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THE TRAVELERS INDEMNITY COMPANY



THE TRAVELERS INDEMNITY COMPANY, ITS POOLED AFFILIATES, AND ITS 100% REINSURED AFFILIATES
(Travelers Combined Pool)

Annual Audited Combined Financial Statements – Statutory Basis

December 31, 2020 and 2019

(With Independent Auditors' Report Thereon)

TRAVELERS COMBINED POOL

Annual Audited Combined Financial Statements – Statutory Basis

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Independent Auditors' Report

The Board of Directors
The Travelers Companies, Inc. and subsidiaries:

We have audited the accompanying financial statements of The Travelers Indemnity Company, its Pooled Affiliates, and its 100% Reinsured Affiliates ("the Travelers Combined Pool"), which comprise the combined balance sheet (statutory basis) as of December 31, 2020 and 2019, and the related combined statements of income (statutory basis), changes in capital and surplus (statutory basis), and cash flow (statutory basis) for the years then ended, and the related notes to the combined financial statements (statutory basis).

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with statutory accounting practices prescribed or permitted by state insurance departments whose jurisdiction the Travelers Combined Pool members are subject. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 to the financial statements, the financial statements are prepared by the Travelers Combined Pool using statutory accounting practices prescribed or permitted by the state insurance departments whose jurisdiction the Travelers Combined Pool are subject, which is a basis of accounting other than U.S. generally accepted accounting principles. Accordingly, the financial statements are not intended to be presented in accordance with U.S. generally accepted accounting principles.

KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

The effects on the financial statements of the variances between the statutory accounting practices described in Note 2 and U.S. generally accepted accounting principles, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the variances between statutory accounting practices and U.S. generally accepted accounting principles discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statements referred to above do not present fairly, in accordance with U.S. generally accepted accounting principles, the financial position of the Travelers Combined Pool as of December 31, 2020 and 2019, or the results of its operations or its cash flows for the years then ended.

Opinion on Statutory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus of the Travelers Combined Pool as of December 31, 2020 and 2019, and the results of its operations and its cash flow for the years then ended, in accordance with statutory accounting practices prescribed or permitted by the state insurance departments whose jurisdiction the Travelers Combined Pool members are subject as described in Note 2.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included in the Combining Worksheets, Summary Investment Schedule, Supplemental Investment Risks Interrogatories, Property and Casualty Interrogatories Relating to Reinsurance, and TRV Consolidated Federal Income Tax Return Filing: List of Included Companies is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the state insurance departments whose jurisdiction the Travelers Combined Pool members are subject. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

/s/ KPMG LLP

Hartford, Connecticut
April 19, 2021

TRAVELERS COMBINED POOL
Combined Balance Sheet (statutory basis)

(At December 31, in thousands)	2020	2019
Assets		
Bonds	$ 59,477,955	$ 56,567,450
Preferred stocks	39,795	55,317
Common stocks	3,649,837	3,537,403
Real estate - Properties occupied by the company	368,593	363,891
Real estate - Properties held for the production of income	906,521	838,302
Cash and short-term investments	2,745,192	2,672,707
Other invested assets	3,232,070	3,105,749
Receivables for securities	542	4,765
Securities lending reinvested collateral assets	142,376	410,096
Aggregate write-ins for invested assets	(53,206)	(10,791)
Total cash and invested assets	70,509,675	67,544,889
Investment income due and accrued	530,816	537,493
Uncollected premiums and agents' balances in course of collection	1,709,059	1,548,231
Deferred premiums, agents' balances and installments booked but deferred and not yet due	5,071,325	5,259,347
Accrued retrospective premiums and contracts subject to redetermination	69,504	82,147
Reinsurance - Amounts recoverable from reinsurers	173,892	183,198
Reinsurance - Funds held by or deposited with reinsured companies	4,607	6,364
Net deferred tax asset	919,952	892,815
Guaranty funds receivable or on deposit	7,392	10,269
Electronic data processing equipment and software	63,144	71,498
Receivables from parent, subsidiaries and affiliates	14,530	12,693
Aggregate write-ins for other-than-invested assets	699,457	677,566
Total assets	$ 79,773,353	$ 76,826,510
Liabilities		
Losses	$ 34,451,950	$ 32,517,369
Reinsurance payable on paid losses and loss adjustment expenses	25,587	27,244
Loss adjustment expenses	7,515,326	7,429,834
Commissions payable, contingent commissions and other similar charges	823,392	792,805
Other expenses	545,993	619,091
Taxes, licenses and fees	304,856	300,120
Current federal and foreign income taxes	43,567	57,305
Borrowed money and interest thereon	-	9
Unearned premiums	12,189,526	11,714,527
Advance premium	75,357	81,206
Dividends declared and unpaid - Policyholders	56,553	59,459
Ceded reinsurance premiums payable	256,043	263,359
Funds held by company under reinsurance treaties	61,629	67,165
Amounts withheld or retained by company for account of others	1,105,533	1,036,866
Remittances and items not allocated	216,347	429,509
Provision for reinsurance	47,600	40,311
Net adjustments in assets and liabilities due to foreign exchange rates	67,366	66,900
Payable for securities	39,856	87,798
Payable for securities lending	142,376	410,096
Aggregate write-ins for liabilities	284,872	155,547
Total liabilities	58,253,729	56,156,520
Surplus as regards policyholders		
Aggregate write-ins for special surplus funds	44,785	48,108
Common capital stock	60,791	60,791
Gross paid in and contributed surplus	10,725,834	10,725,834
Unassigned funds (surplus)	10,688,214	9,835,257
Total surplus as regards policyholders	21,519,624	20,669,990
Total liabilities and surplus as regards policyholders	$ 79,773,353	$ 76,826,510

See Notes to Combined Financial Statements (statutory basis)

TRAVELERS COMBINED POOL
Combined Statement of Income (statutory basis)

(For the year ended December 31, in thousands)	2020	2019
Underwriting Income		
Premiums earned	$ 25,349,677	$ 24,716,089
Losses incurred	14,506,768	14,377,814
Loss adjustment expenses incurred	2,435,139	2,584,021
Other underwriting expenses incurred	7,396,272	7,203,679
Net underwriting gain	1,011,498	550,575
Investment Income		
Net investment income earned	2,395,725	2,738,408
Net realized capital losses [net of tax of $3,634 in 2020 and $11,101 in 2019]	(116,651)	(24,538)
Net investment gain	2,279,074	2,713,870
Other Income		
Net loss from agents' or premium balances charged off	(45,616)	(55,222)
Finance and service charges not included in premiums	80,255	91,175
Aggregate write-ins for miscellaneous income	39,287	49,652
Total other income	73,926	85,605
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	3,364,498	3,350,050
Dividends to policyholders	34,587	41,418
Federal and foreign income taxes incurred	515,283	503,800
Net income	$ 2,814,628	$ 2,804,832

Combined Statement of Changes in Capital and Surplus (statutory basis)

(For the year ended December 31, in thousands)	2020	2019
Surplus as regards policyholders - December 31, prior year	$ 20,669,990	$ 20,185,230
Net income	2,814,628	2,804,832
Change in net unrealized capital gains or (losses)	124,581	140,637
Change in net unrealized foreign exchange capital gain (loss)	3,803	2,212
Change in net deferred income tax	45,285	48,245
Change in nonadmitted assets	(131,374)	(19,052)
Change in provision for reinsurance	(7,289)	7,886
Dividends to stockholders (cash)	(2,000,000)	(2,500,000)
Change in surplus as regards policyholders for the year	849,634	484,760
Surplus as regards policyholders - December 31, current year	$ 21,519,624	$ 20,669,990

See Notes to Combined Financial Statements (statutory basis)

TRAVELERS COMBINED POOL
Combined Statement of Cash Flow (statutory basis)

(For the year ended December 31, in thousands)	2020	2019
Cash from Operations		
Premiums collected net of reinsurance	$ 25,849,256	$ 25,207,826
Net investment income	2,681,473	3,023,387
Miscellaneous income	73,233	85,605
Total	28,603,962	28,316,818
Benefit and loss related payments	12,562,785	13,456,123
Commissions, expenses paid and aggregate write-ins for deductions	9,772,332	9,603,906
Dividends paid to policyholders	37,493	43,334
Federal and foreign income taxes paid	532,655	418,427
Total	22,905,265	23,521,790
Net cash provided by operations	5,698,697	4,795,028
Cash from Investments		
Proceeds from investments sold, matured or repaid:		
Bonds	8,952,080	7,250,293
Stocks	138,339	137,661
Real estate	30	-
Other invested assets	211,510	420,779
Net gains on cash and short-term investments	130	51
Miscellaneous proceeds	312,607	231,467
Total investment proceeds	9,614,696	8,040,251
Cost of investments acquired:		
Bonds	12,034,832	8,759,050
Stocks	101,548	80,902
Real estate	127,979	109,330
Other invested assets	428,304	443,892
Miscellaneous applications	94,900	122,552
Total investments acquired	12,787,563	9,515,726
Net decrease in contract loans and premium notes	(1,144)	(438)
Net cash used in investments	(3,171,723)	(1,475,037)
Cash from Financing and Miscellaneous Sources		
Cash provided (applied):		
Dividends to stockholders	(2,000,000)	(2,500,000)
Other cash provided (applied)	(454,489)	5,199
Net cash used in financing and miscellaneous sources	(2,454,489)	(2,494,801)
Net change in cash and short-term investments	72,485	825,190
Cash and short-term investments - beginning of year	2,672,707	1,847,517
Cash and short-term investments - end of year	$ 2,745,192	$ 2,672,707

See Notes to Combined Financial Statements (statutory basis)

1. ORGANIZATION

Pursuant to approval granted by the appropriate insurance regulatory authorities, annual audited financial statements for The Travelers Indemnity Company (Indemnity) and its Pooled Affiliates (together referred to as the "TRV Reinsurance Pool" or "Reinsurance Pool"), along with its 100% reinsured affiliates (collectively referred to as the "Travelers Combined Pool" or "Combined Pool"), have been prepared on a combined basis for 2020 and 2019. Significant intercompany transactions and balances have been eliminated.

The Reinsurance Pool consists of 35 property-casualty insurance companies. The Combined Pool consists of the companies in the Reinsurance Pool and 6 additional property-casualty companies which cede 100% of their business to the Reinsurance Pool. At December 31, 2020 these U.S. domiciled companies were direct or indirect wholly-owned subsidiaries of The Travelers Companies, Inc. (TRV), a publicly traded holding company.

Indemnity is the lead company of the Reinsurance Pool. Under the terms of the intercompany pooling arrangement, the property-casualty underwriting risks for substantially all lines of business of the intercompany pool participants are reinsured with Indemnity. The net underwriting risks remaining after reinsurance is transacted with third parties by Indemnity is then retroceded to the Reinsurance Pool participants based on pool percentages. The provision for reinsurance and the write-off of uncollectible reinsurance are reported in the statutory financial statements of Indemnity and are not allocated to the other Reinsurance Pool participants.

Effective January 1, 2020, after receiving all required regulatory approvals, the TRV Reinsurance Pool was amended whereby the percent of participation changed for the pool participants indicated below.

The names, the National Association of Insurance Commissioners (NAIC) company codes, states of domicile and intercompany pool percentages of the companies participating in the TRV Reinsurance Pool are as follows:

TRV Reinsurance Pool Participant	NAIC Company Code	State of Domicile	Pool Participation %
The Travelers Indemnity Company	25658	CT	25.20 *
St. Paul Fire and Marine Insurance Company	24767	CT	24.79
Travelers Casualty and Surety Company	19038	CT	20.36
The Phoenix Insurance Company	25623	CT	5.00
The Standard Fire Insurance Company	19070	CT	4.84
United States Fidelity and Guaranty Company	25887	CT	4.41
Travelers Casualty Insurance Company of America	19046	CT	2.73
Farmington Casualty Company	41483	CT	1.48
The Automobile Insurance Company of Hartford, Connecticut	19062	CT	1.37
The Travelers Indemnity Company of Connecticut	25682	CT	1.37
The Charter Oak Fire Insurance Company	25615	CT	1.27
Northland Insurance Company	24015	CT	1.22
The Travelers Indemnity Company of America	25666	CT	0.77
St. Paul Protective Insurance Company	19224	CT	0.58
Travelers Casualty Company of Connecticut	36170	CT	0.47
Travelers Commercial Casualty Company	40282	CT	0.47
Travelers Commercial Insurance Company	36137	CT	0.47
St. Paul Mercury Insurance Company	24791	CT	0.40
Travelers Property Casualty Company of America	25674	CT	0.36
Travelers Property Casualty Insurance Company	36161	CT	0.30
The Travelers Casualty Company	41769	CT	0.29
Travelers Constitution State Insurance Company	41750	CT	0.29
TravCo Insurance Company	28188	CT	0.27
The Travelers Home and Marine Insurance Company	27998	CT	0.27
Travelers Personal Insurance Company	38130	CT	0.27
Travelers Personal Security Insurance Company	36145	CT	0.27
Discover Property & Casualty Insurance Company	36463	CT	0.14
Northland Casualty Company	24031	CT	0.14
Fidelity and Guaranty Insurance Underwriters, Inc.	25879	WI	0.10
St. Paul Guardian Insurance Company	24775	CT	0.10
American Equity Specialty Insurance Company	10819	CT	0.00 *
Discover Specialty Insurance Company	10213	CT	0.00 *
Northfield Insurance Company	27987	IA	0.00 *
St. Paul Surplus Lines Insurance Company	30481	DE	0.00 *
Travelers Excess and Surplus Lines Company	29696	CT	0.00 *

* Pool participation percentage change effective January 1, 2020.

