written off in the current year reinsurance balances due (from the companies listed below) in the amount of \$ 4,610,373 which is reflected as:

a. Losses incurred	\$ 2,854,407
b. Loss adjustment expenses incurred	\$ 1,755,966
c. Premiums earned	\$ 0
d. Other	\$ 0

e.

Company	Amount
01. Liberty Mutual Insurance Company, 23043	\$ 4,610,373

E. COMMUTATION OF CEDED REINSURANCE

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

(1) Losses Incurred	\$ (54)
(2) Loss adjustment expenses incurred	\$ 20,273
(3) Premiums Earned	\$ 0
(4) Other	\$ 1,405

(5)

Company	Amount
01. Liberty Mutual Insurance Company, 23043	\$ 21,624

F. RETROACTIVE REINSURANCE

NOTES TO FINANCIAL STATEMENTS

(1)	Reported Company	
	Assumed	Ceded
a. Reserves Transferred:		
1. Initial Reserves	\$ (639,534,729)	0
2. Adjustments - Prior Year(s)	\$ (155,416,485)	0
3. Adjustments - Current Year	\$ (3,573,839)	0
4. Current Total	\$ (798,525,053)	0
b. Consideration Paid or Received:		
1. Initial Consideration	\$ (675,471,584)	0
2. Adjustments - Prior Year(s)	\$ (11,174,345)	0
3. Adjustments - Current Year	\$ 49,485,263	0
4. Current Total	\$ (637,160,666)	0
c. Paid Losses Reimbursed or Recovered:		
1. Prior Year(s)	\$ 88,198,472	0
2. Current Year	\$ (6,878,493)	0
3. Current Total	\$ 81,319,979	0
d. Special Surplus from Retroactive Reinsurance:		
1. Initial Surplus Gain or Loss	\$ (29,228,848)	0
2. Adjustments - Prior Year(s)	\$ 45,000,594	0
3. Adjustments - Current Year	\$ 54,288,560	0
4. Current Year Restricted Surplus	\$ (71,262,041)	0
5. Cumulative Total Transferred to Unassigned Funds	\$ (1,201,735)	0
e. All cedents and reinsurers involved in all transactions included in summary totals above:		

Column 1: Cedents and Reinsurers Company Name		Assumed Amt	Ceded Amt
01	Liberty Mutual Insurance Company, 23043	\$ (798,525,053)	0
Total*		\$ (798,525,053)	0

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

f. 1. Total Paid Loss/LAE amounts recoverable (for authorized, and certified reinsurers), and for amounts recoverable the c (for authorized, unauthorized and certified reinsurers) as respects amounts recoverable from unauthorized reinsurer

Authorized Reinsurers Total: Company Name	Total Paid/Loss/L Recoverable	Amount over 90 days overdue
Total	\$ 0	0

2. Total Paid Loss/LAE amounts recoverable (for authorized, and certified reinsurers), and for amounts recoverable the c (for authorized, unauthorized and certified reinsurers) as respects amounts recoverable from unauthorized reinsurer

Unauthorized Reinsurers Total: Company Name	Total Paid/Loss/L Recoverable	Amt over 90 Days Overdue	Collateral Held
Total	\$ 0	0	0

3. Total Paid Loss/LAE amounts recoverable (for authorized, and certified reinsurers), and for amounts recoverable the c (for authorized, unauthorized and certified reinsurers) as respects amounts recoverable from unauthorized reinsurer

Certified Reinsurers Total: Company Name	Total Paid/Loss/L Recoverable	Amt over 90 Days Overdue	Collateral Held
Total	\$ 0	0	0

4. Total Paid Loss/LAE amounts recoverable (for authorized, and certified reinsurers), and for amounts recoverable the c (for authorized, unauthorized and certified reinsurers) as respects amounts recoverable from unauthorized reinsurer

Unauthorized Reinsurers Total: Company Name	Total Paid/Loss/L Recoverable	Amount over 90 days overdue
Total	\$ 0	0

NOTES TO FINANCIAL STATEMENTS

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

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

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

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

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

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

G. Reinsurance Accounted for as a Deposit

The Company has not entered into any reinsurance agreements that have been accounted for as deposits as of December 31, 2020.

Description	Interest Income	Cash Recoveries	Deposit Balance
.....

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

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

a.

Name of Certified Reinsurer	Relationship to Reporting Entity	Date of Action	Jurisdiction of Action	Collateral Percentage Requirement		Net Obligation Subject to Collateral	Collateral Required (but not Received)
				Before	After		
.....

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

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

a.

Date of Action	Jurisdiction of Action	Collateral Percentage Requirement		Net Obligation Subject to Collateral	Collateral Required (but not Received)
		Before	After		
.....

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. Accrued retrospective premiums reported in Line 15.3 of the asset page have been determined based upon loss experience on business subject to such experience rating adjustment.

B. The Company records accrued retrospective premium as an adjustment to earned premium.

C. For detail of net premium written subject to retrospective rating features refer to Schedule P, Part 7A.

D. Medical loss ratio rebates required pursuant to the Public Health Service Act.
Not Applicable

E.

(1) For Ten Percent (10%) Method of determining Non-admitted

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

NOTES TO FINANCIAL STATEMENTS

a. Total accrued retro premiums	\$	34,181,930
b. Unsecured amount	\$	0
c. Less: Nonadmitted amount (10%)	\$	3,438,270
d. Less: Nonadmitted for any person for whom agents' balances	\$	0
e. Admitted amount (a) - (c) - (d)	\$	30,743,660

(2) For Quality Rating Method of Determining Nonadmitted Retro. Premium

Insured's Current Q Rating	Total Amount	Unsecured Balances	%	Nonadmitted Amount	Admitted Amount
a. 1	\$ 0	0	0.01	0	0
b. 2	\$ 0	0	0.02	0	0
c. 3	\$ 0	0	0.05	0	0
d. 4	\$ 0	0	0.10	0	0
e. 5	\$ 0	0	0.20	0	0
f. 6	\$ 0	0	1.00	0	0
g. Nonadmitted for any person for whom agents' balances are nonadmitted					0
h. Total (a) through (f) - (g)	\$ 0	0		0	0

F.

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

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

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year.

a. Permanent ACA Risk Adjustment Program

Assets

AMOUNT

1. Premium adjustments receivable due to ACA Risk Adjustment Liabilities \$ 0

Liabilities

2. Risk adjustment user fees payable for ACA Risk Adjustment \$ 0

3. Premium adjustments payable due to ACA Risk Adjustment Operations (Revenue & Expense) \$ 0

Operations (Revenue & Expense)

4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment \$ 0

5. Reported in expenses as ACA risk adjustment user fees (incurred/paid) \$ 0

b. Transitional ACA Reinsurance Program

Assets

1. Amounts recoverable for claims paid due to ACA Reinsurance \$ 0

2. Amounts recoverable for claims unpaid due to ACA Reinsurance (Contra Liability) \$ 0

3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance \$ 0

Liabilities

4. Liabilities for contributions payable due to ACA Reinsurance -not reported as ceded premium \$ 0

5. Ceded reinsurance premiums payable due to ACA Reinsurance \$ 0

6. Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance \$ 0

Operations (Revenue & Expense)

NOTES TO FINANCIAL STATEMENTS

7.	Ceded reinsurance premiums due to ACA Reinsurance	\$ 0
8.	Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	\$ 0
9.	ACA Reinsurance contributions- not reported as ceded premium	\$ 0
c. Temporary ACA Risk Corridors Program		
Assets		
1.	Accrued retrospective premium due to ACA Risk Corridors	\$ 0
Liabilities		
2.	Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	\$ 0
Operations (Revenue & Expense)		
3.	Effect of ACA Risk Corridors on net premium income (paid/received)	\$ 0
4.	Effect of ACA risk Corridors on change in reserves for rate credits	\$ 0
Not Applicable		

25. Changes in Incurred Losses and Loss Adjustment Expenses

- A. Incurred loss and loss adjustment expense attributable to insured events on prior years increased through the fourth quarter of 2020. The increase was driven by reserve adjustments on General Liability and Commercial Multi-Peril lines. These increases were partially offset by decreases in reserve estimates for Homeowners' and Workers' Compensation lines. Prior estimates are revised as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements

