



ANNUAL STATEMENT

For the Year Ended December 31, 2014
of the Condition and Affairs of the

Patriot Insurance Company

NAIC Group Code.....1309, 1309 (Current Period) (Prior Period)	NAIC Company Code..... 32069	Employer's ID Number..... 01-6022422
Organized under the Laws of Maine	State of Domicile or Port of Entry Maine	Country of Domicile US
Incorporated/Organized..... April 22, 1966	Commenced Business..... July 1, 1966	
Statutory Home Office	One Tyler Drive, Suite 3..... Yarmouth ME US 04096-6706 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	One Tyler Drive, Suite 3..... Yarmouth ME US..... 04096-6706 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	207-847-1800 <i>(Area Code) (Telephone Number)</i>
Mail Address	One Mutual Avenue..... Frankenmuth MI US 48787-0001 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	One Mutual Avenue..... Frankenmuth MI US 48787-0001 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	989-652-6121 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	www.patriotinsurancereco.com	
Statutory Statement Contact	John Frederick Lang <i>(Name)</i> john.lang@fmins.com <i>(E-Mail Address)</i>	989-480-6351 <i>(Area Code) (Telephone Number) (Extension)</i> 989-652-4069 <i>(Fax Number)</i>

OFFICERS

Name	Title	Name	Title
1. Lincoln Jerry Merrill Jr.	President & CEO	2. Brian Scott McLeod	Vice President, Treasurer & Secretary
3. Alan Robert Small	Vice President	4.	

OTHER

DIRECTORS OR TRUSTEES

John Stewart Benson Chairman	Morrall Manuel Claramunt	Lyle Gerald Davis Jr.	Frederick Allen Edmond Jr.
David Frederick Honold	David Richard Johnston	Brian Scott McLeod	Lincoln Jerry Merrill Jr.
David Allen Pendleton	James Edward Wilds	Drew Randall Zehnder	

State of..... Maine
County of..... Cumberland

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) Lincoln Jerry Merrill Jr.	_____ (Signature) Brian Scott McLeod	_____ (Signature) Alan Robert Small
1. (Printed Name) President & CEO	2. (Printed Name) Vice President, Treasurer & Secretary	3. (Printed Name) Vice President
_____ (Title)	_____ (Title)	_____ (Title)

Subscribed and sworn to before me
This _____ day of _____ 2015

a. Is this an original filing? Yes [X] No []
b. If no

1. State the amendment number	_____
2. Date filed	_____
3. Number of pages attached	_____

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	68,628,797		68,628,797	65,103,274
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$.....(710,907), Schedule E-Part 1), cash equivalents (\$.....2,182,811, Schedule E-Part 2) and short-term investments (\$.....250,517, Schedule DA).....	1,722,421		1,722,421	2,566,389
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives (Schedule DB).....			.0	
8. Other invested assets (Schedule BA).....			.0	
9. Receivables for securities.....			.0	
10. Securities lending reinvested collateral assets (Schedule DL).....			.0	
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	70,351,218	.0	70,351,218	67,669,662
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	659,313		659,313	630,749
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	9,284,399	.832	9,283,568	8,815,702
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....(40,825) earned but unbilled premiums).....	12,565,903		12,565,903	12,525,806
15.3 Accrued retrospective premiums.....			.0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	6,502,929		6,502,929	8,105,263
16.2 Funds held by or deposited with reinsured companies.....			.0	
16.3 Other amounts receivable under reinsurance contracts.....			.0	
17. Amounts receivable relating to uninsured plans.....			.0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.0	
18.2 Net deferred tax asset.....	2,836,234	476,728	2,359,506	2,078,251
19. Guaranty funds receivable or on deposit.....			.0	
20. Electronic data processing equipment and software.....	16,277	1,300	14,978	12,510
21. Furniture and equipment, including health care delivery assets (\$.....0).....	304,055	304,055	.0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
23. Receivables from parent, subsidiaries and affiliates.....	7,916		7,916	16,475
24. Health care (\$.....0) and other amounts receivable.....			.0	
25. Aggregate write-ins for other than invested assets.....	172,117	94,546	77,571	1,988
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	102,700,362	877,461	101,822,901	99,856,406
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. TOTALS (Lines 26 and 27).....	102,700,362	877,461	101,822,901	99,856,406

DETAILS OF WRITE-INS

1101.....			.0	
1102.....			.0	
1103.....			.0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0	.0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.0	.0	.0	.0
2501. Other assets.....	94,546	94,546	.0	
2502. Deposits and other receivables.....	77,571		77,571	1,988
2503. Commissions and miscellaneous receivables.....			.0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0	.0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	172,117	94,546	77,571	1,988

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	27,006,894	26,975,031
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	7,101,738	7,895,355
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	4,458,008	4,307,376
4. Commissions payable, contingent commissions and other similar charges.....	2,194,026	2,653,678
5. Other expenses (excluding taxes, licenses and fees).....	1,143,183	1,138,532
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	193,164	247,915
7.1 Current federal and foreign income taxes (including \$.....4,000 on realized capital gains (losses)).....	482,000	370,000
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 \$.....24,869,236 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).....	21,069,059	20,165,181
10. Advance premium.....	217,879	278,997
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	7,479,178	7,694,176
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....		
14. Amounts withheld or retained by company for account of others.....	21,733	11,375
15. Remittances and items not allocated.....		
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 8).....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	94,722	38,462
20. Derivatives.....		
21. Payable for securities.....		
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	71,461,584	71,776,079
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	71,461,584	71,776,079
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	7,500,000	7,500,000
31. Preferred capital stock.....		
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....	5,000,000	5,000,000
35. Unassigned funds (surplus).....	17,861,318	15,580,327
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	30,361,318	28,080,327
38. TOTALS (Page 2, Line 28, Col. 3).....	101,822,901	99,856,406

DETAILS OF WRITE-INS

2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	0	0
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	43,075,744	41,664,640
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7).....	26,215,385	23,076,968
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	3,467,649	3,268,209
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	12,597,387	12,486,342
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	42,280,421	38,831,518
7. Net income of protected cells.....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	795,323	2,833,122
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	1,900,900	1,882,793
10. Net realized capital gains (losses) less capital gains tax of \$....46,000 (Exhibit of Capital Gains (Losses)).....	84,230	20,620
11. Net investment gain (loss) (Lines 9 + 10).....	1,985,130	1,903,413
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$....6,400 amount charged off \$....63,867).....	(57,467)	(98,528)
13. Finance and service charges not included in premiums.....	179,653	213,880
14. Aggregate write-ins for miscellaneous income.....	7,806	36,743
15. Total other income (Lines 12 through 14).....	129,992	152,095
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	2,910,445	4,888,629
17. Dividends to policyholders.....	180,409	303,924
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).....	2,730,036	4,584,705
19. Federal and foreign income taxes incurred.....	706,000	1,274,000
20. Net income (Line 18 minus Line 19) (to Line 22).....	2,024,036	3,310,705
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	28,080,327	24,872,227
22. Net income (from Line 20).....	2,024,036	3,310,705
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0.....		
25. Change in net unrealized foreign exchange capital gain (loss).....		
26. Change in net deferred income tax.....	239,728	(228,508)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	17,227	125,903
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.....	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	2,280,991	3,208,100
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	30,361,318	28,080,327

DETAILS OF WRITE-INS

0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0
1401. Miscellaneous income and expense.....	7,806	36,743
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	7,806	36,743
3701.		
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	43,195,841	42,979,009
2. Net investment income.....	2,428,505	2,245,622
3. Miscellaneous income.....	129,992	152,095
4. Total (Lines 1 through 3).....	45,754,338	45,376,726
5. Benefit and loss related payments.....	25,374,806	24,550,115
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	16,424,527	15,583,807
8. Dividends paid to policyholders.....	180,409	303,924
9. Federal and foreign income taxes paid (recovered) net of \$....43,000 tax on capital gains (losses).....	640,000	1,289,000
10. Total (Lines 5 through 9).....	42,619,742	41,726,845
11. Net cash from operations (Line 4 minus Line 10).....	3,134,596	3,649,881
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	14,173,412	16,512,707
12.2 Stocks.....		
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		52
12.7 Miscellaneous proceeds.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	14,173,412	16,512,758
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	18,124,503	22,092,864
13.2 Stocks.....		
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	18,124,503	22,092,864
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(3,951,091)	(5,580,105)
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).....	(27,472)	(141,028)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(27,472)	(141,028)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(843,967)	(2,071,253)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	2,566,389	4,637,641
19.2 End of year (Line 18 plus Line 19.1).....	1,722,421	2,566,389

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

20.0001		
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UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

	1	2	3	4
Line of Business	Net Premiums Written per Column 6, Part 1B	Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire.....	266,914	146,152	146,469	266,598
2. Allied lines.....	187,485	97,898	103,533	181,850
3. Farmowners multiple peril.....				0
4. Homeowners multiple peril.....	7,779,535	4,246,309	4,283,941	7,741,904
5. Commercial multiple peril.....	9,461,268	4,367,080	4,748,774	9,079,575
6. Mortgage guaranty.....				0
8. Ocean marine.....	53,707	24,262	26,490	51,479
9. Inland marine.....	1,465,116	695,814	742,078	1,418,852
10. Financial guaranty.....				0
11.1 Medical professional liability - occurrence.....				0
11.2 Medical professional liability - claims-made.....				0
12. Earthquake.....	609	171	244	536
13. Group accident and health.....				0
14. Credit accident and health (group and individual).....				0
15. Other accident and health.....				0
16. Workers' compensation.....	6,237,101	2,787,537	2,786,152	6,238,485
17.1 Other liability - occurrence.....	1,580,361	690,092	767,135	1,503,318
17.2 Other liability - claims-made.....	102,280	43,441	47,934	97,788
17.3 Excess workers' compensation.....				0
18.1 Products liability - occurrence.....	105,180	42,207	50,645	96,741
18.2 Products liability - claims-made.....				0
19.1, 19.2 Private passenger auto liability.....	6,152,814	2,551,422	2,602,826	6,101,409
19.3, 19.4 Commercial auto liability.....	3,036,041	1,374,379	1,431,408	2,979,012
21. Auto physical damage.....	7,435,314	3,215,116	3,359,551	7,290,879
22. Aircraft (all perils).....				0
23. Fidelity.....	1,785	797	953	1,629
24. Surety.....				0
26. Burglary and theft.....	502	226	244	484
27. Boiler and machinery.....	24,151	12,561	11,506	25,207
28. Credit.....				0
29. International.....				0
30. Warranty.....				0
31. Reinsurance - nonproportional assumed property.....				0
32. Reinsurance - nonproportional assumed liability.....				0
33. Reinsurance - nonproportional assumed financial lines.....				0
34. Aggregate write-ins for other lines of business.....	0	0	0	0
35. TOTALS.....	43,890,164	20,295,464	21,109,884	43,075,744

DETAILS OF WRITE-INS

3401.				0
3402.				0
3403.				0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