Other Intercompany Reinsurance Agreements:

As described above, the following additional 6 companies participate in intercompany reinsurance agreements whereby each company cedes 100% of their direct and assumed business to one of the above Reinsurance Pool participants:

	NAIC Company Code	State of Domicile
American Equity Insurance Company	43117	AZ
Fidelity and Guaranty Insurance Company	35386	IA
Gulf Underwriters Insurance Company	42811	CT
Select Insurance Company	22233	TX
The Travelers Lloyds Insurance Company	41262	TX
Travelers Lloyds of Texas Insurance Company	41564	TX

On January 1, 2019, Jupiter Holdings, Inc., a subsidiary of Indemnity, was dissolved in accordance with Minnesota Statutes Chapter 302A and its corporate existence was terminated. Following this dissolution, American Equity Insurance Company and Northland Insurance Company became direct subsidiaries of Indemnity.

The companies in the Combined Pool are licensed to write property-casualty coverages in 50 states, the District of Columbia, Guam, Puerto Rico, the US Virgin Islands, the Northern Mariana Islands and Canada.

Catastrophe Exposure:

The Combined Pool has geographic exposure to catastrophe losses, which includes hurricanes, tornadoes and other windstorms, earthquakes, hail, wildfires, severe winter weather, floods, tsunamis, volcanic eruptions, solar flares and other naturally-occurring events. Catastrophes can also result from terrorist attacks and other intentionally destructive acts including those involving nuclear, biological, chemical and radiological events, cyber events, civil unrest, explosions and destruction of infrastructure. The incidence and severity of catastrophes are inherently unpredictable. The extent of losses from a catastrophe is a function of both the total amount of insured exposure in the area affected by the event and the severity of the event. Most catastrophes are restricted to small geographic areas; however, hurricanes, earthquakes, wildfires and cyber attacks may produce significant damage in larger areas, especially those that are heavily populated. The Combined Pool generally seeks to manage its exposure to catastrophes through individual risk selection and the purchase of catastrophe reinsurance.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. The Combined Pool prepares its statutory financial statements in conformity with the accounting practices prescribed or permitted by the respective regulatory authorities of the states in which the Combined Pool members are domiciled. These states require that insurance companies domiciled therein prepare their statutory basis financial statements in accordance with the NAIC *Accounting Practices and Procedures Manual*, subject to any deviations prescribed or permitted by the respective regulatory authorities. The Combined Pool does not apply any statutory accounting practices that would be considered a permitted practice in its financial statements.

B. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and losses and expenses during the reporting period. Actual results could differ from those estimates.

C. Statutory accounting practices differ in certain respects from U.S. Generally Accepted Accounting Principles (GAAP). The items of greatest significance are as follows:

Nonadmitted Assets: Certain assets are designated as nonadmitted, including non-operating system software, other invested assets for which audited financial statements are not obtained in accordance with statutory accounting requirements, uncollected agents' balances over 90 days past due, a portion of deferred tax assets and furniture, fixtures and equipment. Nonadmitted assets are excluded from the statutory balance sheet and changes in such amounts are charged or credited directly to unassigned funds, a component of surplus as regards policyholders (policyholders' surplus).

Policy Acquisition Costs: The costs of acquiring both new and renewal insurance business are charged to income as incurred. Under GAAP, such costs are deferred and amortized on a pro rata basis over the contract periods in which the related premiums are earned.

Reinsurance: Reserves for losses, loss adjustment expenses (LAE) and unearned premiums ceded to reinsurers have been reported as reductions of the related reserves rather than as assets as required by GAAP.

Under statutory accounting, a liability is established for unsecured unauthorized reinsurance and overdue authorized reinsurance recoverables. Under GAAP, the reinsurance recoverable asset is reported net of an allowance for estimated uncollectible reinsurance recoverables.

Investments: Under GAAP, bonds are categorized based on positive intent as "trading securities" (reported at fair value, with changes in fair value reported in earnings), "available for sale" securities (reported at fair value, with changes in fair value reported in equity), or "held to maturity" securities (reported at amortized cost). Under statutory reporting, bonds are valued according to statutory requirements as described below.

Under GAAP, an entity's share of undistributed earnings and losses of an investee accounted for under the equity method is recognized in earnings. Under statutory accounting, distributions received from these investments are recorded as net investment income and undistributed earnings or (losses) are recorded as unrealized capital gains or (losses) and charged or credited directly to unassigned funds. As a result of

the difference in the accounting methods, the recognition of impairment losses for statutory accounting considers accumulated unrealized losses in the measurement of impairments, while these unrealized losses were previously recorded in income as incurred for GAAP.

Subsidiaries of the companies which are not included in the Combined Pool are not consolidated and changes in values are charged or credited directly to unassigned funds. Under GAAP, these subsidiaries are generally consolidated.

Deferred Tax Assets: Under statutory accounting practices, gross deferred tax assets are admitted subject to certain restrictions. The change in net deferred income tax is reported as a charge or credit directly to unassigned funds. Under GAAP, this change is reported as an adjustment to income.

D. Other significant statutory accounting policies are as follows:

Premiums are recognized as revenues pro rata over the policy period. Unearned premium reserves represent the unexpired portion of policy premiums, net of reinsurance.

Realized investment gains and losses are included as a component of net income based upon specific identification of the investments sold on the trade date net of capital gains tax. Impairments are charged directly to net realized capital gains (losses) and are determined based on the continual review of investment portfolio valuations.

Unrealized investment gains and losses, net of deferred taxes, are credited or charged directly to unassigned funds.

Amounts recoverable from reinsurers are estimated in a manner consistent with the loss liability associated with the reinsured business. The Combined Pool evaluates and monitors the financial condition of its reinsurers under voluntary reinsurance arrangements to minimize its exposure to significant losses from reinsurer insolvencies.

Canadian dollar denominated assets, liabilities, revenues and expenses of the Combined Pool's Canadian Branch operations are included in the accompanying financial statements at the Canadian currency amounts. The net assets of the Canadian Branch operations are translated at the year-end exchange rate and the adjustment into U.S. dollars is reflected as a separate liability in the Combined Pool's accompanying balance sheet. The liabilities reported at year end for these foreign currency translation amounts were $67.4 million and $66.9 million for 2020 and 2019, respectively. The change in this account balance is charged or credited directly to unassigned funds. Foreign denominated bonds (non-Canadian Branch operations) have also been translated to U.S. dollars at the year-end exchange rates. Changes in the value of the bonds due to fluctuations in foreign currency exchange rates are charged or credited directly to unassigned funds until the bonds are sold or mature.

The provision for federal income taxes is comprised of two components: current income taxes and deferred income taxes. Deferred federal income taxes arise from changes during the year in cumulative temporary differences between the statutory basis and tax basis of assets and liabilities. Gross deferred tax assets are reduced by a statutory valuation allowance adjustment if, based on the weight of available evidence, it is more likely than not that some portion or all of the gross deferred tax assets will not be realized.

The Combined Pool utilizes anticipated investment income as a factor in the premium deficiency calculation.

Property-casualty reserves are established for loss and LAE and represent management's estimate of the ultimate cost of all unpaid reported and unreported claims incurred and related expenses. In establishing loss and LAE reserves, the Combined Pool also takes into account estimated recoveries, reinsurance, salvage and subrogation. The loss and LAE reserves are reviewed regularly by qualified actuaries employed by the Combined Pool. The Combined Pool continually refines its loss and LAE reserve estimates in a regular ongoing process as historical loss experience develops and additional claims are reported and settled. Because establishment of loss and LAE reserves is an inherently uncertain process involving estimates, currently established reserves may change. The Combined Pool reflects adjustments to loss and LAE reserves in the period in which the estimates change. Such changes in estimates could occur in a future period and may be material to the Combined Pool's net income in such period.

Included in loss reserves at December 31, 2020 and 2019 were $2.39 billion and $2.16 billion, respectively, of discounted workers' compensation reserves. Also included in loss reserves at December 31, 2020 and 2019, were $140.9 million and $145.1 million, respectively, of discounted other liability-occurrence reserves. See Note 17.

Invested assets are valued according to statutory requirements and the bases of valuation adopted by the NAIC as follows:

Short-term investments are stated at amortized cost and consist of investments with remaining maturities of one year or less at the time of acquisition.

Bonds are generally stated at amortized cost, except bonds that are defined by the NAIC as non-investment grade (NAIC designation 3-6), which are stated at the lower of amortized cost or fair value. Amortization is calculated using the constant yield method.

Common stocks of non-affiliates are stated at fair value based on fair values received from the Securities Valuation Office (SVO) or by a third party organization. Common stock investments in subsidiaries are based on the net worth of the entity, determined in accordance with statutory accounting valuation methods. Common stock investments of Indemnity, St. Paul Fire and Marine Insurance Company (Fire and Marine), Travelers Casualty and Surety Company and The Standard Fire Insurance Company in direct and indirect subsidiaries that also are participants in the Combined Pool have been eliminated in the combining process (see Exhibit 1, Sections 2 and 3). Dividends received from non-Combined Pool subsidiaries are recorded as net investment income and undistributed net income is recorded as net unrealized capital gains or (losses). Dividends paid and received among Combined Pool participants have been eliminated in the combining process (see Exhibit 1, Sections 4

and 5). The carrying value of the Combined Pool's subsidiary investments was $3.53 billion and $3.42 billion at December 31, 2020 and 2019, respectively.

NAIC designation 1 and 2 redeemable preferred stocks are generally stated at amortized cost, whereas NAIC designation 3-6 redeemable preferred stocks are stated at the lower of cost, amortized cost, or fair value. NAIC designation 1 and 2 perpetual preferred stocks are generally stated at fair value, while NAIC designation 3-6 perpetual preferred stocks are stated at the lower of cost or fair value.

Real estate is stated at depreciated cost, net of encumbrances and specific impairments.

For a discussion of the valuation basis and adjustment methodology for loan-backed securities and structured securities, see Note 3D.

The Combined Pool's investments in partnerships, joint ventures and limited liability companies are reported using the equity method of accounting, determined in accordance with statutory accounting valuation methods. Distributions of accumulated earnings received from these investments are recorded as net investment income earned and undistributed net income is recorded as net unrealized capital gains or (losses).

The Combined Pool has investments in limited partnerships that generate certain federal and state tax credits which are used to offset federal taxes and state premium taxes. These investments are amortized as the tax credits are utilized.

For accounting policy regarding derivative instruments, see Note 6.

E. The Combined Pool is the owner and beneficiary of life insurance policies included in "Aggregate write-ins for other-than-invested assets" at their cash surrender values. At December 31, 2020, the cash surrender value in an investment vehicle is $182.1 million and is allocated based on underlying investment characteristics between bonds (69%), stocks (30%), and cash and short-term investments (1%).

F. The Combined Pool has provided $224.7 million of voluntary premium refunds to policyholders related to COVID-19 through December 31, 2020. The Combined Pool accounted for these premium refunds as a reduction of premium.

3. INVESTMENTS

A. Bonds:

Bonds by investment type (in millions):

	Carrying Value	Excess of Fair Value Over Carrying Value	Excess of Carrying Value Over Fair Value	Fair Value
At December 31, 2020				
U.S. government and government agencies and authorities	$ 1,947.6	$ 35.7	$ -	$ 1,983.3
All other governments	542.8	34.3	-	577.1
States, territories and possessions	1,338.3	99.8	-	1,438.1
U.S. political subdivisions of states, territories, and possessions	17,643.4	1,372.6	(1.0)	19,015.0
U.S. special revenue and special assessment obligations	12,127.9	906.3	(0.1)	13,034.1
Industrial and miscellaneous	21,887.4	1,967.5	(1.4)	23,853.5
Bank loans	66.9	-	(0.1)	66.8
Loan-backed securities	1,874.4	132.4	-	2,006.8
Structured securities	2,049.3	110.1	(0.7)	2,158.7
Total bonds	$ 59,478.0	$ 4,658.7	$ (3.3)	$ 64,133.4

	Carrying Value	Excess of Fair Value Over Carrying Value	Excess of Carrying Value Over Fair Value	Fair Value
At December 31, 2019				
U.S. government and government agencies and authorities	$ 1,898.5	$ 18.8	$ (0.2)	$ 1,917.1
All other governments	539.2	13.9	(0.2)	552.9
States, territories and possessions	1,183.5	63.2	-	1,246.7
U.S. political subdivisions of states, territories, and possessions	15,206.2	813.2	(3.5)	16,015.9
U.S. special revenue and special assessment obligations	9,909.8	589.6	(1.6)	10,497.8
Industrial and miscellaneous	22,564.7	1,006.4	(5.1)	23,566.0

	Carrying Value	Excess of Fair Value Over Carrying Value	Excess of Carrying Value Over Fair Value	Fair Value
At December 31, 2019				
Bank loans	76.8	0.4	(0.1)	77.1
Loan-backed securities	2,444.3	62.0	(2.0)	2,504.3
Structured securities	2,744.4	79.1	(2.2)	2,821.3
Total bonds	$ 56,567.4	$ 2,646.6	$ (14.9)	$ 59,199.1

The carrying value of bonds is generally amortized cost, except bonds that are rated by the NAIC as non-investment grade (i.e. NAIC designation 3-6), which are reported at the lower of amortized cost or fair value. Fair value amounts disclosed are generally provided by the SVO or, if not available from the SVO, by third party pricing services.

The carrying value and fair value of bonds at December 31, 2020, by maturity are shown below, separating out loan-backed and structured securities. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

(in millions)	Carrying Value	Fair Value
One year or less	$ 3,727.4	$ 3,772.1
Over 1 year through 5 years	14,514.0	15,517.9
Over 5 years through 10 years	15,900.7	17,460.0
Over 10 years	21,412.2	23,217.9
Loan-backed securities	1,874.4	2,006.8
Structured securities	2,049.3	2,158.7
Total bonds	$ 59,478.0	$ 64,133.4

Proceeds from sales of bonds were $3.07 billion and $2.20 billion in 2020 and 2019, respectively. Gross gains of $16.2 million and $40.7 million in 2020 and 2019, respectively, and gross losses of $1.4 million and $3.9 million in 2020 and 2019, respectively, were realized on those sales.

Included in bonds are investments in non-investment grade bonds totaling $1.31 billion and $1.33 billion at December 31, 2020 and 2019, respectively.