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

		NAIC Company Number	Pooling Companies	Line of Business
Lead Company:	Liberty Mutual Insurance Company ("LMIC")	23043	50%	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. ("III")	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	

NOTES TO FINANCIAL STATEMENTS

	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
	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. Amounts due (to)/from affiliated entities participating in the Liberty Mutual Second Amended and Restated Intercompany Reinsurance Agreement as of December 31, 2020:

Affiliate	Amount
Liberty Mutual Insurance Company	\$47,743,858

27. Structured Settlements

- A. As a result of purchased annuities with the claimant as payee, the Company no longer carries reserves after applying Intercompany Reinsurance Agreement percentages. The Company is contingently liable should the issuers of the purchased annuities fail to perform under the terms of the annuities. The amount of unrecorded loss contingencies related to the purchased annuities as of December 31, 2020 is as follows:

	Loss Reserves Elim. by Annu.	Unrecorded Loss Contingencies
Disclose the amount of reserves no longer carried	\$ 195,230,759	195,230,759

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

	Life Insurance Company and Location	Licensed in Company's State of Domicile	Statement Value (ie: Present Value) of Annuities
01.	Lincoln Life Assurance Company of Boston Massachusetts	YES	45,646,916
02.	Prudential Insurance Company New Jersey	YES	99,134,976

28. Health Care Receivables

NOTES TO FINANCIAL STATEMENTS

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

As of December 31, 2020, the amount of reserve credit recorded for high dollar deductible policies on unpaid losses was \$1,287,541,200 and the amount billed and recoverable on paid claims was \$52,775,400. There are no unsecured high dollar deductible recoverables from professional employer organizations included in these amounts.

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

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

For Workers' Compensation, the Company discounts its reserves for unpaid losses using a tabular discount on the long-term annuity portion of certain workers compensation claims. The tabular discount is based on Unit Statistical Plan tables as approved by the respective states at an annual discount rate of 4.0%. The December 31, 2020 liabilities include \$2,521,357,535 of such discounted reserves. The Company recognized \$1,328,661 of interest accretion in the Statement of Income for the current year related to tabular discount on Workers' Compensation. The December 31, 2020 liabilities subject to discount were carried at a value representing a discount of \$47,995,804 net of all reinsurance.

A. TABULAR DISCOUNT

	Tabular Discount Included in Schedule P, Part 1*	
	Tabular Disc. CASE	Tabular Disc. IBNR
Schedule P Lines of Business:		
01. HOME OWNERS / FARMOWNERS	\$ 0	0
02. PRIVATE PASSENGER AUTO LIABILITY/MEDICAL	\$ 0	0
03. COMMERCIAL AUTO/TRUCK LIABILITY/MEDICAL	\$ 0	0
04. WORKERS' COMPENSATION	\$ 76,304,705	36,687,051
05. COMMERCIAL MULTIPLE PERIL	\$ 0	0
06. MEDICAL PROFESSIONAL LIABILITY - OCCURRENCE	\$ 0	0
07. MEDICAL PROFESSIONAL LIABILITY - CLAIMS-MADE	\$ 0	0
08. SPECIAL LIABILITY	\$ 0	0
09. OTHER LIABILITY - OCCURRENCE	\$ 0	0
10. OTHER LIABILITY - CLAIMS-MADE	\$ 0	0
11. SPECIAL PROPERTY	\$ 0	0
12. AUTO PHYSICAL DAMAGE	\$ 0	0
13. FIDELITY, SURETY	\$ 0	0
14. OTHER (INCLUDING CREDIT, A&H)	\$ 0	0
15. INTERNATIONAL	\$ 0	0
16. REINSURANCE NONPROPORTIONAL ASSUMED PROPERTY	\$ 0	0
17. REINSURANCE NONPROPORTIONAL ASSUMED LIABILITY	\$ 0	0
18. REINSURANCE NONPROPORTIONAL ASSUMED FINANCIAL LINE	\$ 0	0
19. PRODUCTS LIABILITY - OCCURRENCE	\$ 0	0
20. PRODUCTS LIABILITY - CLAIMS-MADE	\$ 0	0
21. FINANCIAL GUARANTY/MORTGAGE GUARANTY	\$ 0	0
22. WARRANTY	\$ 0	0
23. TOTAL	\$ 76,304,705	36,687,051

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

B. NON-TABULAR DISCOUNT

NOTES TO FINANCIAL STATEMENTS

Schedule P Lines of Business:	NON-Tab. Disc. CASE	NON-Tab. Disc. IBNR	NON-Tab. Disc. Def & Cost Cont E	NON-Tab. Disc. Adj. & Other Exp
01. HOME OWNERS / FARMOWNERS	\$ 0	0	0	0
02. PRIVATE PASSENGER AUTO LIABILITY/MEDICAL	\$ 0	0	0	0
03. COMMERCIAL AUTO/TRUCK LIABILITY/MEDICAL	\$ 0	0	0	0
04. WORKERS' COMPENSATION	\$ 0	0	0	0
05. COMMERCIAL MULTIPLE PERIL	\$ 0	0	0	0
06. MEDICAL PROFESSIONAL LIABILITY - OCCURRENCE	\$ 0	0	0	0
07. MEDICAL PROFESSIONAL LIABILITY - CLAIMS-MADE	\$ 0	0	0	0
08. SPECIAL LIABILITY	\$ 0	0	0	0
09. OTHER LIABILITY - OCCURRENCE	\$ 0	0	0	0
10. OTHER LIABILITY - CLAIMS-MADE	\$ 0	0	0	0
11. SPECIAL PROPERTY	\$ 0	0	0	0
12. AUTO PHYSICAL DAMAGE	\$ 0	0	0	0
13. FIDELITY, SURETY	\$ 0	0	0	0
14. OTHER (INCLUDING CREDIT, A&H)	\$ 0	0	0	0
15. INTERNATIONAL	\$ 0	0	0	0
16. REINSURANCE NONPROPORTIONAL ASSUMED PROPERTY	\$ 0	0	0	0
17. REINSURANCE NONPROPORTIONAL ASSUMED LIABILITY	\$ 0	0	0	0
18. REINSURANCE NONPROPORTIONAL ASSUMED FINANCIAL LINE	\$ 0	0	0	0
19. PRODUCTS LIABILITY - OCCURRENCE	\$ 0	0	0	0
20. PRODUCTS LIABILITY - CLAIMS-MADE	\$ 0	0	0	0
21. FINANCIAL GUARANTY/MORTGAGE GUARANTY	\$ 0	0	0	0
22. WARRANTY	\$ 0	0	0	0
23. TOTAL	\$ 0	0	0	0

Columns in the table above should include medical loss reserves and all loss adjustment expense reserves, whether reported as tabular or nontabular in Schedule P.

Not Applicable

33. Asbestos/Environmental Reserves

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

NOTES TO FINANCIAL STATEMENTS

Factors Contributing to Uncertainty in Establishing Adequate Reserves

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

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

In 2020, the Company and its affiliated pool members completed asbestos ground-up and aggregate environmental reserve studies. These studies were completed by a multi-disciplinary team of internal claims, legal, reinsurance and actuarial personnel, and included all major business segments of the Company's direct, assumed, and ceded A&E unpaid claim liabilities. As part of the internal review, policyholders with the largest direct asbestos unpaid claim liabilities were individually evaluated using the Company's proprietary stochastic ground-up model, which is consistent with published actuarial methods of asbestos reserving. Among the factors reviewed in depth by the team of specialists were the type of business, level of exposure, coverage limits, geographic distribution of products, injury type, jurisdiction and legal defenses. Reinsurance recoveries for these policyholders were then separately evaluated by the Company's reinsurance and actuarial personnel. A&E unpaid claim liabilities for all other policyholders were evaluated using aggregate methods that utilized information and experience specific to these policyholders. The studies resulted in an increase to reserves of \$200,000,000 including: \$88,000,000 of asbestos reserves, and \$112,000,000 of pollution reserves.

Uncertainty Regarding Reserving Methodologies

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

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

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

The following tables summarize the activity for the Company's asbestos and environmental claims and claim adjustment expenses, a component of the Company's unpaid claims and claim adjustment expenses, for the years ended December 31, 2020, 2019, 2018, 2017, and 2016 before consideration of the NICO Reinsurance Transaction. Refer to Note 23f.

