



QUARTERLY STATEMENT
 AS OF SEPTEMBER 30, 2018
 OF THE CONDITION AND AFFAIRS OF THE
FLAGSHIP CITY INSURANCE COMPANY

NAIC Group Code 213 213 NAIC Company Code 35585 Employer's ID Number 25-1675935
(Current Period) (Prior Period)

Organized under the Laws of the State of PENNSYLVANIA State of Domicile or Port of Entry PENNSYLVANIA
 Country of Domicile U.S. Incorporated January 22, 1992 Commenced Business November 1, 1992

Statutory Home Office 100 Erie Insurance Place Erie, PA 16530
(Street and Number) (City or Town, State and Zip Code)

Main Administrative Office 100 Erie Insurance Place Erie, PA 16530 814-870-2000
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Mail Address 100 Erie Insurance Place Erie, PA 16530
(Street and Number) (City or Town, State and Zip Code)

Primary Location of Books and Records 100 Erie Insurance Place Erie, PA 16530 814-870-2000
(Street and Number) (City or Town, State and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.erieinsurance.com

Statutory Statement Contact Julie Marie Pelkowski 814-870-2000 x 2653
(Name) (Area Code) (Telephone Number) (Extension)
Julie.Pelkowski@erieinsurance.com 814-870-4040
(E-Mail Address) (Area Code) (Fax Number)

DIRECTORS

Brian William Bolash Gregory John Gutting Jonathan Hirt Hagen, Chairman# Robert Coleman Ingram, III
 Sean Joseph McLaughlin Robert Wayne McNutt# Timothy Gerard NeCastro

EXECUTIVE OFFICERS

President & Chief Executive Officer:	Timothy Gerard NeCastro	Executive Vice President & Chief Financial Officer:	Gregory John Gutting
Executive Vice President & General Counsel:	Sean Joseph McLaughlin	Executive Vice President & Chief Information Officer:	Robert Coleman Ingram, III
Executive Vice President:	Lorianne Feltz	Executive Vice President:	Douglas Edward Smith
Executive Vice President:	Dionne Wallace Oakley#		

.....

Senior Vice President & Chief Actuary:	Bradley Clay Eastwood
Senior Vice President & Controller:	Julie Marie Pelkowski
Senior Vice President & Chief Investment Officer:	Bradley G. Postema
Vice President, Secretary & Senior Counsel:	Brian William Bolash
Vice President & Treasurer:	Robert Wayne McNutt

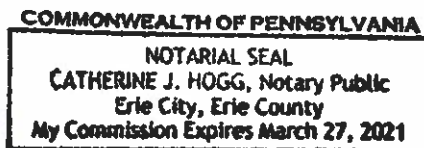
State of Pennsylvania / SS
 County of Erie /

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.

Timothy Gerard NeCastro President & CEO	Brian William Bolash Vice President, Secretary & Senior Counsel	Gregory John Gutting Executive Vice President & CFO

Subscribed and sworn to before me this
 8th day of November, 2018.

- (a) Is this an original filing? Yes (X) No ()
- (b) If no: (i) State the amendment number:
- (ii) Date filed:
- (iii) Number of pages attached:



ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	12,228,749		12,228,749	12,452,417
2. Stocks:				
2.1 Preferred stocks.....			.0	
2.2 Common stocks.....			.0	
3. Mortgage loans on real estate:				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate:				
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 (\$.....(287,423)), cash equivalents (\$.....570,182) and short-term investments (\$.....0).....	282,759		282,759	(816,130)
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives.....			.0	
8. Other invested assets.....			.0	
9. Receivables for securities.....	3,375		3,375	
10. Securities lending reinvested collateral assets.....			.0	
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	12,514,883	.0	12,514,883	11,636,287
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	98,804		98,804	113,364
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	2,474,252		2,474,252	2,867,881
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	44,624,191		44,624,191	35,467,875
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			.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.....			.0	
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.....			.0	
24. Health care (\$.....0) and other amounts receivable.....			.0	
25. Aggregate write-ins for other than invested assets.....	.0	.0	.0	.0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	59,712,130	.0	59,712,130	50,085,407
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. Total (Lines 26 and 27).....	59,712,130	.0	59,712,130	50,085,407