	1	2	3	4	5
Line of Business	Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire.....	146,591		(122)		146,469
2. Allied lines.....	103,659		(125)		103,533
3. Farmowners multiple peril.....					0
4. Homeowners multiple peril.....	4,283,941				4,283,941
5. Commercial multiple peril.....	4,746,748		2,026		4,748,774
6. Mortgage guaranty.....					0
8. Ocean marine.....	26,490				26,490
9. Inland marine.....	739,688		2,390		742,078
10. Financial guaranty.....					0
11.1 Medical professional liability - occurrence.....					0
11.2 Medical professional liability - claims-made.....					0
12. Earthquake.....	244				244
13. Group accident and health.....					0
14. Credit accident and health (group and individual).....					0
15. Other accident and health.....					0
16. Workers' compensation.....	2,751,711		34,442		2,786,152
17.1 Other liability - occurrence.....	766,073		1,062		767,135
17.2 Other liability - claims-made.....	47,505		429		47,934
17.3 Excess workers' compensation.....					0
18.1 Products liability - occurrence.....	49,959		686		50,645
18.2 Products liability - claims-made.....					0
19.1, 19.2 Private passenger auto liability.....	2,602,826				2,602,826
19.3, 19.4 Commercial auto liability.....	1,431,750		(342)		1,431,408
21. Auto physical damage.....	3,358,707		845		3,359,551
22. Aircraft (all perils).....					0
23. Fidelity.....	958		(5)		953
24. Surety.....					0
26. Burglary and theft.....	244				244
27. Boiler and machinery.....	11,966		(460)		11,506
28. Credit.....					0
29. International.....					0
30. Warranty.....					0
31. Reinsurance - nonproportional assumed property.....					0
32. Reinsurance - nonproportional assumed liability.....					0
33. Reinsurance - nonproportional assumed financial lines.....					0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0
35. TOTALS.....	21,069,059	0	40,825	0	21,109,884
36. Accrued retrospective premiums based on experience.....					
37. Earned but unbilled premiums.....					(40,825)
38. Balance (sum of Lines 35 through 37).....					21,069,059

DETAILS OF WRITE-INS

3401.					0
3402.					0
3403.					0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
	Direct Business (a)	2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....	599,891	266,914		563,992	35,899	266,914
2. Allied lines.....	473,691	187,485		445,063	28,628	187,485
3. Farmowners multiple peril.....						.0
4. Homeowners multiple peril.....	14,767,335	7,779,535		14,015,355	751,980	7,779,535
5. Commercial multiple peril.....	8,639,295	9,461,268		8,015,476	623,819	9,461,268
6. Mortgage guaranty.....						.0
8. Ocean marine.....		53,707				53,707
9. Inland marine.....	1,208,122	1,465,116		1,134,006	74,116	1,465,116
10. Financial guaranty.....						.0
11.1 Medical professional liability - occurrence.....						.0
11.2 Medical professional liability - claims-made.....						.0
12. Earthquake.....		609		(8)	8	609
13. Group accident and health.....						.0
14. Credit accident and health (group and individual).....						.0
15. Other accident and health.....	13,825				13,825	.0
16. Workers' compensation.....	780,019	6,237,101	62,886	797,513	45,393	6,237,101
17.1 Other liability - occurrence.....	2,206,771	1,580,361		1,726,973	479,798	1,580,361
17.2 Other liability - claims-made.....	175,868	102,280		75,781	100,087	102,280
17.3 Excess workers' compensation.....						.0
18.1 Products liability - occurrence.....	8,286	105,180		7,868	418	105,180
18.2 Products liability - claims-made.....						.0
19.1, 19.2 Private passenger auto liability.....	7,876,030	6,152,814		7,486,378	389,652	6,152,814
19.3, 19.4 Commercial auto liability.....	1,273,092	3,036,041		1,205,722	67,370	3,036,041
21. Auto physical damage.....	10,702,619	7,435,314		10,499,987	202,631	7,435,314
22. Aircraft (all perils).....						.0
23. Fidelity.....	1,240	1,785		1,240		1,785
24. Surety.....						.0
26. Burglary and theft.....	403	502		403		502
27. Boiler and machinery.....	558,567	24,151		13,325	545,242	24,151
28. Credit.....						.0
29. International.....						.0
30. Warranty.....						.0
31. Reinsurance - nonproportional assumed property.....	XXX					.0
32. Reinsurance - nonproportional assumed liability.....	XXX					.0
33. Reinsurance - nonproportional assumed financial lines.....	XXX					.0
34. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0
35. TOTALS.....	49,285,054	43,890,164	62,886	45,989,075	3,358,864	43,890,164

DETAILS OF WRITE-INS

3401. ....						.0
3402. ....						.0
3403. ....						.0
3498. Summary of remaining write-ins for Line 34 from overflow page	.0	.0	.0	.0	.0	.0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	.0	.0	.0	.0	.0	.0

(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.....	370,579	90,037	370,579	90,037	72,525	51,533	111,029	41.6
2. Allied lines.....	186,479	157,282	186,479	157,282	24,367	21,094	160,556	88.3
3. Farmowners multiple peril.....				0			0	0.0
4. Homeowners multiple peril.....	5,993,074	6,948,374	5,993,074	6,948,374	1,767,085	1,450,603	7,264,857	93.8
5. Commercial multiple peril.....	3,360,153	4,939,791	3,360,153	4,939,791	6,767,452	6,697,479	5,009,764	55.2
6. Mortgage guaranty.....				0			0	0.0
8. Ocean marine.....		25,518		25,518	2,718	5,258	22,978	44.6
9. Inland marine.....	294,848	340,215	294,848	340,215	73,275	111,439	302,052	21.3
10. Financial guaranty.....				0			0	0.0
11.1 Medical professional liability - occurrence.....				0			0	0.0
11.2 Medical professional liability - claims-made.....				0			0	0.0
12. Earthquake.....				0	0	0	0	0.0
13. Group accident and health.....				0			0	0.0
14. Credit accident and health (group and individual).....				0			0	0.0
15. Other accident and health.....				0			0	0.0
16. Workers' compensation.....	530,029	2,863,775	563,433	2,830,371	7,897,519	8,428,616	2,299,273	36.9
17.1 Other liability - occurrence.....	10,000	146,438	10,000	146,438	579,789	603,002	123,226	8.2
17.2 Other liability - claims-made.....	46,409	8,898	46,409	8,898	48,326	48,271	8,952	9.2
17.3 Excess workers' compensation.....				0			0	0.0
18.1 Products liability - occurrence.....		35,666		35,666	100,405	119,653	16,418	17.0
18.2 Products liability - claims-made.....				0			0	0.0
19.1, 19.2 Private passenger auto liability.....	4,403,228	4,015,624	4,403,228	4,015,624	6,404,435	5,928,119	4,491,939	73.6
19.3, 19.4 Commercial auto liability.....	621,689	1,545,036	621,689	1,545,036	2,940,007	3,191,245	1,293,798	43.4
21. Auto physical damage.....	5,011,280	5,099,471	5,011,280	5,099,471	282,219	270,614	5,111,076	70.1
22. Aircraft (all perils).....				0			0	0.0
23. Fidelity.....				0	60	64	(5)	(0.3)
24. Surety.....				0			0	0.0
26. Burglary and theft.....				0	48	49	(1)	(0.2)
27. Boiler and machinery.....	236,254		236,254	0	2,002	1,642	359	1.4
28. Credit.....				0			0	0.0
29. International.....				0			0	0.0
30. Warranty.....				0			0	0.0
31. Reinsurance - nonproportional assumed property.....	XXX			0			0	0.0
32. Reinsurance - nonproportional assumed liability.....	XXX	800		800	44,662	46,350	(887)	0.0
33. Reinsurance - nonproportional assumed financial lines.....	XXX			0			0	0.0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0.0
35. TOTALS.....	21,064,022	26,216,927	21,097,426	26,183,523	27,006,894	26,975,031	26,215,385	60.9
DETAILS OF WRITE-INS								
3401.				0			0	0.0
3402.				0			0	0.0
3403.				0			0	0.0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire.....	229,465	31,558	229,465	31,558	285,243	40,966	285,243	72,525	6,046
2. Allied lines.....	31,000	5,181	31,000	5,181	67,346	19,186	67,346	24,367	2,019
3. Farmowners multiple peril.....				0				0	
4. Homeowners multiple peril.....	2,718,939	1,306,557	2,718,939	1,306,557	292,374	460,528	292,374	1,767,085	194,559
5. Commercial multiple peril.....	2,326,571	3,848,230	2,326,571	3,848,230	4,413,682	2,919,222	4,413,682	6,767,452	1,940,368
6. Mortgage guaranty.....				0				0	
8. Ocean marine.....		800		800		1,918		2,718	505
9. Inland marine.....	86,912	29,355	86,912	29,355	309,327	43,920	309,327	73,275	16,694
10. Financial guaranty.....				0				0	
11.1 Medical professional liability - occurrence.....				0				0	
11.2 Medical professional liability - claims-made.....				0				0	
12. Earthquake.....				0		0		0	4
13. Group accident and health.....				0				(a) 0	
14. Credit accident and health (group and individual).....				0				0	
15. Other accident and health.....				0				(a) 0	
16. Workers' compensation.....	1,004,578	3,859,197	1,069,260	3,794,514	2,339,546	4,257,890	2,494,432	7,897,519	942,667
17.1 Other liability - occurrence.....	56,714	241,000	56,714	241,000	761,851	338,790	761,851	579,789	195,856
17.2 Other liability - claims-made.....	52,000	43,276	52,000	43,276	14,497	5,050	14,497	48,326	12,292
17.3 Excess workers' compensation.....				0				0	
18.1 Products liability - occurrence.....		57,856		57,856	48,450	42,549	48,450	100,405	17,581
18.2 Products liability - claims-made.....				0				0	
19.1, 19.2 Private passenger auto liability.....	4,341,068	4,361,398	4,341,068	4,361,398	2,645,655	2,043,036	2,645,655	6,404,435	775,573
19.3, 19.4 Commercial auto liability.....	572,335	1,494,310	572,335	1,494,310	1,276,522	1,445,697	1,276,522	2,940,007	290,755
21. Auto physical damage.....	492,992	225,837	492,992	225,837	(277,656)	56,383	(277,656)	282,219	62,240
22. Aircraft (all perils).....				0				0	
23. Fidelity.....				0		60		60	7
24. Surety.....				0				0	
26. Burglary and theft.....				0		48		48	2
27. Boiler and machinery.....	49,500		49,500	0	21,715	2,002	21,715	2,002	840
28. Credit.....				0				0	
29. International.....				0				0	
30. Warranty.....				0				0	
31. Reinsurance - nonproportional assumed property.....	XXX			0	XXX			0	
32. Reinsurance - nonproportional assumed liability.....	XXX	15,168		15,168	XXX	29,494		44,662	
33. Reinsurance - nonproportional assumed financial lines.....	XXX			0	XXX			0	
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0	0
35. TOTALS.....	11,962,073	15,519,722	12,026,756	15,455,040	12,198,551	11,706,740	12,353,436	27,006,894	4,458,008
DETAILS OF WRITE-INS									
3401.				0				0	
3402.				0				0	
3403.				0				0	
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct.....	1,536,036			1,536,036
1.2 Reinsurance assumed.....	1,830,397			1,830,397
1.3 Reinsurance ceded.....	1,536,036			1,536,036
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	1,830,397	0	0	1,830,397
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....		8,034,234		8,034,234
2.2 Reinsurance assumed, excluding contingent.....		5,861,565		5,861,565
2.3 Reinsurance ceded, excluding contingent.....		8,049,395		8,049,395
2.4 Contingent - direct.....		1,492,387		1,492,387
2.5 Contingent - reinsurance assumed.....		1,010,159		1,010,159
2.6 Contingent - reinsurance ceded.....		1,492,387		1,492,387
2.7 Policy and membership fees.....				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	6,856,563	0	6,856,563
3. Allowances to manager and agents.....		178,670		178,670
4. Advertising.....		53,419		53,419
5. Boards, bureaus and associations.....	20,636	176,792		197,428
6. Surveys and underwriting reports.....		230,112		230,112
7. Audit of assureds' records.....		41,624		41,624
8. Salary and related items:				
8.1 Salaries.....	914,809	2,370,402	30,984	3,316,195
8.2 Payroll taxes.....	65,124	166,737	2,831	234,691
9. Employee relations and welfare.....	239,428	629,276	5,786	874,490
10. Insurance.....	1,582	5,504		7,086
11. Directors' fees.....	7,936	24,507		32,443
12. Travel and travel items.....	30,637	98,610	2,388	131,635
13. Rent and rent items.....	127,116	219,996	1,743	348,855
14. Equipment.....	84,770	269,852	793	355,415
15. Cost or depreciation of EDP equipment and software.....	17,798	56,957	158	74,912
16. Printing and stationery.....	19,345	31,237	565	51,147
17. Postage, telephone and telegraph, exchange and express.....	23,322	124,973	946	149,242
18. Legal and auditing.....	77,890	166,790		244,680
19. Totals (Lines 3 to 18).....	1,630,393	4,845,458	46,194	6,522,045
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....		813,127		813,127
20.2 Insurance department licenses and fees.....		43,205		43,205
20.3 Gross guaranty association assessments.....				0
20.4 All other (excluding federal and foreign income and real estate).....		19,376		19,376
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	0	875,709	0	875,709
21. Real estate expenses.....				0
22. Real estate taxes.....				0
23. Reimbursements by uninsured plans.....				0
24. Aggregate write-ins for miscellaneous expenses.....	6,859	19,657	82,737	109,253
25. Total expenses incurred.....	3,467,649	12,597,387	128,931	(a) 16,193,967
26. Less unpaid expenses - current year.....	4,458,008	3,513,850	16,523	7,988,381
27. Add unpaid expenses - prior year.....	4,307,376	4,023,974	16,152	8,347,501
28. Amounts receivable relating to uninsured plans, prior year.....				0
29. Amounts receivable relating to uninsured plans, current year.....				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	3,317,016	13,107,511	128,560	16,553,087