(1) Direct:	2016	2017	2018	2019	2020
a. Beginning reserves:	\$ 296,075,585	309,775,676	293,794,225	305,100,919	313,103,886
b. Incurred losses and loss adjustment expense	\$ 65,562,378	35,468,335	61,827,999	50,795,796	28,640,335
c. Calendar year payments for losses & loss adj expenses	\$ 51,862,287	51,449,787	50,521,305	42,792,829	36,737,485
d. Ending reserves	\$ 309,775,676	293,794,224	305,100,919	313,103,886	305,006,736

(2) Assumed Reinsurance:	2016	2017	2018	2019	2020
a. Beginning reserves:	\$ 110,629,195	102,379,798	106,123,072	99,250,938	91,146,159
b. Incurred losses and loss adjustment expense	\$ (990,769)	10,133,332	(928,837)	(2,976,246)	336,734
c. Calendar year payments for losses & loss adj expenses	\$ 7,497,952	6,390,058	5,943,296	5,128,533	3,542,896
d. Ending reserves	\$ 102,140,474	106,123,072	99,250,939	91,146,159	87,939,997

(3) Net of Ceded Reinsurance:	2016	2017	2018	2019	2020
a. Beginning reserves:	\$ 136,319,699	134,401,350	135,018,211	155,900,042	168,934,247
b. Incurred losses and loss adjustment expense	\$ 12,457,723	17,174,416	40,154,814	50,041,909	22,116,556
c. Calendar year payments for losses & loss adj expenses	\$ 14,376,071	16,557,555	19,272,983	37,007,704	22,423,972
d. Ending reserves	\$ 134,401,351	135,018,211	155,900,042	168,934,247	168,626,831

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

(1) Direct Basis	\$ 207,930,635
(2) Assumed Reinsurance Basis	\$ 63,443,420
(3) Net of Ceded Reinsurance Basis	\$ 113,112,848

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

(1) Direct Basis	\$ 179,333,890
(2) Assumed Reinsurance Basis	\$ 2,114,122
(3) Net of Ceded Reinsurance Basis	\$ 83,203,738

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

NOTES TO FINANCIAL STATEMENTS

(1) Direct:	2016	2017	2018	2019	2020
a. Beginning reserves:	\$ 72,473,475	74,540,119	77,278,927	82,884,918	88,620,938
b. Incurred losses and loss adjustment expense	\$ 16,049,777	12,864,268	21,840,598	22,383,912	28,501,086
c. Calendar year payments for losses & loss adj expenses	\$ 13,983,133	10,125,460	16,234,606	16,647,892	11,921,137
d. Ending reserves	\$ 74,540,119	77,278,927	82,884,919	88,620,938	105,200,887

(2) Assumed Reinsurance:	2016	2017	2018	2019	2020
a. Beginning reserves:	\$ 8,758,274	8,342,342	10,172,370	8,996,828	8,530,197
b. Incurred losses and loss adjustment expense	\$ (32,950)	2,427,043	(164,236)	690,934	704,452
c. Calendar year payments for losses & loss adj expenses	\$ 814,304	597,016	1,011,305	1,157,565	538,109
d. Ending reserves	\$ 7,911,020	10,172,369	8,996,829	8,530,197	8,696,540

(3) Net of Ceded Reinsurance:	2016	2017	2018	2019	2020
a. Beginning reserves:	\$ 52,422,999	51,207,253	55,030,502	56,499,683	61,566,654
b. Incurred losses and loss adjustment expense	\$ 9,821,199	10,195,302	9,993,610	17,224,014	24,370,529
c. Calendar year payments for losses & loss adj expenses	\$ 11,036,945	6,372,052	8,524,429	12,157,044	9,051,528
d. Ending reserves	\$ 51,207,253	55,030,503	56,499,683	61,566,653	76,885,655

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

(1) Direct Basis	\$ 72,150,764
(2) Assumed Reinsurance Basis	\$ 5,003,537
(3) Net of Ceded Reinsurance Basis	\$ 51,013,990

F. State the amt. of the ending res. for loss adj. exp. included in D (Case, Bulk + IBNR):

(1) Direct Basis	\$ 45,473,831
(2) Assumed Reinsurance Basis	\$ 809,828
(3) Net of Ceded Reinsurance Basis	\$ 30,661,709

34. Subscriber Savings Accounts

Not Applicable

35. Multiple Peril Crop Insurance

Not Applicable

36. Financial Guaranty Insurance

A. The expected future premiums shown below are based on various prepayment, collection and other assumptions and circumstances as of December 31, 2020, and actual premiums earned or collected could differ materially. In addition, the expected future premiums shown below do not give effect to policy terminations that have occurred, or may occur, after December 31, 2020, which could materially reduce the actual premiums collected.

(1) Installment contracts:

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

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

1.	
1st Quarter 2021	\$ 24,697
2nd Quarter 2021	\$ 73,497
3rd Quarter 2021	\$ 128,698
4th Quarter 2021	\$ 198,245
Year 2022	\$ 897,876
Year 2023	\$ 897,876
Year 2024	\$ 876,186
Year 2025	\$ 783,964
2.	
2026 through 2030	\$ 2,029,218
2031 through 2035	\$ 408,352
2036 through 2040	\$ 88,646

NOTES TO FINANCIAL STATEMENTS

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

1. Expected future premiums - Beginning of Year	\$	0
2. Less - Premium payments received for existing installment contracts	\$	0
3. Add - Expected premium payments for new installment contracts	\$	6,407,257
4. Adjustments to the expected future premium payments	\$	0
5. Expected future premiums - End of Year	\$	6,407,257

(2) Non-installment contacts:

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

1.			
1st Quarter 2021	\$	18,178	
2nd Quarter 2021	\$	44,039	
3rd Quarter 2021	\$	73,676	
4th Quarter 2021	\$	110,464	
Year 2022	\$	327,409	
Year 2023	\$	124,797	
Year 2024	\$	17,308	
Year 2025	\$	0	
2.			
2026 through 2030	\$	0	
2031 through 2035	\$	0	
2036 through 2040	\$	0	

(3) Claim liability:

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

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

Components			
1. Accretion of the discount	\$	0	
2. Change in timing	\$	0	
3. New reserves for defaults of insured contracts	\$	0	
4. Change in deficiency reserves	\$	458	
5. Change in incurred but not reported claims	\$	219,675	
6. Total	\$	220,133	

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

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

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

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

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

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

All policy count numbers disclosed in subsequent tables are representative of the total Liberty Mutual portfolio. Financial dollars are representative of the total Liberty Mutual exposure per the Inter-Company Reinsurance Pooling Agreement.

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

NOTES TO FINANCIAL STATEMENTS

	Surveillance Categories				Total
	A	B	C	D	
1. Number of policies	228	0	0	1	229
2. Remaining weighted-average contract period (in years)	4	0	0	1	X X X

Insured contractual payments outstanding:

3a. Principal	\$ 249,054,615	0	0	250,050	249,304,665
3b. Interest	\$ 0	0	0	0	0
3c. Total	\$ 249,054,615	0	0	250,050	249,304,665
4. Gross claim liability	\$ 219,369	0	0	764	220,133
Less:					
5a. Gross potential recoveries	\$ 0	0	0	0	0
5b. Discount, net	\$ 0	0	0	0	0
6. Net claim liability	\$ 219,369	0	0	764	220,133
7. Unearned premium revenue	\$ 219,369	0	0	74	219,443
8. Reinsurance recoverables	\$ 0	0	0	0	0

GENERAL INTERROGATORIES

PART 1 – COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes No
- If yes, complete Schedule Y, Parts 1, 1A 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? New Hampshire
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes No
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes No
- 2.2 If yes, date of change: _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2018
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2018
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/19/2020
- 3.4 By what department or departments?
State of New Hampshire Insurance Department

- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes No N/A
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes No N/A
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes No
- 4.12 renewals? Yes No
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes No
- 4.22 renewals? Yes No
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No
- If yes, complete and file the merger history data file with the NAIC.

GENERAL INTERROGATORIES

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

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

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

6.2 If yes, give full information:

.....