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.....			.0	
2502.....			.0	
2503.....			.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).....	.0	.0	.0	.0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....0).....		
2. Reinsurance payable on paid losses and loss adjustment expenses.....		
3. Loss adjustment expenses.....		
4. Commissions payable, contingent commissions and other similar charges.....		
5. Other expenses (excluding taxes, licenses and fees).....		600
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....		
7.1 Current federal and foreign income taxes (including \$...86 on realized capital gains (losses)).....	5,174	2,584
7.2 Net deferred tax liability.....	784	593
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$...64,561,295 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act).....		
10. Advance premium.....		
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	46,577,777	37,117,104
13. Funds held by company under reinsurance treaties.....		
14. Amounts withheld or retained by company for account of others.....	182,671	194,851
15. Remittances and items not allocated.....	50,572	54,798
16. Provision for reinsurance (including \$.....0 certified).....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	663	719
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).....	46,817,641	37,371,249
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	46,817,641	37,371,249
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.....	2,925,000	2,925,000
35. Unassigned funds (surplus).....	7,619,489	7,439,157
36. Less treasury stock, at cost:		
36.10.000 shares common (value included in Line 30 \$.....0).....		
36.20.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36).....	12,894,489	12,714,157
38. Totals (Page 2, Line 28, Col. 3).....	59,712,130	50,085,407

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 to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct..... (written \$.....107,229,973).....	97,773,619	92,241,139	124,439,853
1.2 Assumed..... (written \$.....0).....			
1.3 Ceded..... (written \$.....0).....	97,773,619	92,241,139	124,439,853
1.4 Net..... (written \$.....107,229,973).....	0	0	0
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....0):			
2.1 Direct.....	36,338,352	34,155,303	48,516,072
2.2 Assumed.....			
2.3 Ceded.....	36,338,352	34,155,303	48,516,072
2.4 Net.....	0	0	0
3. Loss adjustment expenses incurred.....			
4. Other underwriting expenses incurred.....			
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	0	0	0
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	0	0	0
INVESTMENT INCOME			
9. Net investment income earned.....	202,531	205,649	275,972
10. Net realized capital gains (losses) less capital gains tax of \$.....396.....	1,490	444	4,075
11. Net investment gain (loss) (Lines 9 + 10).....	204,021	206,093	280,047
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0		
13. Finance and service charges not included in premiums.....			
14. Aggregate write-ins for miscellaneous income.....	0	0	0
15. Total other income (Lines 12 through 14).....	0	0	0
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	204,021	206,093	280,047
17. Dividends to policyholders.....			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	204,021	206,093	280,047
19. Federal and foreign income taxes incurred.....	23,498	32,954	44,997
20. Net income (Line 18 minus Line 19) (to Line 22).....	180,523	173,139	235,050
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	12,714,157	12,477,803	12,477,803
22. Net income (from Line 20).....	180,523	173,139	235,050
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.....	(191)	1,011	1,304
27. Change in nonadmitted assets.....			
28. Change in provision for reinsurance.....			
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.....			
37. Aggregate write-ins for gains and losses in surplus.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	180,332	174,150	236,354
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	12,894,489	12,651,953	12,714,157

DETAILS OF WRITE-INS

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

CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....	697,985	(173,361)	(820,526)
2. Net investment income.....	308,965	319,869	404,973
3. Miscellaneous income.....			
4. Total (Lines 1 through 3).....	1,006,950	146,509	(415,553)
5. Benefit and loss related payments.....			
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	600		
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.353 tax on capital gains (losses).....	21,304	36,927	46,984
10. Total (Lines 5 through 9).....	21,904	36,927	46,984
11. Net cash from operations (Line 4 minus Line 10).....	985,046	109,582	(462,536)
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	1,148,249	2,042,464	2,042,859
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.....			
12.7 Miscellaneous proceeds.....		198,499	201,874
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	1,148,249	2,240,962	2,244,733
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	1,014,569	2,552,419	2,853,614
13.2 Stocks.....			
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....	3,375		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	1,017,944	2,552,419	2,853,614
14. Net increase or (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	130,305	(311,456)	(608,881)
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).....	(16,462)	52,328	37,225
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(16,462)	52,328	37,225
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).....	1,098,889	(149,546)	(1,034,192)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	(816,130)	218,062	218,062
19.2 End of period (Line 18 plus Line 19.1).....	282,759	68,515	(816,130)
Note: Supplemental disclosures of cash flow information for non-cash transactions:			
20.0001			