Investment income related to prepayment penalties and/or acceleration fees recognized by the Combined Pool on bonds called by various issuers during 2020 and 2019 was as follows:

	2020	2019
Number of unique CUSIPs	174	87
Aggregate amount of investment income (in millions)	$ 41.3	$ 9.7

B. Preferred Stock:

The carrying value and fair value of perpetual and redeemable preferred stock at December 31 were as follows (in millions):

	2020		2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Perpetual	$ 39.8	$ 41.4	$ 29.8	$ 30.5
Redeemable	-	-	25.5	25.5
Total	$ 39.8	$ 41.4	$ 55.3	$ 56.0

C. Real Estate:

(1) On June 1, 2020, Fire and Marine donated land located at 1520 Broadmoor Blvd., Buford, GA to the City of Buford, Gwinnett County, GA. A loss of $0.2 million was recognized on this disposal.

(2) On July 27, 2020, Fire and Marine sold land located at 1520 Broadmoor Blvd., Buford, GA. The land was sold as follows: (a) a 25% undivided interest to Mahaffey Pickens Tucker, LLC a 1031 Exchange Intermediary for Dale G. Brown and (b) a 75% undivided interest to Dale G. Brown individually. A loss of $78 thousand was recognized on this sale.

D. Loan-Backed and Structured Securities:

The Combined Pool applies the retrospective method of revaluing loan-backed securities. The Combined Pool's loan-backed securities are revalued quarterly using the constant effective yield method which includes an adjustment for estimated principal prepayments, if any. The effective yield used to determine amortization for these securities is recalculated and adjusted periodically based upon actual historical and/or projected future cash flows. The Combined Pool changes from the retrospective to prospective method for valuing the securities when an other-than-temporary impairment has been recorded.

For collateralized mortgage obligations, asset-backed securities and pass-through certificates prepayment assumptions are adjusted periodically.

Fair value amounts disclosed are generally provided by the SVO or, if not available from the SVO, by third party pricing services.

The following table provides aggregated information on structured securities, classified on the basis for the recognized 2020 other-than-temporary impairments (in millions):

	Amortized Cost Basis Before Other-Than-Temporary Impairment	Other-Than-Temporary Impairment Recognized in Loss	Fair Value
OTTI recognized in the quarter ending March 31, 2020			
Present value of cash flows is less than amortized cost	$ -	$ -	$ -
OTTI recognized in the quarter ending June 30, 2020			
Present value of cash flows is less than amortized cost	$ -	$ -	$ -
OTTI recognized in the quarter ending September 30, 2020			
Present value of cash flows is less than amortized cost	$ -	$ -	$ -
OTTI recognized in the quarter ending December 31, 2020			
Present value of cash flows is less than amortized cost	$ 1.5	$ -	$ 1.5
Annual Aggregate Total:		$ - [1]	

Structured securities with other-than-temporary impairments are as follows (in millions):

CUSIP	Amortized Cost Basis Before Other-Than-Temporary Impairment	Present Value of Projected Cash Flows	Other-Than-Temporary Impairment Recognized in Loss	Amortized Cost Basis After Other-Than-Temporary Impairment	Fair Value	Impairment Quarter
76111XDE0	$ -	$ -	$ -	$ -	$ -	Q1 - 2020
466247LU5	1.5	1.5	-	1.5	1.5	Q4 - 2020
Total:			$ - [1]			

[1] Other-than-temporary impairments were immaterial for 2020.

The Combined Pool determines an other-than-temporary impairment by utilizing discounted cash flow modeling to determine the present value of the security and comparing the present value with the amortized cost of the security. If the amortized cost is greater than the present value of the expected cash flows, the difference is considered a credit loss and recognized in net realized capital gains (losses). The Combined Pool estimates the present value of the security by projecting future cash flows of the assets underlying the securitization, allocating the flows to the various tranches based on the structure of the securitization, and determining the present value of the cash flows using the effective yield of the security at the date of acquisition (or the most recent implied rate used to accrete the security if the implied rate has changed as a result of changes in expected cash flows). The Combined Pool incorporates levels of delinquencies, defaults and severities as well as credit attributes of the remaining assets in the securitization, along with other economic data, to arrive at its best estimate of the parameters applied to the assets underlying the securitization.

E. Concentrations:

At December 31, 2020 and 2019, other than U.S. Treasury securities and obligations of U.S. government and government agencies and authorities, the Combined Pool was not exposed to any concentration of credit risk of a single issuer greater than 5% of policyholders' surplus of the Combined Pool.

The Combined Pool participates in a short-term investment pool maintained by TRV. See Note 8 for discussion.

The Combined Pool seeks to mitigate credit risk by actively monitoring the creditworthiness of counterparties, obtaining collateral as deemed appropriate and applying controls that include credit approvals, limits of credit exposure and other monitoring procedures.

F. Other-Than-Temporary Impairment of Certain Securities:

The Combined Pool recognizes an impairment loss when an invested asset's value declines below cost, adjusted for accretion, amortization and previous other-than-temporary impairments (new cost basis), and the change is deemed to be other-than-temporary, or if it is determined that the Combined Pool will not be able to recover all amounts due pursuant to the issuers' contractual obligations prior to sale or maturity. When the Combined Pool determines that an invested asset is other-than-temporarily impaired, the invested asset is written down to fair value for securities other than loan-backed and structured securities, and the amount of the impairment is included in earnings as a realized capital loss. The fair value then becomes the new cost basis of the investment and any subsequent recoveries in fair value are recognized at disposition.

The Combined Pool recognizes a realized loss when impairment is deemed to be other-than-temporary even if a decision to sell an invested asset has not been made. When the Combined Pool intends to sell a temporarily impaired invested asset and the Combined Pool does not expect the fair value of the invested asset to fully recover prior to the expected time of sale, the invested asset is deemed to be other-than-temporarily impaired in the period in which the decision to sell is made.

Factors considered in determining whether a decline is other-than-temporary include the Combined Pool's ability and intent to hold the investment for a period of time sufficient to allow for any anticipated recovery, the length of time and the extent to which fair value has been below cost and the financial condition and near-term prospects of the issuer.

The Combined Pool's process for reviewing invested assets for impairments during any quarter includes the following:

- Identification and evaluation of investments that have possible indications of other-than-temporary impairment, which includes an analysis of investments with gross unrealized investment losses that have fair values less than 80% of cost for six consecutive months or more;
- Review of portfolio manager(s) recommendations for other-than-temporary impairments based on the investee's current financial condition, liquidity, near-term recovery prospects and other factors;
- Consideration of evidential matter, including an evaluation of factors or triggers that would or could cause individual investments to qualify as having other-than-temporary impairments; and
- Determination of the status of each analyzed investment as other-than-temporary or not, with documentation of the rationale for the decision.

The following tables summarize, for all bonds and stocks in an unrealized loss position at December 31, 2020 and 2019, the aggregate fair value and gross unrealized loss by length of time those securities that have been continuously in an unrealized loss position. The gross unrealized loss is the amount by which cost or amortized cost exceeds fair value for securities rated in all NAIC designations.

	Less Than 12 Months		12 Months or Longer		Total	
(in millions)	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
At December 31, 2020						
U.S. government and government agencies and authorities	$ 30.7	$ -	$ -	$ -	$ 30.7	$ -
All other governments	2.2	-	-	-	2.2	-
States, territories and possessions	4.5	-	-	-	4.5	-
U.S. political subdivisions of states, territories, and possessions	182.6	1.0	-	-	182.6	1.0
U.S. special revenue and special assessment obligations	39.5	0.1	-	-	39.5	0.1
Industrial and miscellaneous	387.0	4.1	51.9	2.6	438.9	6.7
Bank loans	5.3	0.1	-	-	5.3	0.1
Loan-backed securities	6.9	-	0.6	-	7.5	-
Structured securities	76.6	0.6	21.8	0.1	98.4	0.7
Total bonds	$ 735.3	$ 5.9	$ 74.3	$ 2.7	$ 809.6	$ 8.6

	Less Than 12 Months		12 Months or Longer		Total	
(in millions)	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
At December 31, 2019						
U.S. government and government agencies and authorities	$ -	$ -	$ 254.3	$ 1.1	$ 254.3	$ 1.1
All other governments	59.8	0.3	8.5	-	68.3	0.3
States, territories and possessions	-	-	12.1	-	12.1	-

(in millions)	Less Than 12 Months Fair Value	Less Than 12 Months Gross Unrealized Losses	12 Months or Longer Fair Value	12 Months or Longer Gross Unrealized Losses	Total Fair Value	Total Gross Unrealized Losses
At December 31, 2019						
U.S. political subdivisions of states, territories, and possessions	386.9	3.4	17.0	-	403.9	3.4
U.S. special revenue and special assessment obligations	151.9	1.6	5.5	-	157.4	1.6
Industrial and miscellaneous	557.8	4.7	310.4	6.1	868.2	10.8
Bank loans	-	-	5.3	0.1	5.3	0.1
Loan-backed securities	367.8	1.6	37.9	0.4	405.7	2.0
Structured securities	229.3	1.6	162.6	0.8	391.9	2.4
Total bonds	$ 1,753.5	$ 13.2	$ 813.6	$ 8.5	$ 2,567.1	$ 21.7
Perpetual preferred stock	$ -	$ 6.0	$ -	$ 3.0	$ -	$ 9.0
Unaffiliated common stock	$ -	$ -	$ -	$ 1.9	$ -	$ 1.9

Impairments related to bonds were $29.2 million and $3.9 million in 2020 and 2019, respectively.

Impairments related to unaffiliated common stock were $21.3 million and $3.7 million in 2020 and 2019, respectively.

G. Restricted Assets:

Admitted restricted assets by category (in millions):

	December 31, 2020	December 31, 2019	As a percent of admitted assets at 2020	As a percent of admitted assets at 2019
Collateral held under security lending agreements	$ 142.4	$ 410.1	0.2%	0.5%
Assets on deposit with states	4,016.5	4,036.9	5.0%	5.3%
Assets on deposit with other regulatory bodies	109.3	109.3	0.1%	0.1%
Pledged as collateral not captured in other categories	80.6	81.2	0.1%	0.1%
Escrow for claim settlement	0.7	-	0.0%	0.0%
Total	$ 4,349.5	$ 4,637.5	5.4%	6.0%

The Company did not hold any nonadmitted restricted assets at December 31, 2020 or 2019.

H. Investments in Low-Income Housing Tax Credits (LIHTC):

The Combined Pool has investments in certain federal and state sponsored LIHTC properties. The federally sponsored LIHTC property investments primarily generate federal tax credits which allow the Combined Pool to offset federal taxes and are projected to be available through 2031. The state sponsored LIHTC property investments primarily generate premium tax credits which allow the Combined Pool to offset premium taxes in Georgia and are projected to be available through 2031.

At December 31, 2020, the Combined Pool had unfunded commitments of $7.4 million related to LIHTC investments.

In 2020 and 2019, $17.4 million and $16.9 million, respectively, of tax benefits related to LIHTC were recognized. The balance of the investments in LIHTC at December 31, 2020 and 2019 was $79.1 million and $77.6 million, respectively.

Management of the Combined Pool is not aware of any of the LIHTC investments and related properties being the subject of any federal or state regulatory reviews.

Current LIHTC investments do not exceed 10% of the Combined Pool's total net admitted assets.

I. 5GI Securities:

Securities owned by the Combined Pool with an NAIC designation of 5GI for the years ended:

	Number of 5GI Securities	(in millions) Carrying Value	(in millions) Fair Value
December 31, 2020			
Bonds	5	$ 7.0	$ 8.3
Preferred stock	3	9.4	10.1
Total	8	$ 16.4	$ 18.4
December 31, 2019			
Bonds	20	$ 24.1	$ 26.7

J. State Transferable Tax Credits:

State transferable tax credits held by the Combined Pool at December 31 were as follows (in millions):

	2020		2019	
State	Carrying Value	Unused Amount	Carrying Value	Unused Amount
CT	$ 7.6	$ 7.4	$ 7.4	$ 7.4
PA	3.5	3.4	6.7	6.5
NE	1.4	1.6	1.7	1.7
OR	0.2	0.2	0.2	0.2
WY	0.1	0.1	0.4	0.4
AR	-	-	0.9	0.9
TN	-	-	0.5	0.5
Total	$ 12.8	$ 12.7	$ 17.8	$ 17.6

These tax credits are reported in “Aggregate write-ins for other than invested assets” and have been admitted in accordance with the guidance as presented in SSAP No. 94R, *Transferable and Non-Transferable State Tax Credits* and SSAP No. 4, *Assets and Nonadmitted Assets* and are utilized per a set schedule as outlined in the respective purchase agreement.

K. Joint Ventures, Partnerships and Limited Liability Companies:

Joint ventures, partnerships, and limited liability companies are recorded on a lag basis with changes in the Combined Pool’s proportional share of equity recorded as an unrealized gain (loss), subject to testing for possible impairment. As part of the impairment testing process, the Combined Pool evaluates those assets for other-than-temporary impairments using financial information that is received from the respective joint venture, partnership, or limited liability company. The Combined Pool concluded that some of the aforementioned assets, as a result of deteriorating economic conditions, had other-than-temporary impairments and recorded realized losses of $85.4 million and $61.7 million in 2020 and 2019, respectively, with an offsetting entry to change in net unrealized capital gains or (losses). There was no impact to policyholders’ surplus as the change in net unrealized capital gains or (losses) was offset by the realized losses of the same amounts.