DETAILS OF WRITE-INS

2401. Bank and investment expenses.....	6,859	8,223	82,737	97,819
2402. Other miscellaneous expenses.....		11,434		11,434
2403.				0
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	6,859	19,657	82,737	109,253

(a) Includes management fees of \$.....409,186 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....207,586	.....198,057
1.1 Bonds exempt from U.S. tax.....	(a).....502,963	.....582,698
1.2 Other bonds (unaffiliated).....	(a).....1,289,292	.....1,247,730
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....	.....
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....1,419	.....1,387
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....8	.....(41)
10. Total gross investment income.....	.....2,001,268	.....2,029,831
11. Investment expenses.....	.....	(g).....128,931
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).....0
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	.....128,931
17. Net investment income (Line 10 minus Line 16).....	.....	.....1,900,900

DETAILS OF WRITE-INS

0901. Interest on assumed reinsurance pools.....	.....8	.....(41)
0902. ....	.....	.....
0903. ....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....8	.....(41)
1501. ....	.....	.....
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....	.....	.....0

- (a) Includes \$.....27,531 accrual of discount less \$.....583,330 amortization of premium and less \$.....66,942 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 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.....	.....25,885	.....	.....25,885	.....	.....
1.1 Bonds exempt from U.S. tax.....	.....1,291	.....	.....1,291	.....	.....
1.2 Other bonds (unaffiliated).....	.....103,054	.....	.....103,054	.....	.....
1.3 Bonds of affiliates.....	.....	.....	.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....	.....	.....	.....0	.....	.....
2.11 Preferred stocks of affiliates.....	.....	.....	.....0	.....	.....
2.2 Common stocks (unaffiliated).....	.....	.....	.....0	.....	.....
2.21 Common stocks of affiliates.....	.....	.....	.....0	.....	.....
3. Mortgage loans.....	.....	.....	.....0	.....	.....
4. Real estate.....	.....	.....	.....0	.....	.....
5. Contract loans.....	.....	.....	.....0	.....	.....
6. Cash, cash equivalents and short-term investments.....	.....	.....	.....0	.....	.....
7. Derivative instruments.....	.....	.....	.....0	.....	.....
8. Other invested assets.....	.....	.....	.....0	.....	.....
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....130,230	.....0	.....130,230	.....0	.....0

DETAILS OF WRITE-INS

0901. ....	.....0	.....	.....0	.....	.....
0902. ....	.....0	.....	.....0	.....	.....
0903. ....	.....0	.....	.....0	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....0	.....0	.....0	.....0

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).....			.0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			.0
2.2 Common stocks.....			.0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			.0
3.2 Other than first liens.....			.0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			.0
4.2 Properties held for the production of income.....			.0
4.3 Properties held for sale.....			.0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			.0
6. Contract loans.....			.0
7. Derivatives (Schedule DB).....			.0
8. Other invested assets (Schedule BA).....			.0
9. Receivables for securities.....			.0
10. Securities lending reinvested collateral assets (Schedule DL).....			.0
11. Aggregate write-ins for invested assets.....	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	.0	.0	.0
13. Title plants (for Title insurers only).....			.0
14. Investment income due and accrued.....			.0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	.832	1,130	.299
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			.0
15.3 Accrued retrospective premiums.....			.0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			.0
16.2 Funds held by or deposited with reinsured companies.....			.0
16.3 Other amounts receivable under reinsurance contracts.....			.0
17. Amounts receivable relating to uninsured plans.....			.0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			.0
18.2 Net deferred tax asset.....	476,728	518,255	41,527
19. Guaranty funds receivable or on deposit.....			.0
20. Electronic data processing equipment and software.....	1,300	1,560	.260
21. Furniture and equipment, including health care delivery assets.....	304,055	268,170	(35,885)
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0
23. Receivables from parent, subsidiaries and affiliates.....			.0
24. Health care and other amounts receivable.....			.0
25. Aggregate write-ins for other than invested assets.....	94,546	105,572	11,026
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	877,461	894,688	17,227
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0
28. TOTALS (Lines 26 and 27).....	877,461	894,688	17,227

DETAILS OF WRITE-INS

1101.....			.0
1102.....			.0
1103.....			.0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	.0	.0	.0
2501. Other assets.....	94,546	105,572	11,026
2502.....			.0
2503.....			.0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	94,546	105,572	11,026

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of Patriot Insurance Company (Company) are presented on the basis of accounting practices prescribed or permitted by the State of Maine Bureau of Insurance.

The State of Maine Bureau of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Maine for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Maine Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Maine. During 2014 and 2013, there were no recorded differences between State of Maine prescribed practices and NAIC statutory accounting practices.

Net Income

Description	State of Domicile	2014	2013
(1) Patriot Insurance Company state basis	ME	\$2,024,000	\$3,311,000
(2) State Prescribed Practices that increase/(decrease) NAIC SAP		0	0
(3) State Permitted Practices that increase/(decrease) NAIC SAP		0	0
(4) NAIC SAP		\$2,024,000	\$3,311,000

Surplus

Description	State of Domicile	2014	2013
(5) Patriot Insurance Company state basis	ME	\$30,361,000	\$28,080,000
(6) State Prescribed Practices that increase/(decrease) NAIC SAP		0	0
(7) State Permitted Practices that increase/(decrease) NAIC SAP		0	0
(8) NAIC SAP		\$30,361,000	\$28,080,000

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

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

C. Accounting Policies

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct and ceded business and are based on reports received from ceding companies for reinsurance assumed. Health premiums are earned ratably over the terms of the related insurance contracts or policies. 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 uses the following accounting policies:

- Short-term investments are stated at amortized cost which approximates fair value.
- Bonds not backed by other loans are stated at amortized cost using the scientific method.
- The Company does not have investments in common stocks.
- Preferred stocks are stated in accordance with the guidance provided in Statement of Statutory Accounting Principle (SSAP) No. 32.
- The Company does not participate in mortgage loans as an investment vehicle.
- Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair value. The retrospective adjustment method is used to value all securities except for interest only securities or securities where the yield has become negative, which are valued using the prospective method.
- The Company does not have investments in subsidiaries, controlled or affiliated companies.
- The Company does not have investments in joint ventures, partnerships or limited liability companies.
- The Company does not have investments in derivative instruments.
- The Company anticipates investment income as a factor in premium deficiency calculations, in accordance with SSAP No. 53, Property-Casualty Contracts – Premiums.
- Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
- The Company has a written capitalization policy for purchases of items such as real estate, electronic data processing equipment, software, furniture, vehicles and other equipment. This policy was not modified from the prior year.
- The Company does not have pharmaceutical rebate receivables.

2. Accounting Changes and Corrections of Errors

None.

3. Business Combinations and Goodwill

Not applicable.

4. Discontinued Operations

None.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

None.

B. Debt Restructuring

None.

NOTES TO FINANCIAL STATEMENTS**C. Reverse Mortgages**

None.

D. Loan-Backed Securities

- The Company's investment advisor uses proprietary models for loss assumptions and widely accepted models for prepayment assumptions in valuing mortgage-backed and asset-backed securities with inputs from major third-party data providers. The models combine the effects of interest rates, volatility and prepayment speeds based on various scenario (Monte Carlo) simulations which produce effective analytics (spreads, duration, convexity) and cash flows on a monthly basis. Credit sensitive cash flows are calculated using a proprietary model which estimate future loan defaults in terms of timing and severity. Model assumptions are specific to asset class and collateral types and are regularly evaluated and adjusted where appropriate.
- The Company did not recognize any other-than-temporary impairments on loan-backed securities during the period.
- The Company did not recognize any other-than-temporary impairments on loan-backed securities during the period.
- The following summarizes gross unrealized investment losses on loan-backed and structured securities by the length of time that securities have continuously been in an unrealized loss position as of December 31, 2014.

a.	Aggregate amount of unrealized loss	
1.	Less than twelve months	\$0
2.	Twelve months or longer	\$6,000
b.	Aggregate fair value of securities with unrealized loss	
1.	Less than twelve months	\$0
2.	Twelve months or longer	\$812,000

- The Company held certain loan-backed and structured securities that have been continuously in an unrealized loss position at December 31, 2014 as summarized in the above table. After an evaluation of each security, management concluded these securities have not suffered an other-than-temporary impairment in value. Each security has paid all scheduled contractual payments. Nothing has come to management's attention which would lead to the belief that each issuer would not have the ability to meet the remaining contractual obligations of the security, including payment at maturity, and the Company has the capacity to hold the security until the scheduled maturity date.

E. Repurchase Agreements and/or Securities Lending Transactions

The Company has a non-federally insured overnight repurchase sweep agreement through JPMorgan Chase Bank, NA. This agreement is secured by issues of the United States Government or its agencies within the United States or collateralized mortgage obligations. The balance in this account was \$2,183,000 and \$3,051,000 as of December 31, 2014 and 2013, respectively.