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

7.2 If yes,

7.21 State the percentage of foreign control. _____ 0.00 %

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

1 Nationality	2 Type of Entity

8.1 Is the company a subsidiary of a 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 [] No [X]

12.11 Name of real estate holding company	
12.12 Number of parcels involved	0
12.13 Total book/adjusted carrying value	\$ 0

12.2 If yes, provide explanation:

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 17

- 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. \$ 366,804,277
- 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 | \$ | 256,773,962 |
| 24.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 | \$ | 256,773,962 |
| 24.093 Total payable for securities lending reported on the liability page | \$ | 256,773,962 |
- 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>4,924,400</u>
	25.28 On deposit with states	\$ <u>460,581,225</u>
	25.29 On deposit with other regulatory bodies	\$ <u>0</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
Liberty Mutual Investment Advisors, LLC	A
StanCorp	U
Napier Park Global Capital	U

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
Liberty Mutual Investment Advisors, LLC	N/A	N/A	N/A	DS
StanCorp	N/A	N/A	N/A	DS
Napier Park Global Capital	N/A	N/A	SEC	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]

GENERAL INTERROGATORIES

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
.....	0
.....	0
.....	0
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	11,369,629,791	12,012,930,497	643,300,706
30.2 Preferred stocks	0	0	0
30.3 Totals	11,369,629,791	12,012,930,497	643,300,706

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? \$ 11,054,244

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
INSURANCE SERVICES OFFICE INC	\$ 2,977,552
	\$ 0
	\$ 0

38.1 Amount of payments for legal expenses, if any? \$ 7,311,201

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? \$ 829,484

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	\$ 33,602,878	\$ 47,476,324	
2.2 Premium Denominator	\$ 6,344,101,230	\$ 6,391,054,782	
2.3 Premium Ratio (2.1 / 2.2)	<u>0.01</u>	<u>0.01</u>	
2.4 Reserve Numerator	\$ 32,394,446	\$ 39,311,788	
2.5 Reserve Denominator	\$ 13,005,864,723	\$ 11,838,693,683	
2.6 Reserve Ratio (2.4 / 2.5)	<u>0.00</u>	<u>0.00</u>	

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 \$ (25,629)

3.22 Non-participating policies \$ 59,056,060

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

.....

.....

.....

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:
 The company employs various methods, including the use of proprietary and third-party catastrophe models, in order to assess and manage the potential loss related to natural and man-made catastrophe risks. For natural catastrophe risks, the company models both property and worker's compensation exposures (where appropriate) and applies adjustments for other non-modeled exposure and loss elements. The companies loss estimates for terrorism also reflect U.S. property and workers' compensation exposures.
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
 The Company purchases a combination of quota share reinsurance, per risk excess of loss reinsurance, excess of loss per event catastrophe reinsurance and aggregate programs.
- 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 purchases aggregate coverage to substantially replace nonreinstated catastrophe layers.
- 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]

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

11.2 If yes, give full information

.....

.....

.....

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

12.11 Unpaid losses		\$	(262,931)
12.12 Unpaid underwriting expenses (including loss adjustment expenses)		\$	<u>23,604,735</u>

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? \$ 324,112

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

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

12.41 From			0.00 %
12.42 To			<u>0.00 %</u>

12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes No]

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

12.61 Letters of Credit		\$	596,055,809
12.62 Collateral and other funds		\$	<u>165,081,622</u>

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$ 249,085,502

13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes No]

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. 0

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

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

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

.....

.....

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes No]

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

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

N/A

.....

.....

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

15.2 If yes, give full information

.....

.....

.....

16.1 Does the reporting entity write any warranty business? Yes No]

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

		1		2		3		4		5
		Direct Losses Incurred		Direct Losses Unpaid		Direct Written Premium		Direct Premium Unearned		Direct Premium Earned
16.11 Home	\$	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
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	2,800,916,995	2,817,647,371	2,838,606,106	2,794,974,938	2,550,961,307
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	1,493,684,649	1,547,360,709	1,512,059,273	1,093,569,069	1,069,846,479
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,894,373,208	1,845,059,200	1,793,918,855	1,795,393,818	1,781,517,889
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	276,074,059	263,331,180	231,224,475	186,321,381	160,546,601
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	157,398,376	71,448,075	105,415,932	70,903,896	59,215,368
6. Total (Line 35)	6,622,447,287	6,544,846,535	6,481,224,641	5,941,163,102	5,622,087,644
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	2,778,594,848	2,787,993,574	2,801,491,001	2,708,785,716	2,424,096,345
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	1,481,711,306	1,526,099,145	1,482,795,973	1,038,170,752	995,774,202
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,869,876,397	1,805,123,640	1,745,549,751	1,706,157,469	1,660,528,609
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	275,835,930	263,011,462	230,941,186	186,024,484	160,158,540
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	157,398,376	71,448,075	105,415,932	70,903,896	59,215,368
12. Total (Line 35)	6,563,416,857	6,453,675,896	6,366,193,843	5,710,042,317	5,299,773,064
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(332,081,638)	(233,116,864)	24,169,475	(565,400,690)	(154,101,506)
14. Net investment gain (loss) (Line 11)	482,809,568	566,473,451	479,595,988	444,839,479	294,951,291
15. Total other income (Line 15)	33,266,835	28,897,699	(68,617,227)	35,696,828	16,547,703
16. Dividends to policyholders (Line 17)	3,242,285	2,506,345	3,288,233	2,718,709	3,553,953
17. Federal and foreign income taxes incurred (Line 19)	(15,611,946)	57,970,753	27,294,774	(32,825,742)	(444,275)
18. Net income (Line 20)	196,364,426	301,777,188	404,565,229	(54,757,350)	154,287,810
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	17,948,761,029	16,337,285,738	15,491,097,520	14,599,952,771	13,330,782,532
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	406,616,311	373,962,348	338,754,005	325,704,914	272,454,681
20.2 Deferred and not yet due (Line 15.2)	1,499,606,635	1,472,554,172	1,433,931,999	1,390,216,204	1,318,063,208
20.3 Accrued retrospective premiums (Line 15.3)	30,743,660	59,340,971	69,312,410	77,890,669	79,865,831
21. Total liabilities excluding protected cell business (Page 3, Line 26)	13,427,240,848	12,183,162,131	11,775,147,264	11,151,500,179	9,791,896,798
22. Losses (Page 3, Line 1)	8,027,144,971	7,152,830,843	6,692,963,649	6,556,638,192	5,713,187,726
23. Loss adjustment expenses (Page 3, Line 3)	1,524,541,687	1,460,310,685	1,373,120,082	1,306,854,399	1,180,363,203
24. Unearned premiums (Page 3, Line 9)	3,379,482,799	3,202,858,595	3,140,571,781	3,001,261,836	2,771,889,321
25. Capital paid up (Page 3, Lines 30 & 31)	8,848,635	8,848,635	8,848,635	8,848,635	8,848,635
26. Surplus as regards policyholders (Page 3, Line 37)	4,521,520,181	4,154,123,608	3,715,950,256	3,448,452,589	3,538,885,731
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	1,236,803,980	812,121,864	813,942,713	409,272,753	346,190,330
Risk-Based Capital Analysis					
28. Total adjusted capital	4,521,520,186	4,154,123,608	3,715,950,256	3,448,452,589	3,538,885,731
29. Authorized control level risk-based capital	873,072,887	892,253,313	835,703,539	784,233,431	669,897,856
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	74.5	77.1	75.7	75.2	76.2
31. Stocks (Lines 2.1 & 2.2)	5.3	8.8	9.6	8.6	11.4
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	4.5	4.4	3.6	3.5	3.0
33. Real estate (Lines 4.1, 4.2 & 4.3)		0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5)	1.4	(0.0)	0.0	2.0	0.6
35. Contract loans (Line 6)					
36. Derivatives (Line 7)		0.0			0.0
37. Other invested assets (Line 8)	12.5	8.1	7.7	8.2	7.6
38. Receivables for securities (Line 9)	0.1	0.2	0.2	0.1	0.0
39. Securities lending reinvested collateral assets (Line 10)	1.7	1.4	3.2	2.3	1.1
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	481,912,544	463,364,609	666,696,152	650,301,272	657,041,737
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)				329,486,669	
46. Affiliated mortgage loans on real estate					
47. All other affiliated	1,487,634,854	731,493,882	670,721,786	670,706,129	560,127,029
48. Total of above Lines 42 to 47	1,969,547,398	1,194,858,491	1,337,417,938	1,650,494,070	1,217,168,766
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)	43.6	28.8	36.0	47.9	34.4