4. FAIR VALUE MEASUREMENTS

The Combined Pool’s estimates of fair value for financial assets and financial liabilities are based on the framework established in the fair value accounting guidance. The framework is based on the inputs used in valuation, gives the highest priority to quoted prices in active markets and requires that observable inputs be used in the valuations when available. The disclosure of fair value estimates in the fair value accounting guidance hierarchy is based on whether the significant inputs into the valuation are observable. In determining the level of the hierarchy in which the estimate is disclosed, the highest priority is given to unadjusted quoted prices in active markets and the lowest priority to unobservable inputs that reflect the Combined Pool’s significant market assumptions. The level in the fair value hierarchy within which the fair value measurement is reported is based on the lowest level input that is significant to the measurement in its entirety. The three levels of the hierarchy are as follows:

- Level 1 - Unadjusted quoted market prices for identical assets or liabilities in active markets that the Combined Pool has the ability to access.
- Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; or valuations based on models where the significant inputs are observable (e.g., interest rates, yield curves, prepayment speeds, default rates, loss severities, etc.) or can be corroborated by observable market data.
- Level 3 - Valuations based on models where significant inputs are not observable. The unobservable inputs reflect the Combined Pool’s own assumptions about the inputs that market participants would use.

A. Securities measured and reported at fair value for the years ended:

December 31, 2020 (in millions)

Description	Level 1	Level 2	Level 3	Total
Bonds				
Industrial and miscellaneous	$ -	$ 110.9	$ -	$ 110.9
Bank loans	-	53.4	-	53.4
Total bonds	-	164.3	-	164.3
Preferred stock				
Perpetual	8.2	21.0	3.4	32.6
Common stock				
Industrial and miscellaneous	110.8	-	4.5	115.3
Total securities at fair value	$ 119.0	$ 185.3	$ 7.9	$ 312.2

At December 31, 2020, the Combined Pool also holds Level 2 U.S. special revenue and special assessment obligations bonds and Level 3 industrial and miscellaneous bonds, both measured and reported at their fair value of zero.

December 31, 2019 (in millions)

Description	Level 1	Level 2	Level 3	Total
Bonds				
All other governments	$ -	$ 8.0	$ -	$ 8.0
Industrial and miscellaneous	-	111.1	-	111.1
Bank loans	-	11.7	-	11.7
Total bonds	-	130.8	-	130.8
Preferred stock				
Perpetual	8.1	20.5	-	28.6
Redeemable	-	25.5	-	25.5
Total preferred stock	8.1	46.0	-	54.1
Common stock				
Industrial and miscellaneous	112.5	-	2.1	114.6
Total securities at fair value	$ 120.6	$ 176.8	$ 2.1	$ 299.5

At December 31, 2019, the Combined Pool also holds Level 2 U.S. special revenue and special assessment obligations bonds, Level 3 industrial and miscellaneous bonds, and Level 3 perpetual preferred stock, all measured and reported at their fair value of zero.

Reconciliation of Level 3 securities during 2020 and 2019 (in millions):

Description	Beginning Balance at 1/1/2020	Transfers into Level 3	Transfers out of Level 3	Total Gains & (Losses) Included in Net Income	Total Gains & (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2020
Preferred stock	$ -	$ -	$ -	$ -	$ 3.4	$ -	$ -	$ -	$ -	$ 3.4
Common stock	2.1	-	-	-	2.4	-	-	-	-	4.5
Total	$ 2.1	$ -	$ -	$ -	$ 5.8	$ -	$ -	$ -	$ -	$ 7.9

Description	Beginning Balance at 1/1/2019	Transfers into Level 3	Transfers out of Level 3	Total Gains & (Losses) Included in Net Income	Total Gains & (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2019
Bonds	$ 55.6	$ 2.5	$ (59.3)	$ 0.3	$ 1.8	$ -	$ -	$ (0.4)	$ (0.5)	$ -
Common stock	2.2	-	-	-	(0.1)	-	-	-	-	2.1
Total	$ 57.8	$ 2.5	$ (59.3)	$ 0.3	$ 1.7	$ -	$ -	$ (0.4)	$ (0.5)	$ 2.1

During 2019, the Combined Pool disposed of a portion of its Level 3 common stock measured and reported in the previous year at its fair value of zero.

Market fluctuations and changes in NAIC designation cause securities to change from being held at cost to fair value or vice versa. These changes result in a transfer in or out of Level 3.

Level 2 and Level 3 valuation techniques:

The fair values of bonds and preferred stock are generally provided by the SVO or, if not available from the SVO, by third party pricing services.

The Combined Pool also holds unaffiliated common stock where the fair value estimate is determined by an internal portfolio manager based on recent filings, operating results, balance sheet stability, growth and other business and market sector fundamentals. Due to the significant unobservable inputs in these valuations, the Combined Pool includes the total fair value estimate for all of these investments in Level 3.

B. The Combined Pool uses various financial instruments in the normal course of its business. Certain insurance contracts are excluded by SSAP No. 100R, *Fair Value*, and, therefore, are not included in the amounts discussed.

The carrying values of cash, short-term investments, receivable for securities, payable for securities, interest, dividends and real estate income accrued approximate their fair values.

C. The following tables provide the aggregate fair value and reported aggregate admitted asset value by type of financial instrument; and the hierarchy level in which the fair values fall (in millions):

(At December 31, 2020) Description	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3
Short-term bonds	$ 3,439.5	$ 3,439.5	$ 352.0	$ 3,087.5	$ -
Long-term bonds	64,133.4	59,478.0	1,972.2	62,011.6	149.6
Preferred stock	41.4	39.8	10.3	21.0	10.1
Common stock	115.3	115.3	110.8	-	4.5

(At December 31, 2019) Description	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3
Short-term bonds	$ 3,260.7	$ 3,260.7	$ 369.0	$ 2,891.7	$ -
Long-term bonds	59,199.1	56,567.4	1,903.7	57,215.4	80.0
Preferred stock	56.0	55.3	10.0	46.0	-
Common stock	114.6	114.6	112.5	-	2.1

5. INVESTMENT INCOME

A. Policyholders' surplus excludes due and accrued investment income if amounts are over 90 days past due.

B. The Combined Pool had no material past due accrued investment income at December 31, 2020 and 2019.

6. DERIVATIVE INSTRUMENTS

From time to time, the Combined Pool enters into U.S. Treasury note futures contracts to modify the effective duration of specific assets within the investment portfolio. U.S. Treasury futures contracts require a daily mark-to-market and settlement with the broker. The Combined Pool does not hold or issue derivative instruments for trading purposes.

At December 31, 2020 and 2019, the Combined Pool did not hold long or short futures positions. The Combined Pool enters into short positions in financial futures contracts which offset asset price changes resulting from changes in market interest rates. These transactions are economic hedges of such exposure and, because these derivative instruments have not been designated as accounting hedges, the contracts are reported at fair value. For these instruments the fair value is zero as the contracts are settled daily. The open derivative contracts are settled daily at fair value with the changes in fair value reported as an unrealized capital gain or (loss). Upon closing the contracts, the unrealized capital gain or (loss) is reported as a realized capital gain (loss).

The Combined Pool does not enter into any derivative contracts with financing premiums.

7. INCOME TAXES

A. The components of the net deferred tax asset/(liability) are as follows (in millions):

	December 31, 2020		
	Ordinary	Capital	Total
1. a. Gross deferred tax assets	$ 1,449.3	$ 209.3	$ 1,658.6
b. Statutory valuation allowance adjustment	-	-	-
c. Adjusted gross deferred tax assets	1,449.3	209.3	1,658.6
d. Deferred tax assets nonadmitted	77.8	143.7	221.5
e. Subtotal net deferred tax assets	1,371.5	65.6	1,437.1
f. Deferred tax liabilities	452.3	64.8	517.1
g. Net admitted deferred tax asset/(liability)	$ 919.2	$ 0.8	$ 920.0

	December 31, 2019		
	Ordinary	Capital	Total
a. Gross deferred tax assets	$ 1,414.8	$ 185.1	$ 1,599.9
b. Statutory valuation allowance adjustment	-	-	-
c. Adjusted gross deferred tax assets	1,414.8	185.1	1,599.9
d. Deferred tax assets nonadmitted	85.1	127.1	212.2
e. Subtotal net deferred tax assets	1,329.7	58.0	1,387.7
f. Deferred tax liabilities	443.3	51.6	494.9
g. Net admitted deferred tax asset/(liability)	$ 886.4	$ 6.4	$ 892.8

		Change		
	Ordinary	Capital	Total
a. Gross deferred tax assets	$ 34.5	$ 24.2	$ 58.7
b. Statutory valuation allowance adjustment	-	-	-
c. Adjusted gross deferred tax assets	34.5	24.2	58.7
d. Deferred tax assets nonadmitted	(7.3)	16.6	9.3
e. Subtotal net deferred tax assets	41.8	7.6	49.4
f. Deferred tax liabilities	9.0	13.2	22.2
g. Net admitted deferred tax asset/(liability)	$ 32.8	$ (5.6)	$ 27.2

2. Admission Calculation Components SSAP No. 101:

	December 31, 2020		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks.	$ 839.4	$ 5.3	$ 844.7
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)	157.1	2.6	159.7
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date.	157.1	2.6	159.7
2. Adjusted gross deferred tax assets allowed per limitation threshold.	xxxx	xxxx	4,218.6
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.	375.0	57.7	432.7
d. Deferred tax assets admitted as the result of application of SSAP No. 101.			
Total (2(a) + 2(b) + 2(c))	1,371.5	65.6	1,437.1
Deferred tax liabilities netted against deferred tax assets	452.3	64.8	517.1
Total	$ 919.2	$ 0.8	$ 920.0

	December 31, 2019		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks.	$ 781.4	$ 8.2	$ 789.6
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)	171.9	-	171.9
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date.	171.9	-	171.9
2. Adjusted gross deferred tax assets allowed per limitation threshold.	xxxx	xxxx	4,071.8
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.	376.4	49.8	426.2
d. Deferred tax assets admitted as the result of application of SSAP No. 101.			
Total (2(a) + 2(b) + 2(c))	1,329.7	58.0	1,387.7
Deferred tax liabilities netted against deferred tax assets	443.3	51.6	494.9
Total	$ 886.4	$ 6.4	$ 892.8

	Change		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks.	$ 58.0	$ (2.9)	$ 55.1
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)	(14.8)	2.6	(12.2)
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date.	(14.8)	2.6	(12.2)
2. Adjusted gross deferred tax assets allowed per limitation threshold.	xxxx	xxxx	146.8
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.	(1.4)	7.9	6.5
d. Deferred tax assets admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	41.8	7.6	49.4
Deferred tax liabilities netted against deferred tax assets	9.0	13.2	22.2
Total	$ 32.8	$ (5.6)	$ 27.2

3. a. All Combined Pool participants have a ratio of total adjusted capital exDTA to authorized control level Risk-Based Capital in excess of 300% at both December 31, 2020 and 2019.

   b. The aggregate amount of adjusted capital and surplus for all Combined Pool participants used to determine the recovery period and threshold limitation in 2(b)2 above was $28,124.1 million and $27,145.3 million in 2020 and 2019, respectively.

4. Impact of Tax-Planning Strategies:

	December 31, 2020	
	Ordinary	Capital
a. Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character, as a percentage.		
1. Adjusted gross deferred tax assets amounts from Note 7A1(c).	$ 1,449.3	$ 209.3
2. Percentage of adjusted gross deferred tax assets by tax character attributable to the impact of tax-planning strategies.	0%	25%
3. Net admitted adjusted gross deferred tax assets amounts from Note 7A1(e).	$ 1,371.5	$ 65.6
4. Percentage of net admitted adjusted gross deferred tax assets by tax character attributable to the impact of tax-planning strategies.	0%	0%

	December 31, 2019	
	Ordinary	Capital
a. Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character, as a percentage.		
1. Adjusted gross deferred tax assets amounts from Note 7A1(c).	$ 1,414.8	$ 185.1
2. Percentage of adjusted gross deferred tax assets by tax character attributable to the impact of tax-planning strategies.	0%	5%
3. Net admitted adjusted gross deferred tax assets amounts from Note 7A1(e).	$ 1,329.7	$ 58.0
4. Percentage of net admitted adjusted gross deferred tax assets by tax character attributable to the impact of tax-planning strategies.	0%	0%

	Change	
	Ordinary	Capital
a. Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character, as a percentage.		
1. Adjusted gross deferred tax assets amounts from Note 7A1(c).	$ 34.5	$ 24.2
2. Percentage of adjusted gross deferred tax assets by tax character attributable to the impact of tax-planning strategies.	0%	20%
3. Net admitted adjusted gross deferred tax assets amounts from Note 7A1(e).	$ 41.8	$ 7.6
4. Percentage of net admitted adjusted gross deferred tax assets by tax character attributable to the impact of tax-planning strategies.	0%	0%

b. Does the Combined Pool's tax-planning strategies include the use of reinsurance? Yes ____ No X

B. The provisions for incurred tax on earnings are as follows (in millions):

	December 31, 2020	2019	Change
1. Current Income Tax:			
Federal	$ 515.3	$ 503.5	$ 11.8
Foreign	-	0.3	(0.3)
Subtotal	515.3	503.8	11.5
Federal income taxes on net capital gains	3.6	11.1	(7.5)
Federal and foreign income taxes incurred	$ 518.9	$ 514.9	$ 4.0

2. The tax effects of temporary differences that give rise to significant portions of the deferred tax assets are as follows:

	December 31, 2020	2019	Change
Ordinary:			
Discounting of unpaid losses	$ 572.1	$ 538.3	$ 33.8
Unearned premium reserve	515.1	495.4	19.7
Investments	18.2	19.2	(1.0)
Compensation and benefits accrual	192.2	178.9	13.3
Nonadmitted assets	74.5	79.8	(5.3)
Guaranty fund assessments	0.4	0.4	-
Other	76.8	102.8	(26.0)
Total ordinary deferred tax assets	$ 1,449.3	$ 1,414.8	$ 34.5
Statutory valuation allowance adjustment	-	-	-
Nonadmitted deferred tax assets	77.8	85.1	(7.3)
Admitted ordinary deferred tax assets	$ 1,371.5	$ 1,329.7	$ 41.8
Capital:			
Investments	$ 209.3	$ 185.1	$ 24.2
Total capital deferred tax assets	$ 209.3	$ 185.1	$ 24.2
Statutory valuation allowance adjustment	-	-	-
Nonadmitted deferred tax assets	143.7	127.1	16.6
Admitted capital deferred tax assets	$ 65.6	$ 58.0	$ 7.6
Total admitted deferred tax assets	$ 1,437.1	$ 1,387.7	$ 49.4

3. The tax effects of temporary differences that give rise to significant portions of the deferred tax liabilities are as follows:

	December 31, 2020	2019	Change
Ordinary:			
Investments	$ 258.8	$ 244.3	$ 14.5
Loss and LAE reserve discounting (transition rule)	91.9	110.2	(18.3)
Fixed assets	9.6	2.1	7.5
Compensation and benefits accrual	76.2	72.5	3.7
Guaranty fund assessments	0.5	0.7	(0.2)
Foreign tax credit redetermination	3.2	3.2	-
Other	12.1	10.3	1.8
Total ordinary deferred tax liabilities	$ 452.3	$ 443.3	$ 9.0
Capital:			
Investments	$ 64.8	$ 51.6	$ 13.2
Total capital deferred tax liabilities	$ 64.8	$ 51.6	$ 13.2
Total deferred tax liabilities	$ 517.1	$ 494.9	$ 22.2
4. Net admitted deferred tax asset/(liability)	$ 920.0	$ 892.8	$ 27.2

5. Deferred income taxes do not include any benefit from investment tax credits.

6. Deferred income taxes do not include a benefit from net operating losses.

7. There are no adjustments to a deferred tax asset or deferred tax liability for enacted changes in tax laws or rates or a change in the tax status of the Combined Pool.