F. Real Estate

None.

G. Low-Income Housing Tax Credits

None.

H. Restricted Assets

- Restricted assets (including pledged) summarized by restricted asset category

Restricted Asset Category	Gross Restricted							Total Current Year Admitted Restricted	Percentage		
	Current Year					(6)	(7)		(8)	(9)	(10)
	(1)	(2)	(3)	(4)	(5)						
	Total General Account (G/A)	G/A Supporting S/A Restricted Assets ^(a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity ^(b)	Total (Col 1+3)	Total From Prior Year	Increase (Decrease) (Col 5-6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets	
(a) Subject to contractual obligation for which liability is not shown	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
(b) Collateral held under security lending arrangements	0	0	0	0	0	0	0	0	0	0	
(c) Subject to repurchase agreements	2,183,000	0	0	0	2,183,000	3,051,000	(868,000)	2,183,000	2.13%	2.14%	
(d) Subject to reverse repurchase agreements	0	0	0	0	0	0	0	0	0	0	
(e) Subject to dollar repurchase agreements	0	0	0	0	0	0	0	0	0	0	
(f) Subject to dollar reverse repurchase agreements	0	0	0	0	0	0	0	0	0	0	
(g) Placed under option contracts	0	0	0	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	0	0	0	
(i) FHLB capital stock	0	0	0	0	0	0	0	0	0	0	
(j) On deposit with states	1,003,000	0	0	0	1,003,000	1,267,000	(264,000)	1,003,000	0.98%	0.99%	
(k) On deposit with other regulatory bodies	0	0	0	0	0	0	0	0	0	0	
(l) Pledged as collateral to FHLB (including assets backing fund agreements)	0	0	0	0	0	0	0	0	0	0	
(m) Pledged as collateral not captured in other categories	0	0	0	0	0	0	0	0	0	0	
(n) Other restricted assets	0	0	0	0	0	0	0	0	0	0	
(o) Total restricted assets	\$3,186,000	\$0	\$0	\$0	\$3,186,000	\$4,318,000	\$(1,132,000)	\$3,186,000	3.10%	3.13%	

(a) Subset of Column 1

(b) Subset of Column 3

2. Not applicable.

3. Not applicable.

NOTES TO FINANCIAL STATEMENTS

I. Working Capital Finance Investments

Not applicable.

J. Offsetting and Netting of Assets and Liabilities

Not applicable.

K. Structured Notes

Not applicable.

6. Joint Ventures, Partnerships and Limited Liability Companies

A. Detail for those greater than 10% of Admitted Assets

Not applicable.

B. Writedowns for Impairment

Not applicable.

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

None.

8. Derivative Instruments

None.

9. Income Taxes

A. Deferred Tax Asset/(Liability)

1. Components of Net Deferred Tax Asset/(Liability)

	December 31, 2014		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total
(a) Gross deferred tax assets	\$2,707,000	\$214,000	\$2,921,000
(b) Statutory valuation allowance adjustments	0	0	0
(c) Adjusted gross deferred tax assets (1a-1b)	2,707,000	214,000	2,921,000
(d) Deferred tax assets nonadmitted	263,000	214,000	477,000
(e) Subtotal net admitted deferred tax asset (1c-1d)	2,444,000	0	2,444,000
(f) Deferred tax liabilities	84,000	0	84,000
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e-1f)	\$2,360,000	\$0	\$2,360,000

	December 31, 2013		
	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total
(a) Gross deferred tax assets	\$2,488,000	\$214,000	\$2,702,000
(b) Statutory valuation allowance adjustments	0	0	0
(c) Adjusted gross deferred tax assets (1a-1b)	2,488,000	214,000	2,702,000
(d) Deferred tax assets nonadmitted	304,000	214,000	518,000
(e) Subtotal net admitted deferred tax asset (1c-1d)	2,184,000	0	2,184,000
(f) Deferred tax liabilities	106,000	0	106,000
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e-1f)	\$2,078,000	\$0	\$2,078,000

	Change		
	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
(a) Gross deferred tax assets	\$219,000	\$0	\$219,000
(b) Statutory valuation allowance adjustments	0	0	0
(c) Adjusted gross deferred tax assets (1a-1b)	219,000	0	219,000
(d) Deferred tax assets nonadmitted	(41,000)	0	(41,000)
(e) Subtotal net admitted deferred tax asset (1c-1d)	260,000	0	260,000
(f) Deferred tax liabilities	(22,000)	0	(22,000)
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e-1f)	\$282,000	\$0	\$282,000

NOTES TO FINANCIAL STATEMENTS

2. Admission Calculation Components (SSAP No. 101)

	December 31, 2014		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$2,168,000	\$0	\$2,168,000
(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)	192,000	0	192,000
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	192,000	0	192,000
2. Adjusted gross deferred tax assets allowed per limitation threshold	xxxx	xxxx	4,198,000
(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	84,000	0	84,000
(d) Deferred tax assets admitted as the result of application of SSAP No. 101. Total (2(a)+2(b)+2(c))	\$2,444,000	\$0	\$2,444,000

	December 31, 2013		
	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$2,078,000	\$0	\$2,078,000
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation (the lesser of 2(b)1 and 2(b)2 below)	0	0	0
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	0	0	0
2. Adjusted gross deferred tax assets allowed per limitation threshold	xxxx	xxxx	3,898,000
(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	106,000	0	106,000
(d) Deferred tax assets admitted as the result of application of SSAP No. 101. Total (2(a)+2(b)+2(c))	\$2,184,000	\$0	\$2,184,000

	Change		
	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$90,000	\$0	\$90,000
(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)	192,000	0	192,000
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	192,000	0	192,000
2. Adjusted gross deferred tax assets allowed per limitation threshold	xxxx	xxxx	300,000
(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	(22,000)	0	(22,000)
(d) Deferred tax assets admitted as the result of application of SSAP No. 101. Total (2(a)+2(b)+2(c))	\$260,000	\$0	\$260,000

3. Other Admissibility Criteria

	2014	2013
(a) Ratio percentage used to determine recovery period and threshold limitation amount	872.7%	832.6%
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$28,002,000	\$26,002,000

4. Impact of Tax Planning Strategies

	December 31, 2014		December 31, 2013		Change	
	(1) Ordinary	(2) Capital	(3) Ordinary	(4) Capital	(5) (Col 1-3) Ordinary	(6) (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)	\$2,707,000	\$214,000	\$2,488,000	\$214,000	\$219,000	\$0
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	2,444,000	0	\$2,184,000	0	260,000	0
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
(b) Do the Company's tax planning strategies include the use of reinsurance?	Yes ___ No <u>X</u>					

NOTES TO FINANCIAL STATEMENTS**B. Deferred Tax Liabilities (DTLs) Not Recognized**

Not applicable.

C. Current and Deferred Income Taxes

	(1) December 31, 2014	(2) December 31, 2013	(3) (Col 1-2) Change
1. Current Income Tax			
(a) Federal	\$706,000	\$1,274,000	\$(568,000)
(b) Foreign	0	0	0
(c) Subtotal	706,000	1,274,000	(568,000)
(d) Federal income tax on net capital gains	46,000	11,000	35,000
(e) Utilization of capital loss carry-forwards	0	0	0
(f) Other	0	0	0
(g) Federal and foreign income taxes incurred	\$752,000	\$1,285,000	\$(533,000)
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$712,000	\$831,000	\$(119,000)
(2) Unearned premium reserve	1,475,000	1,412,000	63,000
(3) Policyholder reserves	0	0	0
(4) Investments	0	0	0
(5) Deferred acquisition costs	0	0	0
(6) Policyholder dividends accrual	0	0	0
(7) Fixed assets	0	0	0
(8) Compensation and benefits accrual	355,000	84,000	271,000
(9) Pension accrual	0	0	0
(10) Receivables – nonadmitted	0	0	0
(11) Net operating loss carry-forward	0	0	0
(12) Tax credit carry-forward	0	0	0
(13) Other (including items <5% of total ordinary tax assets)	25,000	29,000	(4,000)
(14) Nonadmitted assets	140,000	132,000	8,000
(99) Subtotal	2,707,000	2,488,000	219,000
(b) Statutory valuation allowance adjustment	0	0	0
(c) Nonadmitted	263,000	304,000	(41,000)
(d) Admitted ordinary deferred tax assets (2a99-2b-2c)	2,444,000	2,184,000	260,000
(e) Capital			
(1) Investments	214,000	214,000	0
(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	214,000	214,000	0
(f) Statutory valuation allowance adjustment	0	0	0
(g) Nonadmitted	214,000	214,000	0
(h) Admitted capital deferred tax assets (2e99-2f-2g)	0	0	0
(i) Admitted deferred tax assets (2d+2h)	\$2,444,000	\$2,184,000	\$260,000
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$23,000	\$51,000	\$(28,000)
(2) Fixed assets	56,000	41,000	15,000
(3) Deferred and uncollected premium	0	0	0
(4) Policyholder reserves	0	0	0
(5) Other (including items <5% of total ordinary tax liabilities)	0	0	0
(6) Subro salvage reserves	5,000	11,000	(6,000)
(7) Accelerated premium expense	0	3,000	(3,000)
(99) Subtotal	84,000	106,000	(22,000)
(b) Capital			
(1) Investments	0	0	0
(2) Real estate	0	0	0
(3) Other (including items <5% of total capital tax liabilities)	0	0	0
(99) Subtotal	0	0	0
(c) Deferred tax liabilities (3a99+3b99)	\$84,000	\$106,000	\$(22,000)
4. Net deferred tax assets/liabilities (2i-3c)	\$2,360,000	\$2,078,000	\$282,000

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate

The significant book to tax adjustments are as follows:

Description	December 31, 2014	Tax Effect at 35%	December 31, 2013	Tax Effect at 35%
Provision at statutory rate	\$972,000	35.0%	\$1,608,000	35.0%
Non-taxable interest	(204,000)	(7.3)%	(123,000)	(2.7)%
Change in non-admitted assets	(9,000)	(0.3)%	(4,000)	(0.1)%
Travel and entertainment	4,000	0.1%	4,000	0.1%
Other adjustments	(251,000)	(9.0)%	29,000	0.7%
Total	\$512,000	18.5%	\$1,514,000	33.0%
Federal income taxes incurred	\$752,000	27.1%	\$1,285,000	28.0%
Change in net deferred income tax	(240,000)	(8.6)%	229,000	5.0%
Total statutory income taxes	\$512,000	18.5%	\$1,514,000	33.0%

E. Operating Loss and Tax Credit Carryforwards

1. At December 31, 2014, the Company did not have any unused operating loss carryforwards or tax credit carryforwards available to offset against future taxable income.

2. The following is income tax expense for 2014 and 2013 that is available for recoupment in the event of future net losses:

Year	Amount
2014	\$902,000
2013	\$1,265,000

3. There are no deposits reported as admitted assets under Section 6603 of the Internal Revenue Service (IRS) Code as of December 31, 2014.

