



## ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	635,102,016		635,102,016	614,492,647
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	10,737,585		10,737,585	8,814,296
2.2 Common stocks.....	33,443,588		33,443,588	33,411,432
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 (\$....(225,056), Schedule E-Part 1), cash equivalents (\$....4,660,944, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	4,435,888		4,435,888	6,757,569
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives (Schedule DB).....			0	
8. Other invested assets (Schedule BA).....			0	
9. Receivables for securities.....	13,469		13,469	32,989
10. Securities lending reinvested collateral assets (Schedule DL).....	7,452,991		7,452,991	5,558,550
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	691,185,537	0	691,185,537	669,067,483
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	6,525,155		6,525,155	6,206,311
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	46,796,115	1,057,021	45,739,094	41,132,656
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	352,566,431		352,566,431	317,328,176
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	97,712		97,712	73,046
16.2 Funds held by or deposited with reinsured companies.....	741,992		741,992	642,730
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.....	436,529		436,529	648,904
18.2 Net deferred tax asset.....	3,853,986	218,993	3,634,993	3,262,308
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....			0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	163,244		163,244	482,464
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other-than-invested assets.....	119,928	0	119,928	127,222
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	1,102,486,629	1,276,014	1,101,210,615	1,038,971,300
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTAL (Lines 26 and 27).....	1,102,486,629	1,276,014	1,101,210,615	1,038,971,300

### 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 through 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Premium Tax Credits.....	59,197		59,197	59,705
2502. Equities and Deposits in Pools and Associations.....	53,028		53,028	54,569
2503. Other Accounts Receivable.....	7,703		7,703	12,947
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	119,928	0	119,928	127,222

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	190,493,582	181,407,501
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....		73,505
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	37,024,296	34,908,396
4. Commissions payable, contingent commissions and other similar charges.....		
5. Other expenses (excluding taxes, licenses and fees).....	112,243	132,708
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	2,438,978	2,010,012
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....		
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 \$.....807,434,272 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).....	147,020,586	137,176,971
10. Advance premium.....	3,140,333	2,261,281
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....	568,881	570,510
12. Ceded reinsurance premiums payable (net of ceding commissions).....	311,733,222	277,783,173
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20).....	652,937	529,484
14. Amounts withheld or retained by company for account of others.....	1,103,037	686,627
15. Remittances and items not allocated.....	124,668	228,822
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 3, Column 78).....		1,000
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	22,876,308	21,324,139
20. Derivatives.....		
21. Payable for securities.....		
22. Payable for securities lending.....	7,453,018	5,558,550
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).....	724,742,088	664,652,677
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	724,742,088	664,652,677
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	2,350,000	2,350,000
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.....	86,482,000	86,482,000
35. Unassigned funds (surplus).....	287,636,526	285,486,622
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).....	376,468,526	374,318,623
38. TOTAL (Page 2, Line 28, Col. 3).....	1,101,210,615	1,038,971,300

### 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 through 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 through 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 through 3203 plus 3298) (Line 32 above).....	0	0

## STATEMENT OF INCOME

	1 Current Year	2 Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4).....	344,731,334	323,270,108
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7).....	223,150,517	189,721,833
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	36,520,130	31,939,743
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	97,808,119	90,573,527
5. Aggregate write-ins for underwriting deductions.....	148,984	89,603
6. Total underwriting deductions (Lines 2 through 5).....	357,627,750	312,324,706
7. Net income of protected cells.....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	(12,896,416)	10,945,402
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	21,412,795	21,051,793
10. Net realized capital gains (losses) less capital gains tax of \$.....0 (Exhibit of Capital Gains (Losses)).....	(2,821,602)	1,941,404
11. Net investment gain (loss) (Lines 9 + 10).....	18,591,193	22,993,197
<b>OTHER INCOME</b>		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$....893,454 amount charged off \$....2,661,390).....	(1,767,936)	(1,931,255)
13. Finance and service charges not included in premiums.....		
14. Aggregate write-ins for miscellaneous income.....	30,772	34,024
15. Total other income (Lines 12 through 14).....	(1,737,164)	(1,897,231)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	3,957,613	32,041,367
17. Dividends to policyholders.....	613,912	745,944
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).....	3,343,701	31,295,423
19. Federal and foreign income taxes incurred.....	489,569	9,189,843
20. Net income (Line 18 minus Line 19) (to Line 22).....	2,854,132	22,105,580
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	374,318,623	353,708,388
22. Net income (from Line 20).....	2,854,132	22,105,580
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$....(250,262).....	(909,303)	2,211,252
25. Change in net unrealized foreign exchange capital gain (loss).....		
26. Change in net deferred income tax.....	341,416	(3,908,525)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	(137,342)	202,927
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	1,000	(1,000)
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).....	2,149,903	20,610,235
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	376,468,526	374,318,623
<b>DETAILS OF WRITE-INS</b>		
0501. LAD Program Expense.....	148,984	89,603
0502. ....		
0503. ....		
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....	148,984	89,603
1401. Miscellaneous Income.....	30,772	34,024
1402. ....		
1403. ....		
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	30,772	34,024
3701. ....		
3702. ....		
3703. ....		
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above).....	0	0

## CASH FLOW

	1 Current Year	2 Prior Year
<b>CASH FROM OPERATIONS</b>		
1. Premiums collected net of reinsurance.....	349,618,743	324,141,357
2. Net investment income.....	23,889,259	24,371,299
3. Miscellaneous income.....	(1,714,899)	(1,624,108)
4. Total (Lines 1 through 3).....	371,793,103	346,888,547
5. Benefit and loss related payments.....	214,261,868	185,130,728
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	131,932,367	121,863,663
8. Dividends paid to policyholders.....	615,541	582,654
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	277,194	8,411,364
10. Total (Lines 5 through 9).....	347,086,970	315,988,409
11. Net cash from operations (Line 4 minus Line 10).....	24,706,133	30,900,138
<b>CASH FROM INVESTMENTS</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	195,786,387	162,960,515
12.2 Stocks.....	2,494,869	2,610,992
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.....		10,890
12.7 Miscellaneous proceeds.....	29,162	38,737
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	198,310,418	165,621,134
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	222,688,959	200,920,543
13.2 Stocks.....	4,963,692	3,503,000
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....	1,894,441	5,583,626
13.7 Total investments acquired (Lines 13.1 to 13.6).....	229,547,092	210,007,169
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).....	(31,236,674)	(44,386,035)
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	4,208,860	8,026,452
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	4,208,860	8,026,452
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	(2,321,681)	(5,459,445)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	6,757,569	12,217,013
19.2 End of year (Line 18 plus Line 19.1).....	4,435,888	6,757,569

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

20.0001		
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