8. There are no adjustments to gross deferred tax assets because of change in circumstances that causes a change in judgment about the realizability of the related deferred tax asset.

9. The change in net deferred income taxes is comprised of the following:

	December 31, 2020	2019	Change
Total deferred tax assets	$ 1,658.6	$ 1,599.9	$ 58.7
Total deferred tax liabilities	517.1	494.9	22.2
Net deferred tax asset/(liability)	$ 1,141.5	$ 1,105.0	36.5
Tax effect of unrealized gains (losses)			8.8
Change in net deferred income tax			$ 45.3

C. The provision for federal and foreign income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate before income tax. The significant items causing this difference are as follows (in millions):

Rate Reconciliation:	December 31, 2020
Pretax net income	$ 3,333.5
Taxes at statutory rate	700.0
Increase (decrease) attributable to:	
Nontaxable investment income	(205.3)
Nonadmitted assets	(26.1)
Other	5.0
	$ 473.6
Federal and foreign taxes incurred	$ 518.9
Change in net deferred income tax	(45.3)
Total statutory income tax	$ 473.6
Effective tax rate	14.2%

D. 1. The Combined Pool has no net operating loss carryforward available for tax purposes.

2. Current and prior year federal income taxes available for recoupment in the event of future net losses are as follows (in millions):

2020 Total	$	559.2
2019 Total		512.9
2018 Capital Gains		75.0

3. The Combined Pool has no protective tax deposits with the Internal Revenue Service under Section 6603 of the Internal Revenue Code.

E. 1. Members of the Combined Pool are included in the consolidated federal income tax return of TRV. See Exhibit 5 for a listing of the entities included with members of the Combined Pool in a consolidated federal income tax return filing.

2. These members are party to a tax allocation agreement that sets forth the manner in which total consolidated federal income tax is allocated among companies included in the consolidated return. Member companies included in the TRV consolidated return are allocated taxes annually based upon their separate taxable income. Companies with a current federal income tax receivable from TRV will receive settlement to the extent that such receivables are for tax benefits that have been utilized in the consolidated federal income tax return. Member companies are reimbursed by TRV in the event the Internal Revenue Service levies upon a member's assets for unpaid taxes in excess of the amount specifically allocated to a member.

F. The Combined Pool does not believe it is reasonably possible that the liability related to any federal or foreign tax loss contingencies may significantly increase within the next 12 months.

8. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES AND OTHER RELATED PARTIES

A. (1) The principal banking functions for the U.S. domestic property-casualty operations of TRV and its U.S. domiciled affiliated property-casualty insurance companies are handled by Indemnity. Settlements between the companies are made at least monthly.

(2) TRV maintains a private short-term investment pool, known as the Travelers Money Market Liquidity Pool (TRVMMLP), in which affiliated companies may participate. The TRVMMLP is managed by Indemnity. Each company may convert its position in the TRVMMLP into cash at any time and may also use its position in the TRVMMLP to settle transactions with other affiliated participants in the TRVMMLP. The position of each company in the TRVMMLP is calculated and adjusted daily. Each participating insurance company carries its share of the TRVMMLP as a short-term investment. At December 31, 2020 and 2019, the Combined Pool's share of the TRVMMLP totaled $3.42 billion and $3.25 billion, respectively. Approximately 99% of the TRVMMLP balance as of December 31, 2020 is comprised of short-term investments, and the remainder is comprised of cash and cash equivalents.

(3) The companies in the Combined Pool participate in various intercompany reinsurance agreements with affiliates. See Note 15 for additional detail.

B. Material transactions with related parties:

In 2020 and 2019, the Combined Pool sold $552.8 million and $423.8 million of securities to the TRVMMLP, respectively.

C. At December 31, 2020 and 2019, the Combined Pool had receivables of $14.5 million and $12.7 million, respectively, from affiliates. Substantially all of the accounts between and among the Combined Pool and its affiliates are settled at least monthly. Accounts between and among the Combined Pool and certain international affiliates are settled within the timeframe specified in the related service and reimbursement agreements. All settlements are through the TRVMMLP or in cash.

D. Material management or service contracts and cost sharing arrangements involving the Combined Pool or any affiliate are as follows:

Type of Contract and Description	Servicing Company	Other Party
Amended and Restated Service Expense Reimbursement	The Travelers Companies, Inc.	The Travelers Indemnity Company
Amended and Restated Expense Allocation	The Travelers Indemnity Company	Travelers P&C [1]
Reinsurance Allocation	The Travelers Indemnity Company	Travelers P&C [1]
Corporate Services	The Travelers Indemnity Company	First Floridian Auto and Home Insurance Company
Amended and Restated Service and Reimbursement Agreement	The Travelers Indemnity Company	The Dominion of Canada General Insurance Company
Service and Reimbursement Agreement	The Travelers Indemnity Company	Travelers Management Limited
Investment Management Services Agreement	The Travelers Indemnity Company	Travelers Syndicate Management Limited

Type of Contract and Description	Servicing Company	Other Party
Investment Management Services Agreement	The Travelers Indemnity Company	Travelers Insurance Company Limited
Amended and Restated Service and Reimbursement Agreement	The Travelers Indemnity Company	Travelers Insurance Company of Canada
Claims Handling Agreement	The Travelers Indemnity Company	Travelers Syndicate Management Limited
Payment Agreement	The Travelers Indemnity Company	Travelers Management Limited
Investment Management Services Agreement	The Travelers Indemnity Company	Travelers Insurance DAC
Personal Data Processing Agreement	The Travelers Indemnity Company	Travelers Management Limited
Agreement for the Provision of Staff	The Travelers Indemnity Company	Travelers Management Limited
Amended and Restated Shared Services and Reimbursement Agreement	Travelers Insurance Company of Canada and The Dominion of Canada General Insurance Company	St. Paul Fire and Marine Insurance Company (Canadian Branch) and Zensurance Inc.

(1) "Travelers P&C" includes The Travelers Indemnity Company and some or all of its insurance subsidiaries and affiliates.

E. The tables below provide information on subsidiary, controlled and affiliated (SCA) investments, excluding investments in U.S. insurance SCA entities.

1. Balance Sheet Value (Admitted and Nonadmitted) All SCAs (Except 8bi Entities) (in millions):

SCA Entity	Percentage of SCA Ownership	12/31/2020 Gross Amount	12/31/2020 Admitted Amount	12/31/2020 Nonadmitted Amount
SSAP No. 97 8b(ii) Entities				
Travelers Texas MGA, Inc.	100.00%	$ 1.9	$ -	$ 1.9
Travelers MGA, Inc.	100.00%	1.0	-	1.0
Travelers Distribution Alliance, Inc.	100.00%	0.9	-	0.9
Total SSAP No. 97 8b(ii) Entities	XXX	$ 3.8	$ -	$ 3.8
SSAP No. 97 8b(iii) Entities				
8527512 Canada Inc.	100.00%	$ 826.4	$ 826.4	$ -
Northbrook Holdings, Inc.	100.00%	285.7	285.7	-
TINDY Foreign, Inc.	100.00%	94.2	88.8	5.4
MMI Capital Trust I	100.00%	3.9	-	3.9
USF&G Capital I	100.00%	3.1	-	3.1
USF&G Capital III	100.00%	3.1	-	3.1
English Turn Realty Management, Inc.	100.00%	-	-	-
Yonkers Financing Corp.	100.00%	-	-	-
English Turn Fidelity Realty, Inc.	100.00%	-	-	-
Travelers Special Services Limited	100.00%	-	-	-
Total SSAP No. 97 8b(iii) Entities	XXX	$ 1,216.4	$ 1,200.9	$ 15.5
SSAP No. 97 8b(iv) Entities				
Travelers Insurance Company of Canada	100.00%	$ 363.9	$ 363.9	$ -
Total SSAP No. 97 8b(iv) Entities	XXX	$ 363.9	$ 363.9	$ -
Aggregate Total	XXX	$ 1,584.1	$ 1,564.8	$ 19.3

2. NAIC Filing Response Information:

SCA Entity	Type of NAIC Filing	Date of Filing to the NAIC	12/31/2019 NAIC Valuation Amount (in millions)	NAIC Response Received Y/N	NAIC Disallowed Entities Valuation Method, Resubmission Required Y/N	Code
SSAP No. 97 8b(iii) Entities						
8527512 Canada Inc.	Sub 2	6/25/2020	$ 722.2	Y	N	
Northbrook Holdings, Inc.	Sub 2	6/25/2020	284.0	Y	N	
TINDY Foreign, Inc.	Sub 2	9/23/2020	88.9	Y	N	
Total SSAP No. 97 8b(iii) Entities	XXX	XXX	$ 1,095.1	XXX	XXX	XXX
SSAP No. 97 8b(iv) Entities						
Travelers Insurance Company of Canada	Sub 2	6/25/2020	$ 305.7	Y	N	
Total SSAP No. 97 8b(iv) Entities	XXX	XXX	$ 305.7	XXX	XXX	XXX
Aggregate Total	XXX	XXX	$ 1,400.8	XXX	XXX	XXX

Nonadmitted assets are not required to complete a Sub 2 filing with the SVO as long as they were nonadmitted, or had a zero value, for the full reporting period. As such, SCAs meeting such criteria have been excluded from the preceding table as there is no data to report.

F. SCA Loss Tracking:

Combined Pool participants with SCAs where the share of losses exceeded the investment in the SCA are as follows (in millions):

(December 31, 2020) Combined Pool Participant	SCA Entity	Share of SCA Net Income (Loss)	Accumulated Share of SCA Net Income (Losses)	Share of SCA's Equity, Including Negative Equity	Guaranteed Obligation for Financial Support (Yes/No)	SCA Reported Value
United States Fidelity and Guaranty Company	Laurel Village	$ 2.6	$ (29.5)	$ (29.2)	Yes	$ -

(December 31, 2019) Combined Pool Participant	SCA Entity	Share of SCA Net Income (Loss)	Accumulated Share of SCA Net Income (Losses)	Share of SCA's Equity, Including Negative Equity	Guaranteed Obligation for Financial Support (Yes/No)	SCA Reported Value
United States Fidelity and Guaranty Company	Laurel Village	$ 2.2	$ (32.5)	$ (31.8)	Yes	$ -

Combined Pool participants had no other SCA investments with material cumulative losses in excess of the investment in the SCA at December 31, 2020 and 2019.

9. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

The Combined Pool accounts for pension and postretirement benefit expenses as consolidated/holding company plans under SSAP No. 102, *Pensions* and SSAP No. 92, *Postretirement Benefits Other Than Pensions.*

A. Consolidated/Holding Company Plans:

1. Employee Retirement Plans:

The Combined Pool participates in a qualified noncontributory defined benefit pension plan sponsored by TRV that provides benefits, primarily under a cash balance formula, for substantially all employees of the Combined Pool and its property-casualty affiliates. In addition the Combined Pool participates in nonqualified defined benefit pension plans sponsored by TRV which cover certain highly-compensated employees of the Combined Pool and its property-casualty affiliates. The Combined Pool has no legal obligation for benefits under these plans. The Combined Pool is charged for its allocable share of pension expense for these plans based on its allocated and/or direct salary costs in accordance with an expense allocation agreement. The Combined Pool's allocated share of the pension expense was $58.3 million and $35.8 million for 2020 and 2019, respectively.

2. Postretirement Benefit Plan:

The Combined Pool participates in a postretirement health and life insurance benefit plan sponsored by TRV for employees of the Combined Pool and its property-casualty affiliates that satisfy certain age and service requirements and for certain retirees. The Combined Pool has no legal obligation for benefits under this plan. The Combined Pool is charged for its allocable share of postretirement benefit

expense for this plan based on its allocated and/or direct salary costs in accordance with an expense allocation agreement. The Combined Pool's allocated share of the postretirement benefit expense (benefit) was $(2.3) million and $2.8 million for 2020 and 2019, respectively.

3. 401(k) Savings Plan:

The Combined Pool participates in a 401(k) savings plan sponsored by TRV for substantially all employees of the Combined Pool and its property-casualty affiliates. The Combined Pool has no legal obligation for benefits under this plan. The Combined Pool is charged for its allocable share of expense for this plan based on its allocated and/or direct salary costs in accordance with an expense allocation agreement. The Combined Pool's allocated share of the 401(k) savings plan expense was $113.9 million and $106.1 million for 2020 and 2019, respectively.