NOTES TO FINANCIAL STATEMENTS

F. Consolidated Federal Income Tax Return

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

Frankenmuth Mutual Insurance Company
Ansur America Insurance Company
ASure Worldwide Insurance Company
Fortuity Insurance Company
Patriot Life Insurance Company
Frankenmuth Agency, Inc.

2. The method of allocation among companies is subject to a written agreement, approved by the Board of Directors, whereby allocation is made primarily on a separate return basis with current credit for any net operating losses or other items utilized in the consolidated tax return. Intercompany tax balances are settled quarterly.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company does not have any tax loss contingencies for which it is more likely than not that the total liability will significantly increase within twelve months of the reporting date.

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

A. Nature of Relationships

The Company is a wholly owned subsidiary of Frankenmuth Mutual Insurance Company ("Parent"), a licensed mutual insurer domiciled in the State of Michigan.

B. Detail of Transactions Greater than ½% of Admitted Assets

None.

C. Change in Terms of Intercompany Arrangements

None.

D. Amounts Due to or from Related Parties

The Company reported \$95,000 and \$39,000 due to its Parent at December 31, 2014 and 2013, respectively. Additionally, the Company reported \$8,000 and \$16,000 due from its affiliate, Ansur America Insurance Company, at December 31, 2014 and 2013, respectively. Amounts due to and from affiliated companies are settled on a monthly basis.

E. Guarantees or Undertakings for Related Parties

None.

F. Management, Service Contracts, Cost Sharing Arrangements

The Company has a management service agreement for the allocation of certain administrative costs with its Parent.

G. Nature of Relationships that Could Affect Operations

All outstanding shares of the Company's common stock are owned by its Parent.

H. Amount Deducted for Investment in Upstream Company

Not applicable.

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

Not applicable.

J. Write-down for Impairments in Subsidiary, Controlled or Affiliated Companies

Not applicable.

K. Investments in Foreign Insurance Subsidiaries

None.

L. Investments in Downstream Noninsurance Holding Company

None.

11. Debt

A. Debt and Holding Company Obligations

None.

B. Federal Home Loan Bank (FHLB) Agreements

None.

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

A. Defined Benefit Plan

Not applicable.

B., C. and D. Description of Investment Policies, Fair Value of Plan Assets, Rate of Return Assumptions

Not applicable.

NOTES TO FINANCIAL STATEMENTS

E. Defined Contribution Plans

The Company has a qualified noncontributory incentive bonus plan for the benefit of employees meeting certain eligibility requirements. The Company's charge to income under the plan was approximately \$642,000 and \$565,000 for 2014 and 2013, respectively.

F. Multiemployer Plans

Not applicable.

G. Consolidated/Holding Company Plans

The Company participates in a noncontributory defined benefit pension plan and certain postretirement benefits sponsored by its Parent. The Company has no legal obligations for benefits under these plans. The Parent allocates amounts to the Company based on salary ratios.

The Company participates in the Frankenmuth Insurance 401(k) Savings Plan (the "Plan"), a defined contribution plan under which employees may defer a portion of their salary annually, subject to regulatory limitations. The Company will match 100% of the participant's contributions up to a maximum of 6% of the participant's eligible compensation. Additionally, all matching contributions to the Plan will vest 100% after six years of service. The charge to income under the Plan for the Company match was approximately \$188,000 and \$186,000 for 2014 and 2013, respectively.

H. Postemployment Benefits and Compensated Absences

The Company has accrued its obligation for postemployment benefits and compensated absences in accordance with SSAP No. 11.

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

Not applicable.

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

A. Outstanding Shares

The Company has 100,000 shares of \$100 par value common stock authorized and 75,000 shares issued and outstanding.

B. Dividend Rate of Preferred Stock

Not applicable.

C., D. and E. Dividend Restrictions and Payments

Dividends may be paid only from earned surplus (unassigned funds). The maximum amount of dividends which can be paid by the Company to its shareholders without approval from the State of Maine Bureau of Insurance is limited to the greater of the net gain from operations from the prior 12 month period or 10 percent of surplus as regards policyholders at December 31, 2014. Accordingly, the Company may pay dividends of approximately \$3,036,000 in 2015 without prior approval.

Within the limitations noted above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.

F. Restrictions Placed on Unassigned Funds (Surplus)

None.

G. Mutual Surplus Advances

Not applicable.

H. Company Stock Held for Special Purposes

Not applicable.

I. Changes in Special Surplus Funds

Not applicable.

J. Changes in Unassigned Funds

There are no cumulative unrealized gains or losses represented in unassigned funds (surplus).

K. Surplus Notes

Not applicable.

L. and M. Quasi Reorganizations

Not applicable.

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

The Company has no commitments or contingent commitments to its Parent or other entities. As indicated in Note 10E, the Company has made no guarantees on behalf of its Parent.

B. Assessments

The Company is subject to guaranty fund and other assessments by states in which it writes premium. Most assessments are recorded either at the time the assessments are levied or, in the case of premium-based assessments, at the time the premiums are written. The Company is also subject to loss-based assessments.

Insurance company insolvencies in states where the Company writes business may result in guaranty fund assessments on future premiums. These assessments will be recorded as future premiums are written. The Company is not aware of any state which requires the payment of future premium assessments once the Company discontinues writing premium in that state.

NOTES TO FINANCIAL STATEMENTS

The Company has accrued a liability for guaranty fund and other assessments of \$342,000 and \$319,000 at December 31, 2014 and 2013, respectively, and has not recorded an offset for estimated premium tax credits. The amounts recorded represent management's best estimates based on assessment rate information received from the states in which the Company writes business and the direct premiums written in those states. Assessments to date are not significant and the Company does not expect future assessments to materially affect its financial condition or results of operations.

C. Gain Contingencies

None.

D. Claims Related Extra Contractual Obligations and Bad Faith Losses Stemming From Lawsuits

None.

E. Product Warranties

None.

F. Joint and Several Liabilities

None.

G. All Other Contingencies

1. At December 31, 2014 and 2013, the Company had admitted assets of \$21,849,000 and \$21,342,000, respectively, in premiums receivable due from policyholders, agents and ceding insurers. The Company routinely assesses the collectibility of these receivables. Based upon Company experience, certain balances may become uncollectible; however, any potential loss is not expected to be material to the Company's financial condition.
2. The Company is not aware of potential lawsuits or other legal action beyond the ordinary course of business which would be considered material in relation to the financial position of the Company.
3. The Company, as a wholly owned subsidiary of Frankenmuth Mutual Insurance Company, is part of a \$25 million unsecured bank line of credit agreement. The line allows for the Company to borrow funds at different mutually negotiated rates, based on the bank's cost of funds, and borrowings on the line are guaranteed by Frankenmuth Mutual Insurance Company. The Company had no outstanding balance at December 31, 2014.

15. Leases

A. Lessee Leasing Arrangements

1. The Company leases office facilities and equipment under various noncancelable operating leases that expire through March 2019. Rental expense for 2014 and 2013 was approximately \$742,000 and \$709,000, respectively. There are no contingent rental payments or unusual renewal options, escalation clauses or restrictions and there have been no early terminations of existing leases.
2. Future minimum rental payments are as follows:

Year	Amount
2015	\$746,000
2016	319,000
2017	9,000
2018	6,000
2019	2,000
Total	\$1,082,000

3. The Company has not entered into any sale-leaseback arrangements.

B. Lessor Leasing Arrangements

None.

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

None.

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

A. Transfers of Receivables Reported as Sales

None.

B. Transfers and Servicing of Financial Assets

None.

C. Wash Sales

None.

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

A. Administrative Services Only (ASO) Plans

Not applicable.

B. Administrative Services Contract (ASC) Plans

Not applicable.

C. Medicare or Similarly Structured Cost Based Reimbursement Contracts

Not applicable.

NOTES TO FINANCIAL STATEMENTS

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

Not applicable.

20. Fair Value Measurements

A. Inputs Used for Assets and Liabilities Measured at Fair Value on Recurring Basis

None.

B. Other Fair Value Disclosures

Not applicable.

C. Fair Values for All Financial Instruments by Levels 1, 2 and 3

Type of Financial Instrument	Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Financial instruments – assets						
Bonds	\$70,806,000	\$68,629,000	\$0	\$70,806,000	\$0	\$0
Preferred stocks	0	0	0	0	0	0
Common stocks	0	0	0	0	0	0
Mortgage loans	0	0	0	0	0	0
Cash, cash equivalents and short-term investments	1,722,000	1,722,000	(461,000)	2,183,000	0	0
Other – collateral loan	0	0	0	0	0	0
Total assets	\$72,528,000	\$70,351,000	\$(461,000)	\$72,989,000	\$0	\$0
Financial instruments – liabilities						
Derivative liabilities	0	0	0	0	0	0
Total liabilities	\$0	\$0	\$0	\$0	\$0	\$0

D. Reasons Not Practical to Estimate Fair Value

Not applicable.

21. Other Items

A. Extraordinary Items

None.

B. Troubled Debt Restructuring for Debtors

Not applicable.

C. Other Disclosures and Unusual Items

Assets in the amount of \$1,003,000 and \$1,267,000 at December 31, 2014 and 2013, respectively, were on deposit with government authorities or trustees as required by law.

D. Business Interruption Insurance Recoveries

Not applicable.

E. State Transferable and Non-transferable Tax Credits

None.

F. Subprime Mortgage-Related Risk Exposure

The Company does not engage in subprime residential mortgage lending as indicated in Note 1C. The Company's exposure to subprime lending is limited to investments within the investment portfolio of fixed-income securities which contain securities collateralized by mortgages having characteristics of subprime lending. These investments are primarily in the form of asset-backed securities supported by subprime mortgage loans or collateralized mortgage obligations backed by alternative documentation mortgages. The Company held no fixed-income securities with such characteristics at December 31, 2014 or 2013.

22. Events Subsequent

Subsequent events have been considered through February 20, 2015, the date these statutory financial statements were available to be issued. The Company is not aware of any events or transactions occurring subsequent to December 31, 2014, which may have a material effect on the financial condition of the Company.

The Company writes health insurance, but such premiums are not subject to assessment under Section 9010 of the Affordable Care Act (ACA) because they are below the \$25,000,000 assessable threshold.

A.-H. None.

23. Reinsurance

A. Unsecured Reinsurance Recoverables

The Company's unsecured reinsurance recoverables from individual reinsurers in excess of 3% of policyholders' surplus at December 31, 2014 follows:

Name of Reinsurer	NAIC Company Code Number	Federal Employer ID Number	Unsecured Reinsurance Recoverable
Frankenmuth Mutual Insurance Company	13986	38-0555290	\$47,758,000
Maiden Reinsurance Company	11054	43-1898350	\$1,817,000
Hartford Steam Boiler Inspection & Insurance Company	11452	06-0384680	\$1,247,000

NOTES TO FINANCIAL STATEMENTS**B. Reinsurance Recoverable in Dispute**

None.

C. Reinsurance Assumed and Ceded

1. As of December 31, 2014:

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
Affiliates	\$21,069,000	\$5,689,000	\$23,754,000	\$6,414,000	\$(2,685,000)	\$(725,000)
All Other	<u>27,000</u>	<u>6,000</u>	<u>1,115,000</u>	<u>328,000</u>	<u>(1,088,000)</u>	<u>(322,000)</u>
Total	\$21,096,000	\$5,695,000	\$24,869,000	\$6,742,000	\$(3,773,000)	\$(1,047,000)

Direct Unearned Premium Reserve as of December 31, 2014: \$24,842,000.

2. Additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements, is accrued as follows as of December 31, 2014:

	Reinsurance			Net
	Direct	Assumed	Ceded	
Contingent Commission	\$1,492,000	\$0	\$0	\$1,492,000
Sliding Scale Adjustments	0	0	0	0
Other Profit Commission Arrangements	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$1,492,000	\$0	\$0	\$1,492,000

3. As of December 31, 2014, the Company does not use protected cells as an alternative to traditional reinsurance.

D. Uncollectible Reinsurance

As of December 31, 2014, the Company did not write off any reinsurance balances.

E. Commutation of Ceded Reinsurance

None.

F. Retroactive Reinsurance

None.

G. Reinsurance Accounted for as a Deposit

None.

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

None.

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

None.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

The Company does not have any retrospectively rated contracts or contracts subject to redetermination.

25. Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2013 were \$31,282,000. As of December 31, 2014, \$11,098,000 has been paid for incurred losses and loss adjustment expenses (LAE) attributable to insured events of prior years. Reserves remaining for prior years are now \$16,469,000 as a result of re-estimation of unpaid losses and LAE. The estimated cost of losses and LAE attributable to insured events of prior years' decreased by \$3,715,000 or 11.9% of the unpaid losses and LAE as of the end of the prior year. The \$3,715,000 favorable development in incurred losses and LAE related to prior accident years is primarily due to the favorable development in workers' compensation, commercial multiple peril and commercial auto liability. This change is generally the result of the on-going analysis of loss development trends. Increases or decreases of this nature occur as the result of claim settlements during the current year and as additional information is received regarding unpaid individual claims. The Company does not write retrospectively rated policies, and accordingly, prior year loss development was not impacted by this type of policy.

26. Intercompany Pooling Arrangements

The Company, its Parent and its Parent's wholly owned property and casualty insurance subsidiaries (identified in the table below) are party to a pooling reinsurance agreement ("Agreement"), under which all property and casualty lines of business are pooled.

Under the terms of the Agreement, the participants will cede to the lead insurer all of their insurance business, net of inuring reinsurance, and assume from the lead insurer an amount equal to their respective participation percentages as outlined below:

Name of Insurer	NAIC Co. Code	Participation Percentage
Frankenmuth Mutual Insurance Company (lead insurer)	13986	78%
Ansur America Insurance Company	10984	8%
Patriot Insurance Company	32069	8%
Fortuity Insurance Company	10985	3%
ASure Worldwide Insurance Company	11511	3%

There are no discrepancies related to the pooled business between the assumed and ceded reinsurance schedules of the pool participants.

Amounts due to/from the lead insurer and pool participants as of December 31, 2014:

Name of Insurer	Receivable	Payable
Frankenmuth Mutual Insurance Company	\$28,566,000	\$29,486,000
Ansur America Insurance Company	\$9,897,000	\$9,196,000
Patriot Insurance Company	\$13,969,000	\$14,050,000
Fortuity Insurance Company	\$2,806,000	\$2,660,000
ASure Worldwide Insurance Company	\$2,814,000	\$2,660,000

NOTES TO FINANCIAL STATEMENTS

27. Structured Settlements

A. Reserves Released due to Purchase of Annuities

None.

B. Annuity Insurers with Balances due Greater than 1% of Policyholders' Surplus

None.

28. Health Care Receivables

Not applicable.

29. Participating Policies

Not applicable.

30. Premium Deficiency Reserves

The Company anticipates investment income as a factor in premium deficiency calculations. The results of this calculation, completed on January 16, 2015, did not indicate a deficiency at December 31, 2014.

1. Liability for premium deficiency reserve	\$0
2. Date of most recent evaluation	January 16, 2015
3. Was anticipated investment income utilized in calculation?	Yes [X] No []

31. High Deductibles

The Company has no claims with high deductibles.

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

The Company does not discount its liabilities for unpaid losses or unpaid loss adjustment expenses. The Company records assumed liabilities for losses from participation reports as received, and is not aware of any loss reserves that may be discounted.

33. Asbestos/Environmental Reserves

A. The Company has exposure to asbestos claims arising from the sale of commercial multiple peril and general liability insurance by companies party to the pooling reinsurance agreement, as identified in Note 26.

The Company estimates the full impact of its asbestos exposure by estimating full case basis reserves on all known losses and beginning in 1996 computing incurred but not reported losses based on previous experience and industry standards.

The Company's asbestos related losses (including coverage dispute costs) for each of the five most recent calendar years follow:

(1) Direct

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Beginning reserves:	\$389,000	\$383,000	\$407,000	\$434,000	\$442,000
Incurred losses and loss adjustment expense:	48,000	82,000	96,000	68,000	80,000
Calendar year payments for losses and loss adjustment expenses:	<u>54,000</u>	<u>58,000</u>	<u>69,000</u>	<u>60,000</u>	<u>56,000</u>
Ending reserves:	\$383,000	\$407,000	\$434,000	\$442,000	\$466,000

(2) Assumed Reinsurance

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Beginning reserves:	\$0	\$0	\$0	\$0	\$0
Incurred losses and loss adjustment expense:	0	0	0	0	0
Calendar year payments for losses and loss adjustment expenses:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending reserves:	\$0	\$0	\$0	\$0	\$0

(3) Net of Ceded Reinsurance

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Beginning reserves:	\$224,000	\$202,000	\$217,000	\$144,000	\$147,000
Incurred losses and loss adjustment expense:	6,000	36,000	(48,000)	12,000	(1,000)
Calendar year payments for losses and loss adjustment expenses:	<u>28,000</u>	<u>21,000</u>	<u>25,000</u>	<u>9,000</u>	<u>10,000</u>
Ending reserves:	\$202,000	\$217,000	\$144,000	\$147,000	\$136,000

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

1. Direct basis	\$358,000
2. Assumed reinsurance basis	\$0
3. Net of ceded reinsurance basis	\$100,000

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

1. Direct basis	\$39,000
2. Assumed reinsurance basis	\$0
3. Net of ceded reinsurance basis	\$14,000

D. The Company has exposure to environmental claims arising from the sale of commercial multiple peril and general liability insurance by companies party to the pooling reinsurance agreement, as identified in Note 26.

NOTES TO FINANCIAL STATEMENTS

The Company's environmental related losses (including coverage dispute costs) for each of the five most recent calendar years follow:

(1) Direct

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Beginning reserves:	\$1,224,000	\$1,112,000	\$786,000	\$799,000	\$881,000
Incurring losses and loss adjustment expense:	(76,000)	(319,000)	17,000	89,000	(167,000)
Calendar year payments for losses and loss adjustment expenses:	<u>36,000</u>	<u>7,000</u>	<u>4,000</u>	<u>7,000</u>	<u>7,000</u>
Ending reserves:	\$1,112,000	\$786,000	\$799,000	\$881,000	\$707,000

(2) Assumed Reinsurance

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Beginning reserves:	\$0	\$0	\$0	\$0	\$0
Incurring losses and loss adjustment expense:	0	0	0	0	0
Calendar year payments for losses and loss adjustment expenses:	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ending reserves:	\$0	\$0	\$0	\$0	\$0

(3) Net of Ceded Reinsurance

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Beginning reserves:	\$783,000	\$817,000	\$560,000	\$601,000	\$422,000
Incurring losses and loss adjustment expense:	69,000	(250,000)	45,000	(172,000)	(25,000)
Calendar year payments for losses and loss adjustment expenses:	<u>35,000</u>	<u>7,000</u>	<u>4,000</u>	<u>7,000</u>	<u>7,000</u>
Ending reserves:	\$817,000	\$560,000	\$601,000	\$422,000	\$390,000

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

1. Direct basis	\$587,000
2. Assumed reinsurance basis	\$0
3. Net of ceded reinsurance basis	\$316,000

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

1. Direct basis	\$46,000
2. Assumed reinsurance basis	\$0
3. Net of ceded reinsurance basis	\$31,000

34. Subscriber Savings Accounts

Not applicable.

35. Multiple Peril Crop Insurance

The Company does not write Multiple Peril Crop Insurance.

36. Financial Guaranty Insurance

The Company does not write Financial Guaranty Insurance.

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? Michigan
- 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: 04/29/2014
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2012
- 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. 12/31/2012
- 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). 06/12/2014
- 3.4 By what department or departments?
Maine Bureau of Insurance
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes No N/A
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes No N/A
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes No
- 4.12 renewals? Yes No
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes No
- 4.22 renewals? Yes No
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No
- 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 Co. 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
- 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
- 7.2 If yes,
- 7.21 State the percentage of foreign control%
- 7.22 State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (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
- 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

- 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?
BDO USA, LLP, 755 West Big Beaver, Suite 1900, Troy, MI 48084-0178

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

- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes No
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes No N/A
- 10.6 If the answer 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?
Christopher Walker, FCAS, MAAA, PricewaterhouseCoopers, LLP, One North Wacker Drive, Chicago, IL 60606

- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes No
- 12.11 Name of real estate holding company

- 12.12 Number of parcels involved
- 12.13 Total book/adjusted carrying value
- 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?
Not applicable.

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

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

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

- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes No

- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.

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

- 14.2 Has the code of ethics for senior managers been amended? Yes No

- 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

- 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

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

PART 1 - COMMON INTERROGATORIES - 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 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 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 No

PART 1 - COMMON INTERROGATORIES - 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

- 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

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

21.21 Rented from others

21.22 Borrowed from others

21.23 Leased from others

21.24 Other

PART 1 - COMMON INTERROGATORIES - FINANCIAL

- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:
 22.21 Amount paid as losses or risk adjustment
 22.22 Amount paid as expenses
 22.23 Other amounts paid
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount. \$.....0

PART 1 - COMMON INTERROGATORIES - 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).
 Not applicable.

24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] N/A [X]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.

24.06 If answer to 24.04 is no, report amount of collateral for other programs.

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]

24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]

24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.
- 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.
- 24.103 Total payable for securities lending reported on the liability page.

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 []

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

- 25.21 Subject to repurchase agreements \$.....2,182,811
- 25.22 Subject to reverse repurchase agreements \$.....0
- 25.23 Subject to dollar repurchase agreements \$.....0
- 25.24 Subject to reverse dollar repurchase agreements \$.....0
- 25.25 Placed under option agreements \$.....0
- 25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$.....0
- 25.27 FHLB Capital Stock \$.....0
- 25.28 On deposit with states \$.....1,003,457
- 25.29 On deposit with other regulatory bodies \$.....0
- 25.30 Pledged as collateral - excluding collateral pledged to an FHLB \$.....0
- 25.31 Pledged as collateral to FHLB - including assets backing funding agreements \$.....0
- 25.32 Other \$.....0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

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 [X]

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

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 [X] No []

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
State Street Bank & Trust Company	801 Pennsylvania, Kansas City, MO 64105

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 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
107423	Conning Asset Management Company	One Financial Plaza, Hartford, CT 06103

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]

PART 1 - COMMON INTERROGATORIES - INVESTMENT

29.2 If yes, complete the following schedule:

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

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

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

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	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	70,811,608	72,988,545	2,176,938
30.2 Preferred stocks.....			0
30.3 Totals.....	70,811,608	72,988,545	2,176,938

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

External price provider sources are used in obtaining fair value prices. If an external source is not available, internal analytical system or broker quotes are utilized.