FIVE – YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2020	2019	2018	2017	2016
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	200,837,662	93,982,259	(93,156,196)	3,941,355	73,870,444
52. Dividends to stockholders (Line 35)					
53. Change in surplus as regards policyholders for the year (Line 38)	367,396,576	438,173,350	267,497,666	(90,433,141)	222,135,955
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	1,439,531,097	1,684,647,433	1,672,320,289	1,389,930,959	1,513,187,926
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	708,753,291	867,715,195	835,183,547	630,499,078	608,458,912
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	972,872,005	1,019,739,495	1,024,190,937	988,471,761	874,492,556
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	68,750,461	64,280,506	36,801,146	24,342,621	3,732,913
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	448,427	18,202,188	37,784,326	22,870,923	15,796,325
59. Total (Line 35)	3,190,355,281	3,654,584,817	3,606,280,245	3,056,115,342	3,015,668,632
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	1,408,897,469	1,615,512,157	1,591,164,296	1,288,950,448	1,401,028,500
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	703,464,560	856,657,451	817,246,841	602,088,428	575,740,853
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	958,157,843	981,235,538	958,446,837	924,577,917	807,636,049
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	68,756,061	64,279,039	36,740,980	24,198,953	3,657,904
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	448,427	18,202,188	37,784,326	22,870,923	15,796,325
65. Total (Line 35)	3,139,724,360	3,535,886,373	3,441,383,280	2,862,686,669	2,803,859,631
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	62.9	62.5	57.8	66.0	56.6
68. Loss expenses incurred (Line 3)	11.8	12.6	12.2	13.5	13.2
69. Other underwriting expenses incurred (Line 4)	30.5	28.6	29.6	30.8	33.1
70. Net underwriting gain (loss) (Line 8)	(5.2)	(3.6)	0.4	(10.3)	(3.0)
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	29.0	27.8	30.0	29.0	32.0
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	74.7	75.1	70.0	79.5	69.8
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)	145.2	155.4	171.3	165.6	149.8
One Year Loss Development (\$000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	190,917	173,197	(143,135)	176,052	42,035
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)	4.6	4.7	(4.2)	5.0	1.3
Two Year Loss Development (\$000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12)	369,855	13,831	78,339	189,244	(17,386)
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)	10.0	0.4	2.2	5.7	(0.6)

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

Yes [] No []

If no, please explain:

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

SCHEDULE P – ANALYSIS OF LOSSES AND LOSS EXPENSES**SCHEDULE P – PART 1 – SUMMARY**

(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 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	5	6	7	8	9			
				Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded			
1. Prior	X X X	X X X	X X X	130,844	41,830	39,828	13,882	8,714	771	1,409	122,903	X X X
2. 2011	5,423,160	1,194,787	4,228,373	3,294,101	668,466	249,366	42,647	408,159	2,860	211,814	3,237,653	X X X
3. 2012	5,857,599	1,294,077	4,563,522	3,358,889	713,270	257,038	46,189	421,810	2,599	245,663	3,275,679	X X X
4. 2013	6,184,390	1,393,147	4,791,243	3,194,877	705,375	237,915	39,413	419,811	3,665	195,363	3,104,150	X X X
5. 2014	6,342,503	1,403,690	4,938,813	3,239,455	704,698	229,318	31,422	411,949	4,643	160,962	3,139,959	X X X
6. 2015	6,550,773	1,520,762	5,030,011	3,382,820	756,372	227,070	27,616	412,346	4,876	220,673	3,233,372	X X X
7. 2016	6,720,103	1,525,047	5,195,056	3,439,140	756,240	201,841	24,023	423,751	8,604	128,975	3,275,865	X X X
8. 2017	7,042,768	1,525,375	5,517,393	3,786,749	896,999	175,251	19,668	418,299	2,761	145,970	3,460,871	X X X
9. 2018	7,359,237	1,143,879	6,215,358	3,379,930	544,719	123,661	8,477	414,560	366	188,523	3,364,589	X X X
10. 2019	7,604,451	1,213,409	6,391,042	2,996,127	556,174	72,975	5,576	389,198	302	195,752	2,896,248	X X X
11. 2020	7,745,605	1,397,395	6,348,210	2,107,929	522,098	27,612	2,584	294,216	100	99,788	1,904,975	X X X
12. Totals	X X X	X X X	X X X	32,310,861	6,866,241	1,841,875	261,497	4,022,813	31,547	1,794,892	31,016,264	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	14	15	16	17	18	19	20	21	22			
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded			
1. Prior	1,117,705	403,391	927,108	320,522	68,254	39,330	292,452	104,553	21,052	1	4,918	1,558,774	X X X
2. 2011	70,573	12,196	123,406	6,381	2,334	380	21,570	982	3,064		785	201,008	X X X
3. 2012	95,806	22,693	184,683	18,346	4,855	1,504	32,962	1,681	3,425		2,379	277,507	X X X
4. 2013	94,504	21,496	206,351	35,388	6,772	1,467	33,397	2,604	12,640		2,701	292,709	X X X
5. 2014	117,179	32,752	141,101	37,509	9,781	3,179	35,008	3,636	8,319	1	3,047	234,311	X X X
6. 2015	148,120	35,986	195,550	53,113	8,492	1,631	41,400	2,746	10,048	3	12,192	310,131	X X X
7. 2016	228,110	57,585	190,842	47,297	16,708	2,429	50,621	5,530	29,550	4	7,753	402,986	X X X
8. 2017	366,623	55,898	383,175	97,167	23,418	5,543	94,397	8,163	43,525	2	20,154	744,365	X X X
9. 2018	469,146	54,818	657,721	126,893	17,687	1,605	132,620	10,411	51,094	4	37,699	1,134,537	X X X
10. 2019	655,241	105,080	1,007,186	108,720	19,556	1,419	192,150	13,037	88,179	9	40,478	1,734,047	X X X
11. 2020	716,262	99,819	1,925,150	241,295	14,503	1,762	210,836	13,661	151,249	93	101,979	2,661,370	X X X
12. Totals	4,079,269	901,714	5,942,273	1,092,631	192,360	60,249	1,137,413	167,004	422,145	117	234,085	9,551,745	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	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. Prior	X X X	X X X	X X X	X X X	X X X	X X X			X X X	1,320,900	237,874
2. 2011	4,172,573	733,912	3,438,661	76.940	61.426	81.324				175,402	25,606
3. 2012	4,359,468	806,282	3,553,186	74.424	62.306	77.861				239,450	38,057
4. 2013	4,206,267	809,408	3,396,859	68.014	58.099	70.897				243,971	48,738
5. 2014	4,192,110	817,840	3,374,270	66.096	58.264	68.321				188,019	46,292
6. 2015	4,425,846	882,343	3,543,503	67.562	58.020	70.447				254,571	55,560
7. 2016	4,580,563	901,712	3,678,851	68.162	59.127	70.814				314,070	88,916
8. 2017	5,291,437	1,086,201	4,205,236	75.133	71.209	76.218				596,733	147,632
9. 2018	5,246,419	747,293	4,499,126	71.290	65.330	72.387				945,156	189,381
10. 2019	5,420,612	790,317	4,630,295	71.282	65.132	72.450				1,448,627	285,420
11. 2020	5,447,757	881,412	4,566,345	70.334	63.075	71.931				2,300,298	361,072
12. Totals	X X X	X X X	X X X	X X X	X X X	X X X			X X X	8,027,197	1,524,548