B. Incentive Plans:

The Combined Pool participates in a share-based incentive compensation plan, The Travelers Companies, Inc. Amended and Restated 2014 Stock Incentive Plan (the 2014 Incentive Plan), the purposes of which are to align the interests of TRV's non-employee directors, executive officers and other employees with those of TRV's shareholders and to attract and retain personnel by providing incentives in the form of share-based awards. The 2014 Incentive Plan permits grants of nonqualified stock options, incentive stock options, stock appreciation rights, restricted stock, restricted stock units, deferred stock, deferred stock units, performance awards and other share-based or share-denominated awards with respect to TRV's common stock. TRV has a policy of issuing new shares to settle the exercise of stock option awards and the vesting of other equity awards.

The number of shares of TRV's common stock initially authorized for grant under the 2014 Incentive Plan was 10 million shares. In May 2019, 2017 and 2016, TRV's shareholders authorized an additional 3.1 million, 2.5 million and 4.4 million shares of TRV's common stock, respectively, for grant under the 2014 Incentive Plan. The following are not counted towards the combined 20.0 million shares available and will be available for future grants under the 2014 Incentive Plan: (i) shares of common stock subject to awards that expire unexercised, that are forfeited, terminated or canceled, that are settled in cash or other forms of property, or otherwise do not result in the issuance of shares of common stock, in whole or in part; (ii) shares that are used to pay the exercise price of stock options and shares used to pay withholding taxes on awards generally; and (iii) shares purchased by TRV on the open market using cash option exercise proceeds; provided, however, that the increase in the number of shares of common stock available for grant pursuant to such market purchases shall not be greater than the number that could be repurchased at fair market value on the date of exercise of the stock option giving rise to such option proceeds. In addition, the 20.0 million shares authorized by shareholders for issuance under the 2014 Incentive Plan will be increased by any shares subject to awards under The Travelers Companies, Inc. Amended and Restated 2004 Stock Incentive Plan (2004 Incentive Plan) that were outstanding as of May 27, 2014 and subsequently expire, are forfeited, canceled, settled in cash or otherwise terminate without the issuance of shares.

Stock Option Awards

Stock option awards granted to eligible officers and key employees have a ten-year term. All stock options are granted with an exercise price equal to the closing price of TRV's common stock on the date of grant. The stock options granted generally vest upon meeting certain years of service criteria. Except as the Compensation Committee of the TRV Board of Directors may allow in the future, stock options cannot be sold or transferred by the participant. Stock options outstanding under the 2014 Incentive Plan and the 2004 Incentive Plan generally vest three years after grant date (cliff vest).

A summary of stock option activity under the 2014 Incentive Plan and the legacy plans as of and for the year ended December 31, 2020 is as follows:

Stock Options	Number	Weighted Average Exercise Price	Weighted Average Contractual Life Remaining	Aggregate Intrinsic Value ($ in millions)
Outstanding, beginning of year	9,063,274	$ 113.93		
Original grants	2,474,036	132.58		
Exercised	(1,282,155)	91.75		
Forfeited or expired	(179,397)	130.78		
Outstanding, end of year	10,075,758	$ 121.03	6.4 years	$ 196
Vested at end of year[1]	7,648,987	$ 117.47	5.9 years	$ 176
Exercisable at end of year	4,636,354	$ 107.71	4.3 years	$ 152

[1] Represents awards for which the requisite service has been rendered, including those that are retirement eligible.

On February 2, 2021, TRV, under the 2014 Incentive Plan, granted 1,594,624 stock option awards with an exercise price of $139.83 per share. The fair value attributable to the stock option awards on the date of grant was $23.30 per share.

Restricted Stock Units, Deferred Stock Units and Performance Share Award Programs

TRV issues restricted stock unit awards to eligible officers and key employees under the Equity Awards program established pursuant to the 2014 Incentive Plan. A restricted stock unit represents the right to receive a share of common stock. These restricted stock unit awards are granted at market price, generally vest three years from the date of grant, do not have voting rights and the underlying shares of common stock are not issued until the vesting criteria is satisfied. In addition, TRV's Board of Directors can be issued deferred stock units from (i) an annual award; (ii) deferred compensation (in lieu of cash retainer, committee chair fees and lead director fees); and (iii) dividend equivalents earned on outstanding deferred compensation.

TRV also has a Performance Share Awards Program established pursuant to the 2004 Incentive Plan and which continues pursuant to the 2014 Incentive Plan. Under the program, TRV may issue performance share awards to certain employees of TRV who hold positions of Vice President (or its equivalent) or above. The performance share awards provide the recipient the right to earn shares of TRV's common stock based upon TRV's attainment of certain performance goals and the recipient meeting certain years of service criteria. The performance goals for performance share awards are based on TRV's adjusted return on equity over a three-year performance period. Vesting of performance shares is contingent upon TRV attaining the relevant performance period minimum threshold return on equity and the recipient meeting certain years of service criteria, generally three years for full vesting, subject to proration for certain termination conditions. If the performance period return on equity is below the minimum threshold, none of the performance shares will vest. If performance meets or exceeds the minimum performance threshold, a range of performance shares will vest (50% to 150% for awards granted in 2019 and 2020, and 50% to 200% for awards granted in 2021), depending on the actual return on equity attained.

The fair value of restricted stock units, deferred stock units and performance shares is measured at the market price of TRV stock at date of grant. Under terms of the 2014 Incentive Plan, holders of deferred stock units and performance shares may receive dividend equivalents.

The total fair value of shares that vested during the years ended December 31, 2020 and 2019 was $127 million and $130 million, respectively.

A summary of restricted stock units, deferred stock units and performance share activity under the 2014 Incentive Plan and the legacy plans as of and for the year ended December 31, 2020 is as follows:

	Restricted and Deferred Stock Units		Performance Shares	
Other Equity Instruments	Number	Weighted Average Grant-Date Fair Value	Number	Weighted Average Grant-Date Fair Value
Nonvested, beginning of year	1,137,661	$ 128.59	668,747	$ 132.76
Granted	569,747	131.74	370,410	132.58
Vested	(542,207)[1]	124.33	(293,519)[2]	140.85
Forfeited	(78,417)	131.93	(48,903)	131.88
Performance-based adjustment	—	—	27,256[3]	132.80
Nonvested, end of year	1,086,784	$ 132.12	723,991	$ 129.45

[1] Represents awards for which the requisite service has been rendered.

[2] Reflects the number of performance shares attributable to the performance goals attained over the completed performance period (three years) and for which service conditions have been met.

[3] Represents the current year change in estimated performance shares to reflect the attainment of performance goals for the awards that were granted in each of the years 2018 through 2020.

In addition to the nonvested shares presented in the above table, there are related nonvested dividend equivalent shares. The number of nonvested dividend equivalent shares related to deferred stock units was 285 at the beginning of the year and 394 at the end of the year and the number of nonvested dividend equivalent shares related to performance shares was 22,359 at the beginning of the year and 29,751 at the end of the year. The dividend equivalent shares are subject to the same vesting terms as the deferred stock units and performance shares.

On February 2, 2021, TRV, under the 2014 Incentive Plan, granted 908,986 common stock awards in the form of restricted stock units, deferred stock units and performance share awards to participating officers, non-employee directors and other key employees. The restricted stock units and deferred stock units totaled 541,687 shares and the performance share awards totaled 367,299 shares. The fair value per share attributable to the common stock awards on the date of grant was $139.83.

10. CAPITAL AND SURPLUS AND DIVIDEND RESTRICTIONS

The Combined Pool paid the following dividends:

For the year ended December 31, 2020 (in millions)

	Ordinary	Extraordinary	Total
March 20	$ 895.0	$ -	$ 895.0
June 24	200.0	-	200.0
September 21	452.0	-	452.0
December 28	453.0	-	453.0
Total	$ 2,000.0	$ -	$ 2,000.0

For the year ended December 31, 2019 (in millions)

	Ordinary	Extraordinary	Total
March 20	$ 600.0	$ -	$ 600.0
June 20	650.0	-	650.0
September 20	650.0	-	650.0
December 23	600.0	-	600.0
Total	$ 2,500.0	$ -	$ 2,500.0

For all ordinary dividends noted above, timely notice was provided to the State of Connecticut Insurance Department.

The Combined Pool also received dividends of $300.0 million and $425.0 million from its subsidiary, Travelers Casualty and Surety Company of America (TCSA) in 2020 and 2019, respectively.

The Combined Pool is subject to regulatory restrictions that limit the maximum amount of dividends available to Travelers Insurance Group Holdings Inc. (TIGHI) and TRV without prior approval of the Insurance Commissioner of the State of Connecticut. A maximum of $2.73 billion of unassigned funds is available in 2021 for dividends to TIGHI and TRV without prior approval. However, TRV and/or TIGHI may decide to accelerate the timing within 2021 and/or increase the amount of dividends from its direct subsidiaries in 2021 which could result in certain of the Combined Pool's dividends being subject to approval by the Insurance Commissioner of the State of Connecticut.

There are no restrictions on the use of the Combined Pool's unassigned funds and such funds are held for the benefit of the shareholders, except for the dividend restrictions indicated above.

The change in the balance of special surplus funds is a result of ongoing retroactive reinsurance activity occurring in 2020 and the amortization of a sale-leaseback loss to unassigned funds. See Note 15G for additional detail on retroactive reinsurance and Note 12A for additional detail on the sale-leaseback transaction.

As of December 31, 2020, unassigned funds have been increased by cumulative net unrealized gains of $1.66 billion.

11. LIABILITIES, CONTINGENCIES AND ASSESSMENTS

A. Contingent Commitments:

At December 31, 2020 and 2019, the Combined Pool had commitments to fund investments of $1.68 billion and $1.56 billion, respectively. See Note 13.

B. Assessments:

1. At December 31, 2020 and 2019, the Combined Pool had accrued liabilities of $176.6 million and $183.6 million, respectively, for guaranty fund and other insurance-related assessments and related recoverables of $9.8 million and $13.1 million at December 31, 2020 and 2019, respectively. The assessments are expected to be paid over a period ranging from one year to the life expectancy of certain workers' compensation claimants and the recoverables are expected to occur over the same period of time.

	(in millions)
2. Assets recognized from paid and accrued premium tax offsets December 31, 2019	$ 10.3
Decreases current year:	
Premium tax offset applied	4.1
Increases current year:	
Premium tax offset accrued	1.2
Assets recognized from paid and accrued premium tax offsets December 31, 2020	$ 7.4

C. Claims Related Extra-Contractual Obligation and Bad Faith Losses Stemming from Lawsuits:

The Combined Pool paid $13.3 million in 2020 on 28 claims to settle claims related extra-contractual obligations or bad faith claims stemming from lawsuits. This claim count information is disclosed on a per claim direct basis.

D. All Other Contingencies:

a. In the ordinary course of selling businesses to third parties, certain Combined Pool companies have agreed to indemnify purchasers for losses arising out of breaches of representations and warranties, obligations arising from certain liabilities and any breach or failure to perform certain covenants with respect to the businesses being sold. Such indemnification provisions generally are applicable from the closing date to the expiration of the relevant statutes of limitations, although, in some cases, there may be agreed upon term limitations or no term limitations. Certain of these contingent obligations are subject to deductibles which have to be incurred by the obligee before the Combined Pool is obligated to make payments.

b. Fire and Marine has a contingent obligation for a guarantee related to certain insurance policy obligations of a former insurance subsidiary. The maximum amount of Fire and Marine's obligation related to the guarantee was $480.0 million at December 31, 2020, all of which is indemnified by a third party.

c. In a guaranty agreement dated August 31, 2000, Fire and Marine guarantees the timely payment of all obligations of St. Paul (Bermuda) Ltd., with respect to policies of insurance issued to clients of Marsh USA Inc. up to a maximum of $50.0 million. On July 1, 2010, St. Paul (Bermuda) Ltd., St. Paul Re (Bermuda) Ltd. and Travelers (Bermuda) Limited were amalgamated into one Bermuda company under the name Travelers (Bermuda) Limited. The guarantee was amended on June 30, 2010 to limit Fire and Marine's guarantee to only those obligations of St. Paul (Bermuda) Ltd. that existed prior to the amalgamation. Fire and Marine also waived certain rights in the amended guarantee until all creditors of St. Paul Re (Bermuda) Ltd. and Travelers (Bermuda) Limited at the time of the amalgamation have been paid in full.

d. In March 1999, Fire and Marine guaranteed certain insurance obligations of United States Fidelity and Guaranty Company (USF&G), and in a guaranty agreement dated July 1, 2000, Fire and Marine guaranteed the payment of USF&G's obligations under insurance and reinsurance contracts issued by USF&G on or after the date of the agreement.

e. Effective September 30, 1997, Fire and Marine entered into an unconditional guaranty that Travelers Constitution State Insurance Company, a wholly-owned subsidiary, would maintain required capital and surplus, each in the amount of $2.5 million, for a total of $5.0 million, as a condition of becoming licensed in the State of Maine.

f. Effective May 15, 1996, Fire and Marine provided a guaranty of the performance by its wholly-owned subsidiary, Seaboard Surety Company (Seaboard), of all Seaboard's financial obligations arising out of its insurance or reinsurance contracts. The guaranty may be amended at any time upon three months' prior notice. On January 2, 2009, Seaboard was merged into TCSA. The terms of the guarantee remain in effect.

g. Effective December 10, 1993, Fire and Marine has guaranteed the performance by Travelers Insurance Company Limited (Travelers Limited), an affiliate incorporated in England, of all Travelers Limited's obligations arising out of its insurance or reinsurance contracts. Effective March 1, 2006, these guarantees were amended whereby Fire and Marine may terminate them at any time upon twelve months prior notice. Effective December 31, 2007, pursuant to the order of English Court, made on December 31, 2007, under Part VII of the Financial Services & Markets Act, obligations relating to certain business as of December 31, 2007, were transferred to Unionamerica Insurance Company Limited (Unionamerica), an affiliate of Travelers Limited. This resulted in those obligations no longer being covered by the guarantees. The guarantees will remain in force, however, for the obligations arising out of insurance or reinsurance contracts not transferred to Unionamerica and for business subsequently written by Travelers Limited. In December 2008, Unionamerica was sold to an unaffiliated entity.

h. Fire and Marine guaranteed the timely payment of Discover Reinsurance Company's (Discover Re) obligations with respect to all insurance policies and reinsurance policies issued by Discover Re. On October 1, 2007, Discover Re was merged into Indemnity. The merger resulted in the automatic termination of the guarantee with respect to any future claims. However, Fire and Marine continues to guarantee to Indemnity all obligations of Discover Re incurred before the termination date.

i. In a guarantee agreement dated February 9, 2009, Fire and Marine has guaranteed certain pension obligations of Travelers Special Services Limited, a wholly-owned subsidiary. The guarantee is not limited in amount and expires once all obligations have been met.

j. Fire and Marine is the owner of all the beneficial interests represented by common securities of three business trusts. The trusts exist for the sole purpose of issuing capital securities and common securities. The proceeds were used to purchase deferrable interest junior subordinated debentures. These debentures are obligations of TRV. Fire and Marine fully, irrevocably and unconditionally guaranteed all of the trusts' obligations under the capital securities including principal of $254.0 million and interest. Fire and Marine and TRV are both jointly and severally responsible for the payment obligation of the subordinated debentures.

k. USF&G is a partner in a real estate joint venture. TRV is the guarantor of certain debt of the real estate joint venture. USF&G entered into an agreement to reimburse TRV in the event that TRV is required to make payments under the guarantee. USF&G has recorded a liability of $10.3 million on its balance sheet as of December 31, 2020 under this reimbursement agreement.