- 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 [X] No []
- 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. Prices are obtained from the dealers/market makers for these securities. These prices are non-binding but represent their best estimate of fair value per market conditions.
- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []
- 32.2 If no, list exceptions:

PART 1 - COMMON INTERROGATORIES - OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$.....168,052

33.2 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.	147,016

34.1 Amount of payments for legal expenses, if any? \$.....3,560

34.2 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
Foster, Swift, Collins & Smith, P.C.	988
Taylor, McCormack & Frame, LLC	2,572

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$.....15,793

35.2 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
Charles C. Soltan, LLC	13,533

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
 1.2 If yes, indicate premium earned on U.S. business only. \$.....0
 1.3 What portion of item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?
 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.
 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
 1.62 Total incurred claims
 1.63 Number of covered lives
 All years prior to most current three years:
 1.64 Total premium earned
 1.65 Total incurred claims
 1.66 Number of covered lives
- 1.7 Group policies:
 Most current three years:
 1.71 Total premium earned
 1.72 Total incurred claims
 1.73 Number of covered lives
 All years prior to most current three years:
 1.74 Total premium earned
 1.75 Total incurred claims
 1.76 Number of covered lives

2. Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator.....	.....	.....
2.2 Premium Denominator.....	\$.....43,075,744	.....41,664,640
2.3 Premium Ratio (2.1/2.2).....	.....0.0	.....0.0
2.4 Reserve Numerator.....	.....	.....
2.5 Reserve Denominator.....	\$.....59,635,699	.....59,342,943
2.6 Reserve Ratio (2.4/2.5).....	.....0.0	.....0.0

- 3.1 Does the reporting entity issue both participating and non-participating policies? Yes [] No [X]
 3.2 If yes, state the amount of calendar year premiums written on:
 3.21 Participating policies
 3.22 Non-participating policies

4. FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:
 4.1 Does the reporting entity issue assessable policies? Yes [] No []
 4.2 Does the reporting entity issue non-assessable policies? Yes [] No []
 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders?%
 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.

5. FOR RECIPROCAL EXCHANGES ONLY:
 5.1 Does the exchange appoint local agents? Yes [] No []
 5.2 If yes, is the commission paid:
 5.21 Out of Attorney's-in-fact compensation Yes [] No [] N/A []
 5.22 As a direct expense of the exchange Yes [] No [] N/A []
 5.3 What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?

- 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [] No []
 5.5 If yes, give full information:

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
The Company maintains excess of loss agreements providing \$23.5 million excess of \$1.5 million and catastrophe for \$35 million excess of \$25 million with a \$10 million maximum any one employee.

- 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 has property catastrophe insurance coverage with its Parent under a single reinsurance contract. The Parent utilized RMS Risk Link DLM v13.1 Severe Thunderstorm, Hurricane and U.S. Earthquake model to analyze its probable maximum loss from Severe Thunderstorm, Hurricane and U.S. Earthquake exposure. The model employs generally accepted statistical methods, historical frequency and loss patterns.

- 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, along with its Parent, purchased catastrophe insurance that provides protection against a probable maximum loss between a 1 in 250 and 1 in 500 year event.

- 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 [X] No []

- 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:

- 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.

- 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 []

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 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 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 31 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
 - (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
 - (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 [] No [X]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurance a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [] N/A []
- 11.1 Has this reporting entity guaranteed policies issued by any other reporting entity and now in force? Yes [] No [X]
- 11.2 If yes, give full information:
-
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for:
- 12.11 Unpaid losses \$.....0
- 12.12 Unpaid underwriting expenses (including loss adjustment expenses) \$.....0
- 12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds: \$.....0
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [] No [X] N/A []
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
- 12.41 From%
- 12.42 To%
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes [] No [X]
- 12.6 If yes, state the amount thereof at December 31 of current year:
- 12.61 Letters of credit
- 12.62 Collateral and other funds
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$.....2,500,000
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [] No [X]
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.5

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes [X] No []
 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
Reinsurance is allocated and recorded among the cedants based on their respective portion of the total cession.

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [] No [X]
 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [X] No []
 14.5 If the answer to 14.4 is no, please explain:

15.1 Has the reporting entity guaranteed any financed premium accounts? Yes [] No [X]
 15.2 If yes, give full information:

16.1 Does the reporting entity write any warranty business? Yes [] No [X]
 If yes, disclose the following information for each of the following types of warranty coverage:

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

* Disclose type of coverage:

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F-Part 3 that it excludes from Schedule F-Part 5? Yes [] No [X]
 Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F-Part 5.

Provide the following information for this exemption:

- 17.11 Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5
- 17.12 Unfunded portion of Interrogatory 17.11
- 17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11
- 17.14 Case reserves portion of Interrogatory 17.11
- 17.15 Incurred but not reported portion of Interrogatory 17.11
- 17.16 Unearned premium portion of Interrogatory 17.11
- 17.17 Contingent commission portion of Interrogatory 17.11

Provide the following information for all other amounts included in Schedule F-Part 3 and excluded from Schedule F-Part 5, not included above:

- 17.18 Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5
- 17.19 Unfunded portion of Interrogatory 17.18
- 17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18
- 17.21 Case reserves portion of Interrogatory 17.18
- 17.22 Incurred but not reported portion of Interrogatory 17.18
- 17.23 Unearned premium portion of Interrogatory 17.18
- 17.24 Contingent commission portion of Interrogatory 17.18

18.1 Do you act as a custodian for health savings account? Yes [] No [X]
 18.2 If yes, please provide the amount of custodial funds held as of the reporting date.
 18.3 Do you act as an administrator for health savings accounts? Yes [] No [X]
 18.4 If yes, please provide the balance of the funds administered as of the reporting date.

FIVE-YEAR HISTORICAL DATA

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

	1 2014	2 2013	3 2012	4 2011	5 2010
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).....	29,596,728	28,754,725	29,315,693	30,531,551	33,347,398
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	22,340,667	22,198,382	21,209,883	21,727,221	23,592,951
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	41,283,859	40,330,335	38,023,787	37,752,271	40,965,014
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	16,850	18,209	19,496	17,868	19,801
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					2,576
6. Total (Line 35).....	93,238,104	91,301,651	88,568,859	90,028,911	97,927,740
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).....	17,213,776	16,568,913	16,193,533	15,812,293	20,267,259
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	9,355,941	9,133,948	9,062,353	9,772,101	12,792,100
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	17,318,662	16,439,880	15,436,017	15,361,664	21,142,281
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	1,785	1,687	1,640	1,740	1,893
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					2,576
12. Total (Line 35).....	43,890,164	42,144,429	40,693,544	40,947,798	54,206,110
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	795,323	2,833,122	894,342	(4,718,324)	(6,290,080)
14. Net investment gain (loss) (Line 11).....	1,985,130	1,903,413	1,892,830	1,826,146	1,317,044
15. Total other income (Line 15).....	129,992	152,095	419,810	176,579	216,447
16. Dividends to policyholders (Line 17).....	180,409	303,924	377,425	273,037	319,171
17. Federal and foreign income taxes incurred (Line 19).....	706,000	1,274,000	858,000	(1,545,000)	1,289,000
18. Net income (Line 20).....	2,024,036	3,310,705	1,971,558	(1,443,636)	(6,364,761)
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	101,822,901	99,856,406	96,132,571	93,338,758	87,359,687
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	9,283,568	8,815,702	9,408,724	8,913,483	8,697,301
20.2 Deferred and not yet due (Line 15.2).....	12,565,903	12,525,806	12,249,062	11,612,787	10,397,614
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	71,461,584	71,776,079	71,260,344	70,410,901	63,454,993
22. Losses (Page 3, Line 1).....	27,006,894	26,975,031	28,169,316	27,163,937	23,360,965
23. Loss adjustment expenses (Page 3, Line 3).....	4,458,008	4,307,376	4,177,194	3,841,150	3,498,038
24. Unearned premiums (Page 3, Line 9).....	21,069,059	20,165,181	19,587,694	19,908,313	18,762,301
25. Capital paid up (Page 3, Lines 30 & 31).....	7,500,000	7,500,000	7,500,000	7,500,000	7,500,000
26. Surplus as regards policyholders (Page 3, Line 37).....	30,361,318	28,080,327	24,872,227	22,927,857	23,904,694
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	3,134,596	3,649,881	2,372,266	1,094,907	41,322,042
Risk-Based Capital Analysis					
28. Total adjusted capital.....	30,361,318	28,080,327	24,872,227	22,927,857	23,904,694
29. Authorized control level risk-based capital.....	3,208,618	3,123,176	2,864,335	2,572,152	3,204,632
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).....	97.6	96.2	92.8	94.0	90.6
31. Stocks (Lines 2.1 & 2.2).....					
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....					
33. Real estate (Lines 4.1, 4.2 & 4.3).....					
34. Cash, cash equivalents and short-term investments (Line 5).....	2.4	3.8	7.2	6.0	9.4
35. Contract loans (Line 6).....					
36. Derivatives (Line 7).....					
37. Other invested assets (Line 8).....					
38. Receivable for securities (Line 9).....					
39. Securities lending reinvested collateral assets (Line 10).....					
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).....					
45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10).....					
46. Affiliated mortgage loans on real estate.....					
47. All other affiliated.....					
48. Total of above lines 42 to 47.....	0	0	0	0	0
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).....	0.0				

FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2014	2013	2012	2011	2010
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24).....					(1,359,016)
52. Dividends to stockholders (Line 35).....					
53. Change in surplus as regards policyholders for the year (Line 38).....	2,280,991	3,208,100	1,944,370	(976,837)	1,326,161
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).....	14,226,792	18,233,792	16,626,899	14,934,164	(246,239)
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	11,550,192	10,353,401	10,370,221	11,121,370	9,043,372
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	21,503,164	19,325,267	17,254,327	20,460,961	9,619,374
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....		2,000			(155)
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	800	1,153	967	3,702	(50,464)
59. Total (Line 35).....	47,280,949	47,915,613	44,252,414	46,520,196	18,365,889
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).....	8,582,033	10,188,436	9,792,162	10,055,908	(6,159,593)
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	5,687,006	5,117,553	5,189,803	6,003,142	4,628,603
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	11,913,683	8,962,111	9,447,140	10,728,789	1,055,972
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....		2,000			(155)
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	800	1,153	967	3,702	(50,464)
65. Total (Line 35).....	26,183,523	24,271,253	24,430,071	26,791,540	(525,637)
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).....	60.9	55.4	61.9	76.8	65.1
68. Loss expenses incurred (Line 3).....	8.1	7.8	8.3	7.6	7.2
69. Other underwriting expenses incurred (Line 4).....	29.2	30.0	27.7	27.4	45.6
70. Net underwriting gain (loss) (Line 8).....	1.8	6.8	2.2	(11.8)	(17.9)
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0).....	28.4	29.3	26.9	26.2	29.1
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	68.9	63.2	70.2	84.4	72.3
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).....	144.6	150.1	163.6	178.6	226.8
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).....	(3,522)	(3,599)	(2,835)	(550)	(1,680)
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).....	(12.5)	(14.5)	(12.4)	(2.3)	(7.4)
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).....	(4,699)	(4,348)	(1,466)	(2,686)	(3,923)
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).....	(18.9)	(19.0)	(6.1)	(11.9)	(16.2)