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

SCHEDULE P – PART 2 – SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	One Year	Two Year
1. Prior	4,676,914	4,709,581	4,843,807	4,841,312	4,857,419	4,867,124	4,901,992	4,812,185	4,881,721	4,912,973	31,252	100,788
2. 2011	2,998,130	2,996,963	3,009,785	3,009,927	3,007,995	3,012,351	3,019,990	3,021,801	3,030,985	3,034,913	3,928	13,112
3. 2012	XXX	3,121,313	3,144,849	3,115,550	3,097,331	3,109,584	3,120,498	3,133,142	3,134,563	3,134,830	267	1,688
4. 2013	XXX	XXX	2,909,843	2,941,107	2,920,406	2,919,802	2,949,229	2,954,617	2,952,242	2,971,954	19,712	17,337
5. 2014	XXX	XXX	XXX	2,943,847	2,935,469	2,926,561	2,958,752	2,957,107	2,962,699	2,962,417	(282)	5,310
6. 2015	XXX	XXX	XXX	XXX	3,027,241	3,052,865	3,084,643	3,063,956	3,109,409	3,129,452	20,043	65,496
7. 2016	XXX	XXX	XXX	XXX	XXX	3,145,528	3,174,760	3,169,365	3,191,928	3,237,176	45,248	67,811
8. 2017	XXX	XXX	XXX	XXX	XXX	XXX	3,770,460	3,725,033	3,730,624	3,750,175	19,551	25,142
9. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,962,539	3,978,784	4,035,710	56,926	73,171
10. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,160,906	4,155,178	(5,728)	XXX
11. 2020	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,123,045	XXX	XXX
											12. Totals	
											190,917	369,855

SCHEDULE P – PART 3 – SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
1. Prior	000	982,327	1,670,312	2,153,297	2,490,868	2,710,305	2,880,356	3,023,504	3,180,118	3,295,078	XXX	XXX
2. 2011	1,364,654	1,928,754	2,252,773	2,479,843	2,625,203	2,713,654	2,755,682	2,793,390	2,816,885	2,832,354	XXX	XXX
3. 2012	XXX	1,340,948	2,013,913	2,321,624	2,534,305	2,674,978	2,749,880	2,805,572	2,840,259	2,856,468	XXX	XXX
4. 2013	XXX	XXX	1,263,853	1,869,804	2,166,112	2,386,488	2,509,307	2,603,013	2,651,066	2,688,004	XXX	XXX
5. 2014	XXX	XXX	XXX	1,343,278	1,933,214	2,233,266	2,419,723	2,598,179	2,688,614	2,732,653	XXX	XXX
6. 2015	XXX	XXX	XXX	XXX	1,391,561	2,011,898	2,298,092	2,575,114	2,738,292	2,825,902	XXX	XXX
7. 2016	XXX	XXX	XXX	XXX	XXX	1,477,285	2,076,956	2,450,634	2,714,035	2,860,718	XXX	XXX
8. 2017	XXX	XXX	XXX	XXX	XXX	XXX	1,600,629	2,447,131	2,837,843	3,045,333	XXX	XXX
9. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,705,334	2,575,230	2,950,395	XXX	XXX
10. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,770,609	2,507,352	XXX	XXX
11. 2020	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,610,859	XXX	XXX

SCHEDULE P – PART 4 – SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1. Prior	2,241,232	1,683,110	1,500,200	1,262,928	1,118,999	1,043,940	1,007,122	856,452	835,670	812,775
2. 2011	985,669	605,899	418,574	282,977	219,106	182,604	169,568	147,740	147,260	139,449
3. 2012	XXX	1,141,900	657,320	452,281	334,412	269,701	245,833	219,944	208,661	199,313
4. 2013	XXX	XXX	1,078,589	627,883	445,908	318,862	283,590	237,302	211,873	203,738
5. 2014	XXX	XXX	XXX	1,024,788	599,207	403,730	294,632	195,098	160,441	138,010
6. 2015	XXX	XXX	XXX	XXX	1,047,740	615,335	435,363	242,348	193,500	182,844
7. 2016	XXX	XXX	XXX	XXX	XXX	1,085,962	616,243	350,951	202,266	191,205
8. 2017	XXX	XXX	XXX	XXX	XXX	XXX	1,437,497	671,865	413,050	375,141
9. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,506,119	836,900	653,278
10. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,661,267	1,078,347
11. 2020	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,882,639

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	L				(3,790)			
2. Alaska	AK	L							
3. Arizona	AZ	L	(570)	1,837		(5,431)	21	(408)	
4. Arkansas	AR	L		(859)	174	(50,429)	363,945		
5. California	CA	L	14,607,644	22,176,010	2,978,617	8,778,256	56,740,811	4,371,972	
6. Colorado	CO	L			250	115	11,358		
7. Connecticut	CT	L	208,516	244,096	2,671,992	315,066	16,653,619	75,534	
8. Delaware	DE	L	1,372,755	1,236,851	335,000	1,333,634	4,639,416	607,318	
9. District of Columbia	DC	L	427	4,599	4,972	(6,868)	116,230	(69)	
10. Florida	FL	L	10,507	10,848		(23,271)	352,231		
11. Georgia	GA	L	3,782,649	3,601,945	494,593	777,185	2,790,747	1,689,541	
12. Hawaii	HI	N							
13. Idaho	ID	L							
14. Illinois	IL	L	2,877,583	2,801,545	1,568,275	2,529,417	6,612,484	1,364,789	
15. Indiana	IN	L	6,816,038	7,952,058	1,446,963	3,667,413	18,018,726	3,255,053	
16. Iowa	IA	L	346	1,978	913	(641,908)	695,820	246	
17. Kansas	KS	L	674,880	578,158	71,350	302,256	805,155	132,098	
18. Kentucky	KY	L	3,588,044	3,215,620	4,181,562	6,552,089	7,238,873	1,687,475	
19. Louisiana	LA	L	317,426	182,838	552,730	61,429	1,275,329	17,849	
20. Maine	ME	L	4,610,387	13,590,297	7,844,226	5,969,036	15,953,101	283,700	
21. Maryland	MD	L	206,270	426,187	3,095,269	3,416,059	9,550,151	83,975	
22. Massachusetts	MA	L	186,402	364,266	1,822,575	771,899	28,771,912	108,600	
23. Michigan	MI	L	40,667	34,384	50,604	(2,108,591)	319,591	18,397	
24. Minnesota	MN	L	663,345	612,832	293,193	(608,415)	2,959,101	265,167	
25. Mississippi	MS	L							
26. Missouri	MO	L	51,609	52,827	525,279	57,931	1,087,120	14,071	
27. Montana	MT	L				2,364,114	3,421,354		
28. Nebraska	NE	L	11,917	19,402		9,538	407,825	1,973	
29. Nevada	NV	L		(46)		(466)			
30. New Hampshire	NH	L	345,184	455,199	5,796	701,569	(684,287)	30,508,206	67,826
31. New Jersey	NJ	Q				2,000	2,000	9,643	
32. New Mexico	NM	L	420	420		20,761	588,626		
33. New York	NY	L	559,254	968,066	69,034	8,777,193	447,990	34,850,323	185,598
34. North Carolina	NC	L	2,416,524	1,938,714		544,062	2,085,565	5,696,681	1,064,061
35. North Dakota	ND	L				(370,995)	103,879		
36. Ohio	OH	L	293,363	691,315		280,298	389,604	1,192,696	139,903
37. Oklahoma	OK	L	8,563	8,580		1,211,799	696,479	6,499,917	3,753
38. Oregon	OR	L					131,907	142,440	
39. Pennsylvania	PA	L	2,717,607	2,450,449		2,099,015	(2,832,642)	25,525,631	1,229,312
40. Rhode Island	RI	L	11,430,334	12,236,622		6,185,638	6,753,453	9,777,102	319,037
41. South Carolina	SC	L	343,138	420,168		274,253	(2,072,676)	6,115,710	159,931
42. South Dakota	SD	L							
43. Tennessee	TN	L	580,775	811,857		201,240	738,108	3,421,177	168,753
44. Texas	TX	L	(476)	20,051		234,058	34,162	1,689,290	(1,104)
45. Utah	UT	L					(63)	2,709,886	
46. Vermont	VT	L	89,916	97,206	3,564	1,379,903	496,401	18,088,715	(183,983)
47. Virginia	VA	L	206,895	241,552		791,166	(569,483)	2,859,931	66,425
48. Washington	WA	L					2,236,855	2,415,467	
49. West Virginia	WV	L					922,645	1,096,379	
50. Wisconsin	WI	L	12,091	21,747		10,188	(183,917)	776,012	4,761
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				8,716	17,040		
59. Totals	(a) 49		59,030,430	77,469,619	78,394	50,630,919	41,706,851	332,869,671	17,201,554

DETAILS OF WRITE-INS									
58001.	ZZZ Other Alien	X X X					8,716	17,040	
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					8,716	17,040	