Nature and circumstances of guarantee and key attributes, including date and duration of agreement	Liability recognition of guarantee. (include amount recognized at inception. If no initial recognition, document exception allowed under SSAP No. 5R)	Ultimate financial statement impact if action under the guarantee is required	Maximum potential amount of future payments (undiscounted) the guarantor could be required to make under the guarantee. If unable to develop an estimate, this should be noted specifically	Current status of payment or performance risk of guarantee. Also provide additional discussion as warranted
		(in millions)		
a. Sale of businesses	The fair value of guarantee liabilities as described are minimal and immaterial to the financial statements taken as a whole	Statement of Income – Aggregate write-ins for miscellaneous income (expense)	$ 341.3	Certain Combined Pool companies have assessed the performance risk as remote under these guarantees
b. Former subsidiary	Fair value initial recognition was $19.1	Statement of Income – Aggregate write-ins for miscellaneous income (expense)	$ 480.0	Fire and Marine has assessed the performance risk as low under this guarantee. The AM Best current claims-paying rating of the former subsidiary is “A-”
c. Travelers (Bermuda)	The fair value of guarantee liabilities as described are minimal and immaterial to the financial statements taken as a whole	Surplus – Dividends to Stockholders	$ 50.0	Fire and Marine has assessed the performance risk as remote under this guarantee
d. USF&G’s obligations	No initial recognition as guarantee is made on behalf of a wholly-owned subsidiary and is considered unlimited in amount	Assets – Common stocks	Guarantee has no stated amount or limitation to the maximum potential future payments and accordingly, Fire and Marine is unable to develop an estimate of the maximum potential payments for such arrangements	Fire and Marine has assessed the performance risk as remote under this guarantee
e. Travelers Constitution State Insurance Company minimum capital and surplus	No initial recognition as guarantee is made on behalf of a wholly owned subsidiary	Assets – Common stocks	$ 5.0	Fire and Marine has assessed the performance risk as remote under this guarantee
f. Seaboard Surety Company	No initial recognition as guarantee is made on behalf of a related party and is considered unlimited in amount	Surplus – Dividends to Stockholders	Guarantee has no stated amount or limitation to the maximum potential future payments and accordingly, Fire and Marine is unable to develop an estimate of the maximum potential payments for such arrangements	Fire and Marine has assessed the performance risk as remote under this guarantee
g. Travelers Insurance Company Limited	No initial recognition as guarantee is made on behalf of a related party and is considered unlimited in amount	Surplus – Dividends to Stockholders	Guarantee has no stated amount or limitation to the maximum potential future payments and accordingly, Fire and Marine is unable to develop an estimate of the maximum potential payments for such arrangements	Fire and Marine has assessed the performance risk as remote under this guarantee

(continued)

	Nature and circumstances of guarantee and key attributes, including date and duration of agreement	Liability recognition of guarantee. (include amount recognized at inception. If no initial recognition, document exception allowed under SSAP No. 5R)	Ultimate financial statement impact if action under the guarantee is required	Maximum potential amount of future payments (undiscounted) the guarantor could be required to make under the guarantee. If unable to develop an estimate, this should be noted specifically	Current status of payment or performance risk of guarantee. Also provide additional discussion as warranted
			(in millions)		
h.	Discover Reinsurance Company	No initial recognition as guarantee is made on behalf of a related party and is considered unlimited in amount	Surplus – Dividends to Stockholders	Guarantee has no stated amount or limitation to the maximum potential future payments and accordingly, Fire and Marine is unable to develop an estimate of the maximum potential payments for such arrangements	Fire and Marine has assessed the performance risk as remote under this guarantee
i.	Certain pension obligations of Travelers Special Services Limited, a wholly-owned subsidiary	No initial recognition as guarantee is made on behalf of a wholly-owned subsidiary and is considered unlimited in amount	Assets – Common stocks	Guarantee has no stated amount or limitation to the maximum potential future payments and accordingly, Fire and Marine is unable to develop an estimate of the maximum potential payments for such arrangements	Fire and Marine has assessed the performance risk as remote under this guarantee
j.	Trust obligations of three wholly-owned subsidiaries	No initial recognition as guarantee is made on behalf of a wholly-owned subsidiary	Assets – Common stocks	See below – subject to the same maximum	Fire and Marine has assessed the performance risk as low under these guarantees
	Subordinated debentures by its parent to the respective trusts	Fair value initial recognition for debenture guarantees was $24.0	Surplus – Dividends to Stockholders	$ 254.0	TRV is current in all debenture obligations. The debentures AM Best current financial strength rating is “a-”
k.	Real estate joint venture	$ 10.3	Surplus – Dividends to Stockholders	$ 52.3	USF&G’s performance risk is probable based on operating results of this joint venture

	(in millions)
Aggregate maximum potential of future payments of all guarantees (undiscounted) the guarantor could be required to make under guarantees:	$ 1,182.6
Current liability recognized in financial statements:	
Noncontingent liabilities	53.4
Ultimate financial statement impact if action under the guarantee is required:	
Investment in subsidiary	5.0
Dividends to stockholders	356.3
Expense	821.3
Total	$ 1,182.6

The Combined Pool has purchased annuities from life insurance companies to fund structured settlements. For a discussion of the Combined Pool’s contingent liabilities for structured settlements, see Note 18.

Asbestos and Environmental Claims and Litigation:

In the ordinary course of its insurance business, the Combined Pool has received and continues to receive claims for insurance arising under policies issued by the Combined Pool asserting alleged injuries and damages from asbestos- and environmental-related exposures that are the subject of related coverage litigation. The Combined Pool is defending asbestos- and environmental-related litigation vigorously and believes that it has meritorious defenses; however, the outcomes of these disputes are uncertain. In this regard, the Combined Pool employs dedicated specialists and comprehensive resolution strategies to manage asbestos and environmental loss exposure, including settling litigation under appropriate circumstances. Currently, it is not possible to predict legal outcomes and their impact on future loss development for claims and litigation relating to asbestos and environmental claims. Any such development could be affected by future court decisions and

interpretations, as well as future changes, if any, in applicable legislation. Because of these uncertainties, additional liabilities may arise for amounts in excess of the Combined Pool's current insurance reserves. In addition, the Combined Pool's estimate of ultimate claims and claim adjustment expenses may change. These additional liabilities or changes in estimates, or a range of either, cannot now be reasonably estimated and could result in income statement charges that could be material to the Combined Pool's results of operations in future periods.

Other Proceedings Not Arising Under Insurance Contracts or Reinsurance Agreements:

The Combined Pool is involved in other lawsuits, including lawsuits alleging extra-contractual damages relating to insurance contracts or reinsurance agreements, that do not arise under insurance contracts or reinsurance agreements. The legal costs associated with such lawsuits are expensed in the period in which the costs are incurred. Based upon currently available information, the Combined Pool does not believe it is reasonably possible that any such lawsuit or related lawsuits would be material to the Combined Pool's results of operations or would have a material adverse effect on the Combined Pool's financial position or liquidity.

12. LEASES

A. Lessee Leasing Arrangements:

1. At December 31, 2020 and 2019, the Combined Pool is a party to various lease agreements for office space, office equipment, data processing equipment and software, automobiles and other equipment. The office space leases are for various periods of time. The other leases generally do not have lease terms exceeding five years. Total rental expense under operating leases for the Combined Pool for 2020 and 2019 was $191.1 million and $174.7 million, respectively. Rental expenses incurred by the Combined Pool are subject to an intercompany expense allocation agreement. The Combined Pool did not have rental income from subleases during 2020 and 2019.

   There are leases with renewal terms and contingent rental payments, none of which are material to the Combined Pool. In 2020, the Combined Pool terminated two leases early. At December 31, 2020, the Combined Pool had $2.4 million of liabilities related to these early terminations.

2. Aggregate future minimum rental payments for leases having initial or remaining non-cancelable lease terms in excess of one year for the Combined Pool totaled $354.1 million and $373.0 million at December 31, 2020 and 2019, respectively. Future minimum rental payments for each of the five succeeding years are as follows (in millions):

Year	Operating Leases
2021	$ 99.3
2022	81.4
2023	62.8
2024	46.6
2025	25.6

   At December 31, 2020, the Combined Pool has no future minimum rental payments to be received under non-cancelable subleases.

3. On March 24, 2017, Fire and Marine sold its property located at 401 Lennon Lane in Walnut Creek, California to a third party. The property was fully leased by Indemnity. Based upon the terms of the sale, Indemnity will remain as the tenant and continue to fully lease the property. As both Fire and Marine and Indemnity are members of the Combined Pool, the sale was accounted for as a sale-leaseback and the $0.7 million loss on the sale of the property was restricted and is being amortized to unassigned funds over the lease period. Aggregate future minimum rental payments totaled $7.2 million at December 31, 2020. Future minimum rental payments for the five succeeding years are as follows (in millions):

Year	Operating Lease
2021	$ 1.1
2022	1.1
2023	1.1
2024	1.1
2025	1.2

B. Lessor's Business Activities:

Fire and Marine maintains investments in commercial real estate. The land is carried at cost and the buildings at cost less accumulated depreciation and related encumbrances. The buildings are depreciated on a straight-line basis over a period of up to 39 years. The accumulated depreciation on real estate held for the production of income was $553.8 million and $514.9 million as of December 31, 2020 and 2019, respectively. At December 31, 2020, the minimum annual lease payments receivable under non-cancelable leasing arrangements for each of the five succeeding years are as follows (in millions):

Year	Operating Leases
2021	$ 115.0
2022	101.1
2023	75.4
2024	58.2
2025	38.1

13. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE-SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

The Combined Pool has unfunded commitments to private equity limited partnerships, real estate partnerships and others. At December 31, 2020 and 2019, the amount of off-balance-sheet risk of these financial instruments aggregated to $1.68 billion and $1.56 billion, respectively.

In prior years, the Combined Pool underwrote insurance guaranteeing the structured settlements of certain life insurers. Also in past years, the Combined Pool underwrote financial guarantee insurance representing the Combined Pool's participation in the Municipal Bond Insurance Association's (MBIA) guarantee of municipal bond obligations. See Note 22 for additional discussion.

14. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

The Combined Pool engages in securities lending activities from which it generates net investment income from the lending of certain of its investments to other institutions for short periods of time. Borrowers of these securities provide collateral equal to at least 102% of the market value of the loaned securities plus accrued interest. This collateral is held by a third party custodian, and the Combined Pool has the right to access the collateral only in the event that the institution borrowing the Combined Pool's securities is in default under the lending agreement. The loaned securities remain a recorded asset of the Combined Pool. The Combined Pool accepts only cash as collateral for securities on loan and restricts the manner in which that cash is invested to U.S. Treasury securities and U.S. Treasury repurchase agreements. These securities typically have a duration of 1 day. At December 31, 2020 and 2019, the Combined Pool had investments with fixed maturities on loan with fair values totaling $139.1 million and $400.8 million, respectively.

15. REINSURANCE

A. The Combined Pool participates in reinsurance in order to limit losses, minimize exposure to large risks, provide additional capacity for future growth and to effect affiliate business-sharing arrangements. The Combined Pool also participates as a servicing carrier for and member of several assigned risk pools and associations. As a servicing carrier, the Combined Pool is the direct writer of certain risks, primarily workers' compensation and automobile liability, and cedes 100% of these risks to the pools and associations. The Combined Pool then assumes its pro rata share based on formulas mandated by various regulatory authorities. In addition to the property-casualty pooling agreements, the Combined Pool cedes 100% of certain accident and health policies, predominately long-term disability, to Brighthouse Life Insurance Company (formerly MetLife Insurance Company USA, a former affiliate). The Combined Pool remains primarily liable as the direct insurer on all risks reinsured.

The Combined Pool also is a party to reinsurance agreements with subsidiary property-casualty insurers as follows:

Certain companies included in the Combined Pool are parties to a cross-business reinsurance agreement with TCSA. Under the terms of this agreement, surety, fidelity, fiduciary and directors' & officers' (collectively referred to as Bond) business is reinsured with TCSA and non-Bond business written by TCSA is reinsured with the Combined Pool. This agreement has been in effect since January 1, 1997.

B. Unsecured Reinsurance Recoverables:

The unsecured aggregate recoverables for ceded losses, LAE and unearned premiums recoverable from any unaffiliated reinsurer at December 31, 2020 that exceeded 3% of the Combined Pool's policyholders' surplus, were as follows (in millions):

	F.E.I.N.	Amount
National Workers' Compensation Reinsurance Pool	AA-9992118	$1,400.3

C. Reinsurance Recoverables in Dispute:

There are no reinsurance recoverables with individual reinsurers, on paid and unpaid (including incurred but not reported (IBNR)) losses, in dispute which exceed 5% of the Combined Pool's policyholders' surplus. In addition, the aggregate of all disputed items does not exceed 10% of the Combined Pool's policyholders' surplus.