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 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX	297	179	42	25	2		1	136	XXX
2. 2005.....	31,718	2,894	28,824	14,425	973	894	74	1,453		406	15,725	XXX
3. 2006.....	32,958	3,647	29,311	15,087	508	845	15	1,545		505	16,954	XXX
4. 2007.....	33,950	4,056	29,894	19,133	829	1,206	21	1,577		570	21,067	XXX
5. 2008.....	36,927	4,374	32,553	23,882	1,686	1,245	21	1,378		683	24,798	XXX
6. 2009.....	37,570	4,440	33,130	22,166	2,206	1,115	37	1,528		765	22,567	XXX
7. 2010.....	40,155	5,075	35,080	23,908	1,052	1,225	7	1,509		642	25,583	XXX
8. 2011.....	45,574	5,739	39,835	27,513	988	1,393	46	1,541		745	29,414	XXX
9. 2012.....	46,505	5,388	41,117	23,372	724	1,030	23	1,682		635	25,338	XXX
10. 2013.....	47,196	5,532	41,665	20,926	1,661	628	29	1,564	0	560	21,429	XXX
11. 2014.....	48,520	5,444	43,076	17,087	321	313	8	1,330		334	18,402	XXX
12. Totals.....	XXX	XXX	XXX	207,797	11,127	9,938	306	15,108	0	5,846	221,410	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....	3,197	2,498	566	230			77	34	16			1,094	XXX
2. 2005.....	410	328	38	10			8	5	2			115	XXX
3. 2006.....	442	350	56	13			15	1	3		0	152	XXX
4. 2007.....	377	122	80	22			19	2	6		0	335	XXX
5. 2008.....	720	355	170	40			36	3	8		1	535	XXX
6. 2009.....	1,042	567	325	70			71	6	12		3	807	XXX
7. 2010.....	732	133	608	114			108	12	21		5	1,210	XXX
8. 2011.....	1,773	543	1,059	160			225	27	35		14	2,362	XXX
9. 2012.....	2,286	501	1,786	291			399	36	68		48	3,712	XXX
10. 2013.....	3,578	434	2,626	446			740	73	154		90	6,145	XXX
11. 2014.....	7,621	892	7,371	1,737			2,143	235	726		376	14,996	XXX
12. Totals.....	22,177	6,722	14,686	3,134	0	0	3,841	433	1,051	0	538	31,465	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior..	XXX	XXX	XXX	XXX	XXX	XXX			XXX	1,035	59
2. 2005.	17,230	1,390	15,841	54.3	48.0	55.0			8.00	110	5
3. 2006.	17,992	887	17,105	54.6	24.3	58.4			8.00	135	17
4. 2007.	22,398	996	21,402	66.0	24.6	71.6			8.00	312	23
5. 2008.	27,438	2,105	25,333	74.3	48.1	77.8			8.00	494	41
6. 2009.	26,260	2,886	23,374	69.9	65.0	70.6			8.00	730	77
7. 2010.	28,111	1,318	26,793	70.0	26.0	76.4			8.00	1,093	117
8. 2011.	33,539	1,763	31,776	73.6	30.7	79.8			8.00	2,129	234
9. 2012.	30,624	1,575	29,049	65.9	29.2	70.6			8.00	3,281	431
10. 2013.	30,216	2,642	27,574	64.0	47.8	66.2			8.00	5,324	821
11. 2014.	36,590	3,193	33,398	75.4	58.6	77.5			8.00	12,363	2,633
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	27,007	4,458

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
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	One Year	Two Year
1. Prior.....	12,738	10,745	9,200	8,537	8,196	8,182	8,180	8,208	8,227	8,389	163	181
2. 2005.....	17,305	16,941	15,859	15,275	14,826	14,680	14,506	14,439	14,420	14,386	(34)	(53)
3. 2006.....	XXX	17,751	17,153	16,885	16,198	15,916	15,782	15,658	15,581	15,556	(24)	(101)
4. 2007.....	XXX	XXX	19,975	21,320	20,816	20,380	20,091	19,896	19,848	19,819	(29)	(77)
5. 2008.....	XXX	XXX	XXX	25,928	25,091	24,864	24,438	24,207	23,937	23,948	11	(259)
6. 2009.....	XXX	XXX	XXX	XXX	23,112	22,536	22,555	22,338	21,979	21,834	(146)	(504)
7. 2010.....	XXX	XXX	XXX	XXX	XXX	25,654	26,110	26,001	25,581	25,263	(318)	(738)
8. 2011.....	XXX	XXX	XXX	XXX	XXX	XXX	32,671	30,751	30,413	30,200	(212)	(551)
9. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	29,896	27,810	27,300	(511)	(2,596)
10. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	28,278	25,856	(2,422)	XXX
11. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	31,342	XXX	XXX
12. Totals.....											(3,522)	(4,699)

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
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014		
1. Prior.....	.000	2,754	4,667	5,670	6,149	6,577	6,765	7,009	7,177	7,311	XXX	XXX
2. 2005.....	7,690	11,255	12,721	13,448	13,787	14,033	14,170	14,237	14,262	14,272	XXX	XXX
3. 2006.....	XXX	8,356	11,956	13,613	14,343	14,976	15,232	15,326	15,390	15,408	XXX	XXX
4. 2007.....	XXX	XXX	9,830	15,031	17,012	18,241	18,838	19,174	19,363	19,490	XXX	XXX
5. 2008.....	XXX	XXX	XXX	12,601	18,580	21,238	22,282	22,856	23,208	23,420	XXX	XXX
6. 2009.....	XXX	XXX	XXX	XXX	12,177	17,094	19,255	20,048	20,729	21,039	XXX	XXX
7. 2010.....	XXX	XXX	XXX	XXX	XXX	13,963	20,173	22,283	23,436	24,074	XXX	XXX
8. 2011.....	XXX	XXX	XXX	XXX	XXX	XXX	17,417	24,057	26,758	27,873	XXX	XXX
9. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	14,961	21,465	23,656	XXX	XXX
10. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	13,941	19,865	XXX	XXX
11. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	17,072	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
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
1. Prior.....	5,987	3,859	2,202	1,305	920	602	477	438	407	379
2. 2005.....	4,019	2,823	1,926	965	561	302	136	62	49	32
3. 2006.....	XXX	4,055	2,608	1,870	1,036	569	303	161	77	57
4. 2007.....	XXX	XXX	3,902	2,497	1,865	1,046	562	307	159	75
5. 2008.....	XXX	XXX	XXX	5,034	2,732	1,742	1,015	565	308	162
6. 2009.....	XXX	XXX	XXX	XXX	5,236	2,589	1,705	1,080	560	320
7. 2010.....	XXX	XXX	XXX	XXX	XXX	5,243	2,349	1,786	1,089	591
8. 2011.....	XXX	XXX	XXX	XXX	XXX	XXX	6,370	2,642	1,764	1,097
9. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,009	2,756	1,858
10. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,455	2,847
11. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,542

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....AL	N								
2. Alaska.....AK	N								
3. Arizona.....AZ	N								
4. Arkansas.....AR	N								
5. California.....CA	N								
6. Colorado.....CO	N								
7. Connecticut.....CT	N								
8. Delaware.....DE	N								
9. District of Columbia.....DC	N								
10. Florida.....FL	N								
11. Georgia.....GA	N								
12. Hawaii.....HI	N								
13. Idaho.....ID	N								
14. Illinois.....IL	N								
15. Indiana.....IN	N								
16. Iowa.....IA	N								
17. Kansas.....KS	N								
18. Kentucky.....KY	N								
19. Louisiana.....LA	N								
20. Maine.....ME	L	33,912,645	33,570,133		13,842,346	16,114,796	15,479,395	231,398	
21. Maryland.....MD	N								
22. Massachusetts.....MA	L								
23. Michigan.....MI	L								
24. Minnesota.....MN	N								
25. Mississippi.....MS	N								
26. Missouri.....MO	N								
27. Montana.....MT	N								
28. Nebraska.....NE	N								
29. Nevada.....NV	N								
30. New Hampshire.....NH	L	9,135,497	9,265,993		3,838,813	3,389,491	4,758,559	40,795	
31. New Jersey.....NJ	N								
32. New Mexico.....NM	N								
33. New York.....NY	N								
34. North Carolina.....NC	N								
35. North Dakota.....ND	N								
36. Ohio.....OH	N								
37. Oklahoma.....OK	N								
38. Oregon.....OR	N								
39. Pennsylvania.....PA	N								
40. Rhode Island.....RI	N								
41. South Carolina.....SC	N								
42. South Dakota.....SD	N								
43. Tennessee.....TN	N								
44. Texas.....TX	N								
45. Utah.....UT	N								
46. Vermont.....VT	L	6,236,911	6,084,886		3,382,863	3,699,747	3,922,669	30,654	
47. Virginia.....VA	N								
48. Washington.....WA	N								
49. West Virginia.....WV	N								
50. Wisconsin.....WI	N								
51. Wyoming.....WY	N								
52. American Samoa.....AS	N								
53. Guam.....GU	N								
54. Puerto Rico.....PR	N								
55. US Virgin Islands.....VI	N								
56. Northern Mariana Islands.....MP	N								
57. Canada.....CAN	N								
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0	0	0
59. Totals.....(a).....5		49,285,054	48,921,012	0	21,064,022	23,204,035	24,160,624	302,846	0

DETAILS OF WRITE-INS

58001.....	XXX								
58002.....	XXX								
58003.....	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

(a) Insert the number of "L" responses except for Canada and Other Alien.

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;

(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

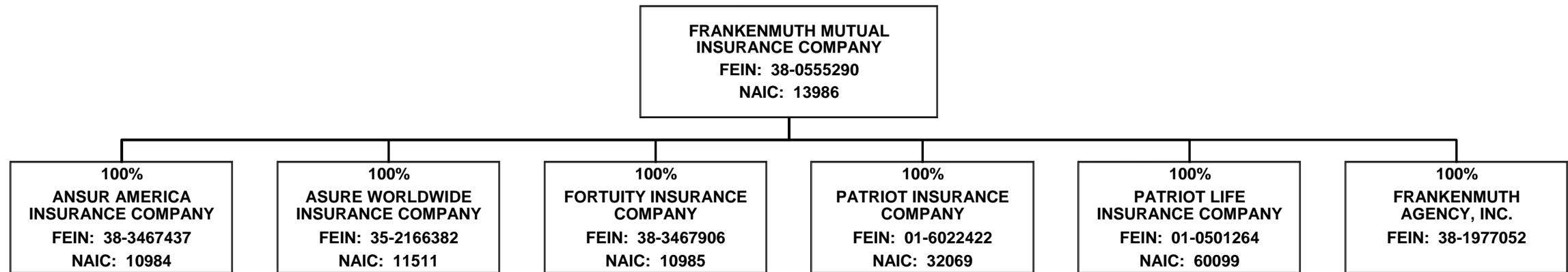
Explanation of Basis of Allocation of Premiums by States, etc.

Allocation to state by location of exposure.

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

PART 1 – ORGANIZATIONAL CHART

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