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

(a) Active Status Counts

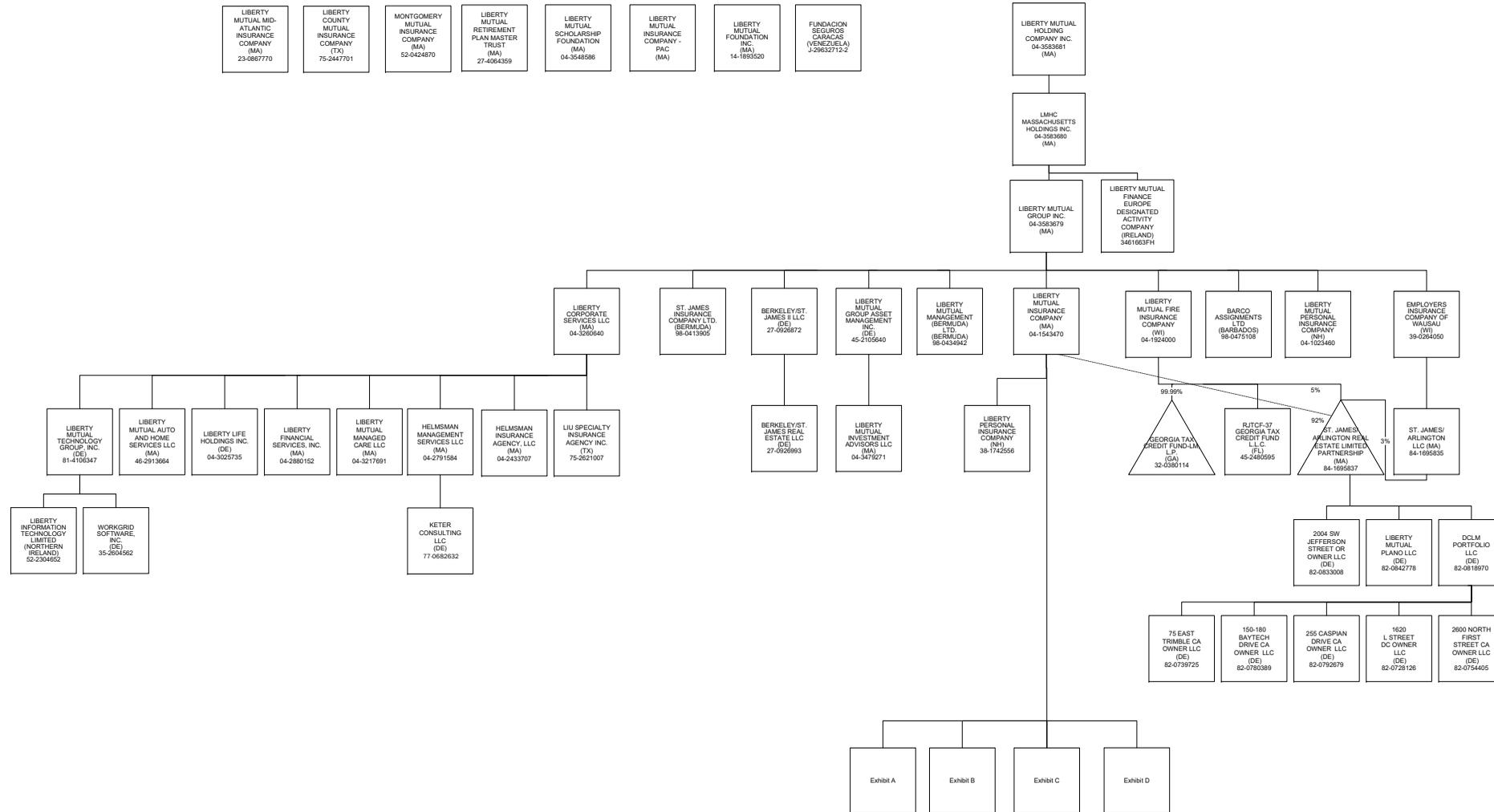
L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG	49
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state	_____
D - Domestic Surplus Lines Insurer (DSLII) - Reporting entities authorized to write surplus lines in the state of domicile	_____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

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	

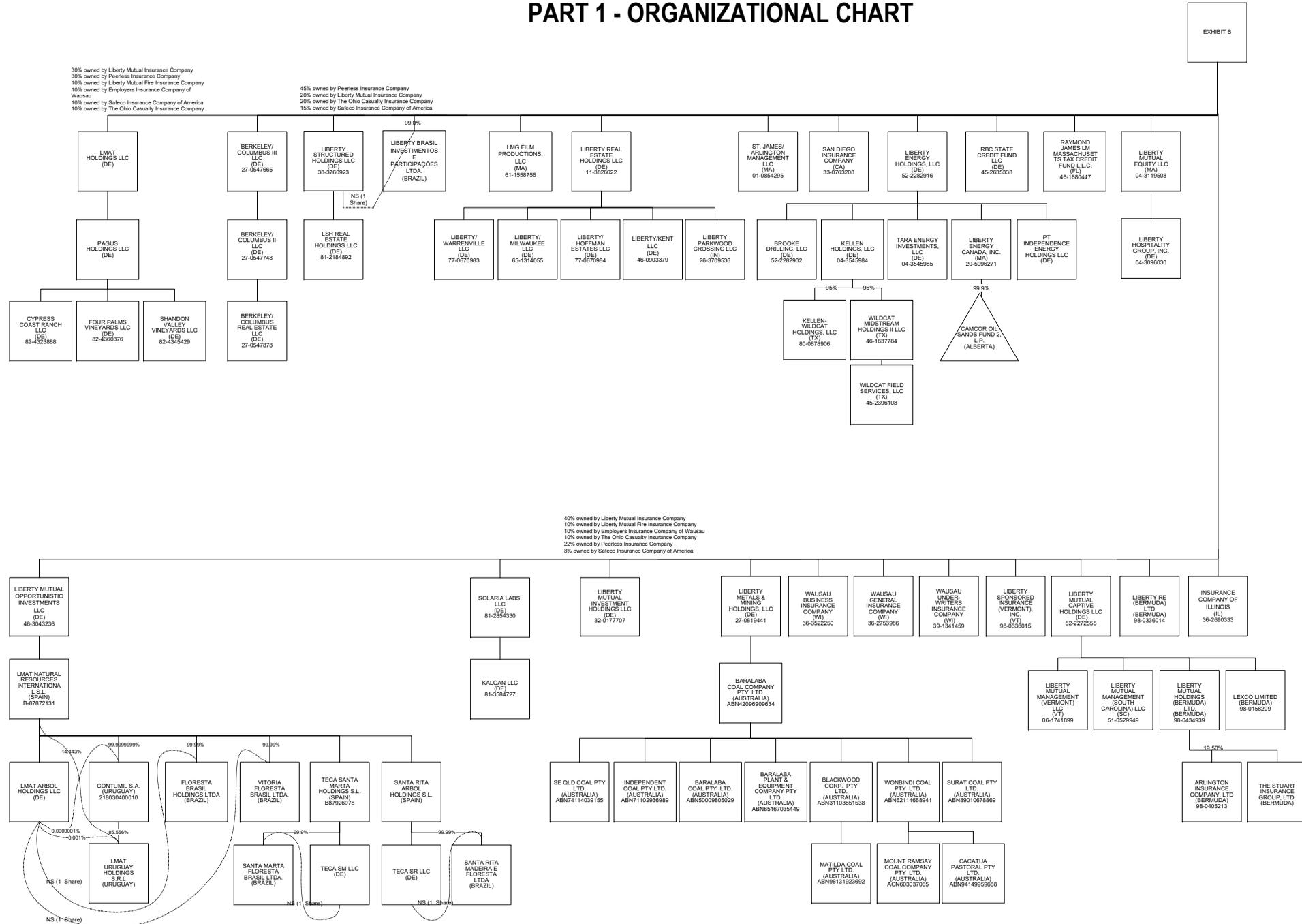
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



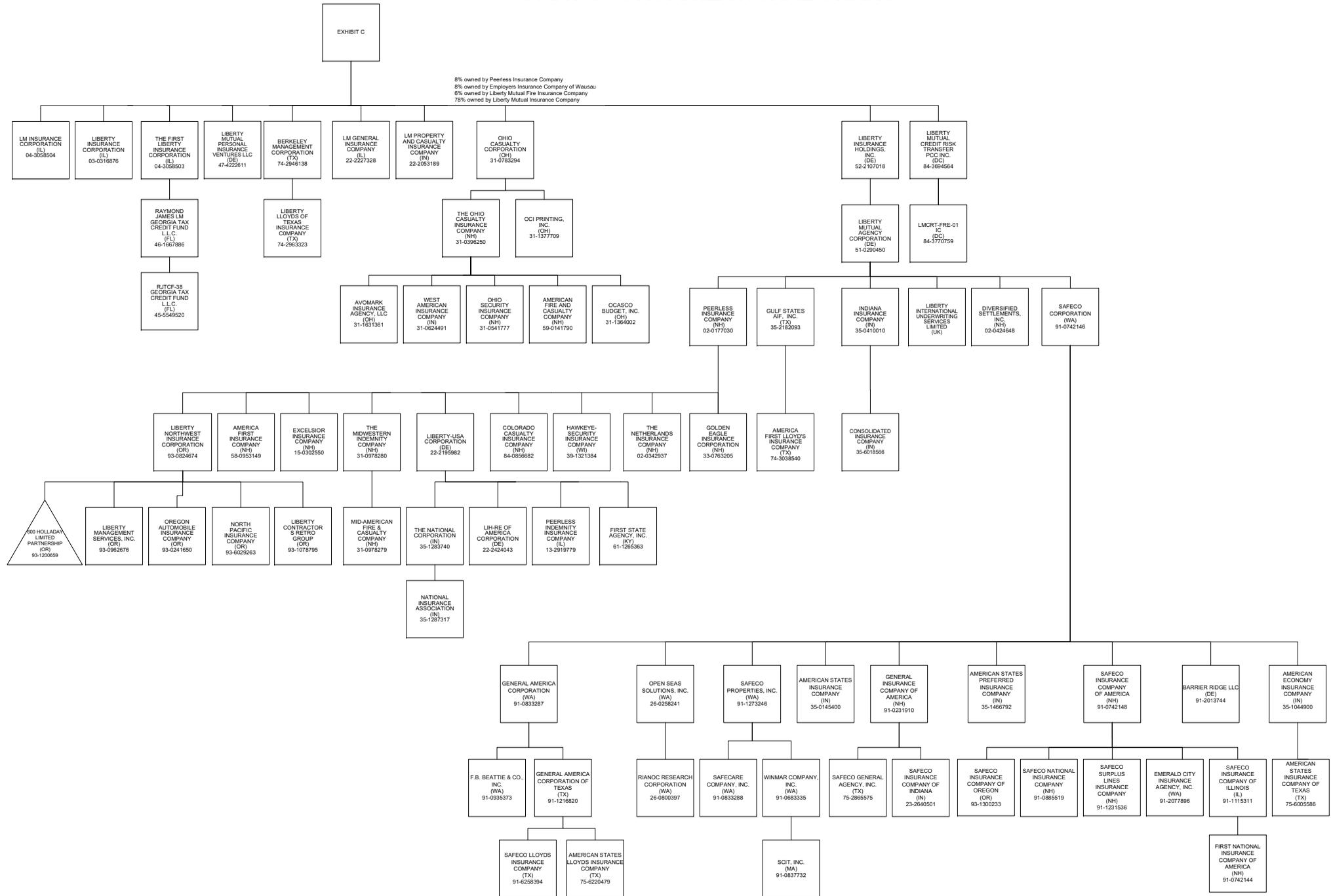
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



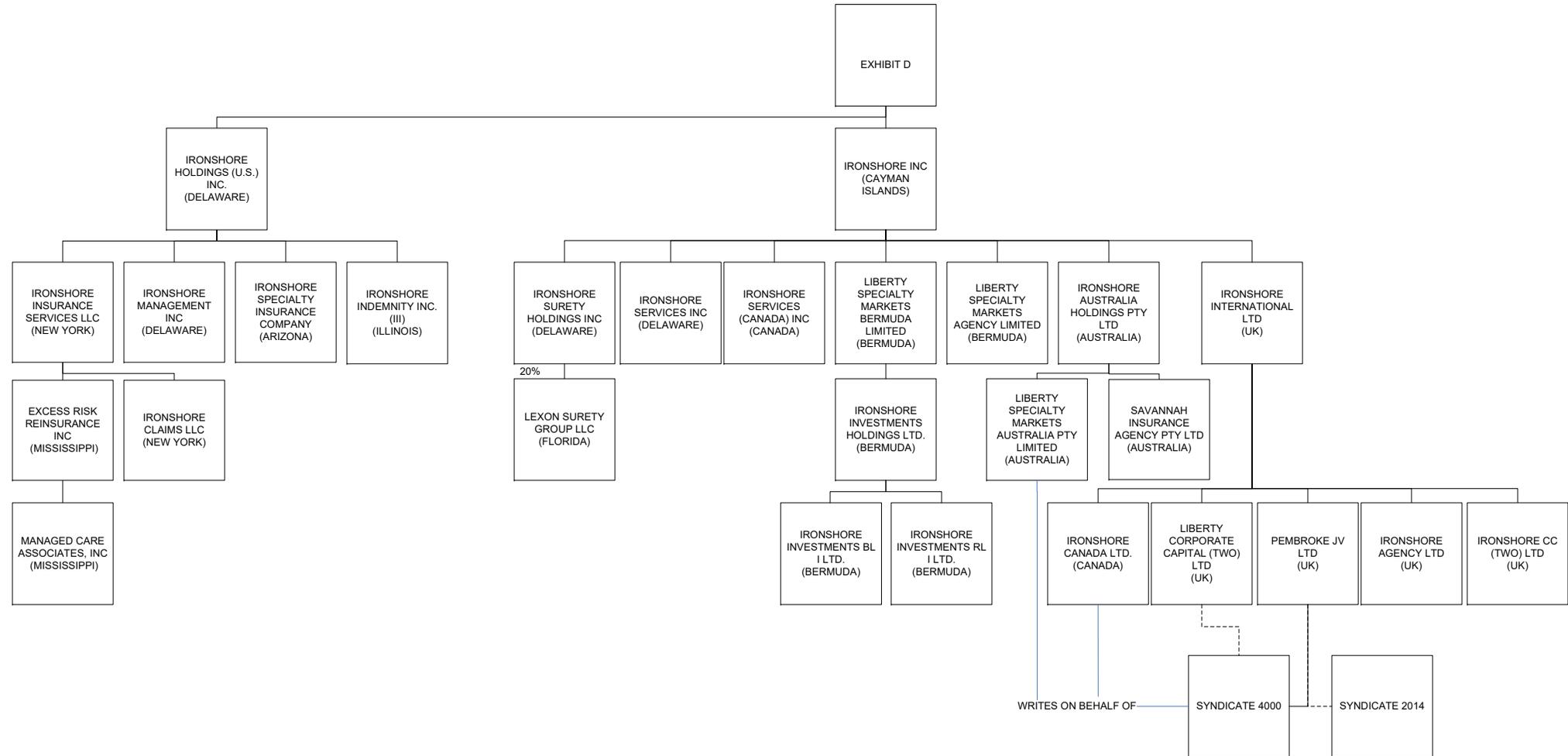
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PART 1 - ORGANIZATIONAL CHART



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

PART 1 - ORGANIZATIONAL CHART



OVERFLOW PAGE FOR WRITE-INS

Page 2 - Continuation

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
REMAINING WRITE-INS AGGREGATED AT LINE 25 FOR OTHER THAN INVESTED ASSETS				
2504. Other assets	13,898,885	13,453,824	445,061	5,778,679
2597. Totals (Lines 2504 through 2596) (Page 2, Line 2598)	13,898,885	13,453,824	445,061	5,778,679

OVERFLOW PAGE FOR WRITE-INS

Page 12 - Continuation

EXHIBIT OF CAPITAL GAINS (LOSSES)

DETAILS OF WRITE-IN LINES FOR EXHIBIT OF CAPITAL GAINS (LOSSES) AT LINE 09	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)
0904. REALIZED LOSS - ACCT REC - LITIGATION PROC	(142,762)		(142,762)		
0997. Totals (Lines 0904 through 0996) (Page 8, Line 0998)	(142,762)		(142,762)		