D. Reinsurance Assumed and Ceded at December 31, 2020 (in millions):

1.

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
Non-Combined Pool Affiliates	$ 395.2	$ -	$ 79.2	$ -	$ 316.0	$ -
All Other	378.3	37.8	603.2	60.3	(224.9)	(22.5)
Total	$ 773.5	$ 37.8	$ 682.4	$ 60.3	$ 91.1	$ (22.5)

Direct Unearned Premium Reserve $ 12,098.9

2. Accruals for contingent commissions, net of reinsurance assumed and ceded, amounted to $243.7 million at December 31, 2020:

(in millions)	
Direct Business	$ 235.8
Add: Reinsurance Assumed	9.8
Less: Reinsurance Ceded	1.9
Net	$ 243.7

E. Uncollectible Reinsurance (in millions):

In 2020, on a net basis, the Combined Pool has recovered $4.4 million of reinsurance balances previously written off and which is reported in losses incurred.

Company	Uncollectible (Recovered)
Home Insurance Company	$ (2.2)
Centaur Insurance Company	(1.5)
OIC Run-Off Limited	(0.9)
Mission Reinsurance Corporation	(0.8)
London & Overseas Insurance Company Ltd	(0.3)
CX Reinsurance Company Ltd.	0.8
International Casualty Company SPC Inc	0.3
All Others	0.2
Total	$ (4.4)

F. Commutations of Ceded Reinsurance:

The Combined Pool has reported in 2020 a loss of $0.3 million, as a result of commutations with the reinsurers listed below, and reported as follows (in millions):

Losses incurred	$ 0.3
Loss adjustment expenses incurred	-
Premiums earned	-
Other Gain/(Loss)	-

Company	Amount
General Re Life Corporation	$ -
Safety National Casualty Corp.	-
Lincoln National Life Insurance Company	-
ACE Property & Casualty Insurance Company	-
Reliastar Life Insurance Company	-
Nassau Life Insurance Company	-
Connecticut General Life Insurance Company	-
National Union Fire Insurance Co of PA	(0.1)
Swiss Reinsurance America Corporation	(0.2)
Total Loss	$ (0.3)

G. Retroactive Reinsurance (in millions):

	Assumed	Ceded
a. Reserves Transferred:		
(1) Initial Reserves	$ 9.4	$ 65.2
(2) Adjustments - Prior Year(s)	(4.0)	168.6
(3) Adjustments - Current Year	-	(1.2)
(4) Current Total	$ 5.4	$ 232.6
b. Consideration Paid or Received:		
(1) Initial Consideration	$ 10.5	$ 68.9
(2) Adjustments - Prior Year(s)	-	14.0
(3) Adjustments - Current Year	-	-
(4) Current Total	$ 10.5	$ 82.9
c. Paid Losses Reimbursed or Recovered:		
(1) Prior Year(s)	$ 4.2	$ 190.1
(2) Current Year	-	2.2
(3) Current Total	$ 4.2	$ 192.3

	Assumed	Ceded
d. Special Surplus From Retroactive Reinsurance		
(1) Initial Surplus Gain or Loss	$ 1.1	$ (3.7)
(2) Adjustments - Prior Year(s)	4.0	154.6
(3) Adjustments - Current Year	-	(1.2)
(4) Current Year Restricted Surplus	5.1	40.2
(5) Cumulative Total Transferred to Unassigned Funds	$ -	$ 109.5

e. Other insurers included in the above transactions:

Company	Assumed	Ceded
Munich Reinsurance America, Inc. (10227)	$ 5.4	$ -
TIG Insurance Company (25534)	-	71.5
XL Reinsurance America Inc. (20583)	-	70.8
Swiss Reinsurance America Corporation (25364)	-	17.9
Westport Insurance Corporation (39845)	-	15.5
Commercial Risk Reinsurance Co. Ltd. (AA-3190433)	-	13.4
All Others	-	43.5
Total	$ 5.4	$ 232.6

f. Paid Loss/LAE Recoverable:

Company	Paid Loss/LAE Recoverables	Amount Over 90 Days Past Due	Collateral Held
XL Reinsurance America Inc. (20583)	$ 0.3	$ -	$ -
Swiss Reinsurance America Corporation (25364)	0.1	-	-
TIG Insurance Company (25534)	-	-	6.1
Westport Insurance Corporation (39845)	-	-	-
All Others	0.1	-	-
Total	$ 0.5	$ -	$ 6.1

H. Reinsurance Accounted for as a Deposit:

As of December 31, 2020, Fire and Marine had one assumed reinsurance contract accounted for as a deposit with a non-zero balance. This contract has been in runoff since 2001 and has a deposit balance of $142 thousand at year-end. Due to the immaterial nature of the deposit balance Fire and Marine accounts for it at the estimated ultimate remaining payments on an undiscounted basis.

As of December 31, 2020, Fire and Marine had one ceded reinsurance contract accounted for as a deposit with a non-zero balance. This contract has been in runoff since 2002 and has a balance of $178 thousand at year-end. Due to the immaterial nature of this balance Fire and Marine accounts for its estimated ultimate remaining recoverable on an undiscounted basis.

As of December 31, 2020, Discover Property & Casualty Insurance Company (DPCIC) had one assumed reinsurance contract accounted for as a deposit with a non-zero balance. This contract has a deposit balance of $702 thousand at year-end. Due to the immaterial nature of the deposit balance DPCIC accounts for it at the estimated ultimate remaining payments on an undiscounted basis.

I. Insurance-Linked Securities Contracts:

The Combined Pool has catastrophe protection through an indemnity reinsurance agreement with Long Point Re III Ltd. (Long Point Re III), an independent Cayman Islands company licensed as a Class C insurer in the Cayman Islands. The reinsurance agreement meets the requirements to be accounted for as reinsurance in accordance with the guidance for reinsurance contracts. In connection with the reinsurance agreement, Long Point Re III issued notes (generally referred to as “catastrophe bonds”) to investors in amounts equal to the full coverage provided under the reinsurance agreement as described below. The proceeds were deposited in a reinsurance trust account. The businesses covered by this reinsurance agreement are subsets of the Combined Pool’s overall insurance portfolio, comprising specified property coverages spread across the following geographic locations: Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Virginia and Vermont.

The reinsurance agreement provides coverage of up to $500 million to the Combined Pool through May 24, 2022 for certain losses from tropical cyclones, earthquakes, severe thunderstorms or winter storms in the locations listed above. The attachment point and maximum limit under this agreement are reset annually to adjust the expected loss of the layer within a predetermined range. Until and including May 24, 2021, the Combined Pool is entitled to begin recovering amounts under this reinsurance agreement if the covered losses in the covered area for a single occurrence reach an initial attachment amount of $1.872 billion. The full $500 million coverage amount is available until such covered losses reach a maximum $2.372 billion.

The Combined Pool has not incurred any losses that have resulted or are expected to result in a recovery under the Long Point Re III agreement since its inception.

16. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

A. Accrued retrospective premiums have been determined based upon loss experience on business subject to such experience rating adjustment. Accrued retrospectively rated premiums, including all of those relating to bulk IBNR, have been determined by or allocated to individual policyholder accounts. Ten percent of the amount not offset by retrospective return premiums, other liabilities to the same party (other than loss and LAE reserves), or collateral as permitted by SSAP No. 66, *Retrospectively Rated Contracts*, has been nonadmitted.

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

C. In 2020, approximately $193.5 million, or 0.75%, of the Combined Pool's net written premiums were subject to retrospective rating features.

D. Calculation of nonadmitted retrospective premium (in millions):

1. Total accrued retrospective premium	$ 74.8
2. Unsecured amount	23.7
3. Less: Nonadmitted amount (10%)	2.4
4. Less: Nonadmitted for any person for whom agents' balances or uncollected premiums are nonadmitted	2.9
5. Admitted amount (1) - (3) – (4)	$ 69.5

17. LOSSES AND LOSS ADJUSTMENT EXPENSES

A. The table below is a reconciliation of beginning and ending reserve balances for losses and LAE for the years ended December 31, 2020 and 2019.

(in millions)	2020	2019
Losses and LAE at beginning of year	$ 39,947.2	$ 38,868.1
Provision for losses and LAE for claims arising in:		
Current year	17,241.0	16,914.7
Prior years [(1)]	(299.1)	47.1
Total incurred	16,941.9	16,961.8
Losses and LAE payments for claims arising in:		
Current year	6,912.6	7,069.8
Prior years	8,009.2	8,812.9
Total payments	14,921.8	15,882.7
Losses and LAE at end of year	$ 41,967.3	$ 39,947.2

[(1)] Includes change in discount of $(58.6) million and $(51.3) million in 2020 and 2019, respectively.

The Combined Pool's unpaid losses are reported net of anticipated salvage and subrogation of $915.8 million and $911.6 million at December 31, 2020 and 2019, respectively.

B. Changes in Incurred Losses and LAE:

In 2020, the prior year-end total loss and LAE reserves developed favorably by $299.1 million, which includes favorable development of $357.7 million partially offset by a $58.6 million discount change. The favorable development resulted from better than expected loss and defense and cost containment experience across multiple lines, primarily workers' compensation, homeowners, auto physical damage and special property lines of business. This favorable development was partially offset by worse than expected loss experience in other liability – occurrence, commercial auto liability, commercial multiple peril and other liability – claims-made. This unfavorable development included funding of asbestos and environmental reserves in the other liability – occurrence, products liability – occurrence, and commercial multiple peril lines.

The improvement in workers' compensation was driven primarily by better than expected loss experience across multiple accident years. Lower estimates for adjusting and other expenses also contributed to the workers compensation' improvement. The improvement in homeowners was driven primarily by PG&E subrogation recoveries as well as lower estimates for adjusting and other expenses. The improvement in auto physical damage was driven primarily by better than expected loss experience in recent accident years. The improvement in special property was driven primarily by better than expected loss experience in recent accident years, including the PG&E subrogation recoveries.

Higher than expected loss experience in other liability - occurrence was across multiple accident years as well as higher than expected adjusting and other costs. Higher than expected loss experience in commercial auto liability was primarily for recent accident years. For commercial multiple peril, higher than expected loss experience was across multiple accident years. The deterioration in other liability – claims-made was driven by higher than expected loss experience in recent accident years.

The remaining changes are generally the result of ongoing analyses of recent loss data and trends. A portion of the change from prior year effects relates to retrospectively rated policies which are subject to premium adjustments.

C. Discounting of Liabilities for Unpaid Losses or Unpaid LAE:

The Combined Pool establishes and reports tabular workers' compensation case reserves consistent with statistical reporting requirements, as described below. The total reserve (case plus IBNR/Bulk) for these claims is consistent with the Combined Pool's own evaluation of the ultimate payout and a 5% discount rate for accident years 2018 and prior and a 3.5% discount rate for 2019 and subsequent accident years.

Except for certain third party administered claims, tabular workers' compensation case reserves have been discounted in accordance with state approved workers' compensation statistical plans. The tabular case reserves reflect a discount rate of 3.5% or as specified by state requirements, generally using the following United States Life Tables:

Non-Fatal Cases:	United States Life Tables Total Population 2007 – FL
	United States Life Tables Total Male or Total Female 2014 – MN
	United States Life Tables Total Male or Total Female 2011 – MA
	United States Life Tables Total Male or Total Female Population 1999 – MA(USL)
	United States Life Tables Total Male or Total Female 2007 – all other states
Fatal Cases:	New York Mandated Mortality & Remarriage Table – NY
	United States Life Tables Total Female 2014 – MN **
	United States Life Tables Total Female 2011 – MA **
	United States Life Tables Total Female 1999 – MA(USL) *
	United States Life Tables Total Female 2007 – all other states **

* and the 1980 Railroad Retirement Board Remarriage Table
** and the 1997 Railroad Retirement Board Remarriage Table

Other liability reserves related to annuity obligations from structured settlements are discounted using a discount rate of 5% and reflect the United States Life Tables Total Male or Total Female 2017.

The Combined Pool develops loss reserve estimates for workers' compensation tabular claims that are expectations of what the ultimate settlement costs for these claims will be upon final resolution in the future. These estimates are based on the Combined Pool's assessment of facts and circumstances currently known and, using Combined Pool experience, multiple actuarial estimation methods. This includes estimates of payment patterns reflecting actual mortality, morbidity and settlement history that relate both to claims currently identified as tabular as well as claims not yet identified as tabular ("IBNR" tabular).

The total reserves and the corresponding discount that the Combined Pool has established for these claims reflect these multiple estimation methods, payment patterns and a discount rate of 5% for accident years 2018 and prior and a 3.5% discount rate for 2019 and subsequent accident years. The liabilities and discount amounts shown below reflect estimates of the ultimate liability for tabular claims. Furthermore, the case vs. IBNR discount amounts shown below each reflects estimates of the ultimate resolution costs for these claims: case amounts for claims already identified as tabular; IBNR amounts for claims yet to be identified as tabular.

The December 31, 2020 liabilities of the Combined Pool included $2.39 billion and $140.9 million of such discounted liabilities related to workers' compensation and other liability-occurrence reserves, respectively.

The amount of tabular discount for workers' compensation reserves at December 31, 2020 was $266.7 million and $666.9 million related to case and IBNR reserves, respectively. Tabular discount for other liability-occurrence reserves at December 31, 2020 was $11.1 million and $132.3 million related to case and IBNR reserves, respectively.

In 2020 and 2019, the accretion of discount reported as part of losses incurred in the Statement of Income totaled $48.5 million and $48.9 million, respectively.

Non-tabular reserves have not been discounted.

No changes in the rates or other key assumptions used to discount prior accident year reserves have been made.

18. STRUCTURED SETTLEMENTS

The Combined Pool has purchased annuities from life insurance companies, under which the claimant is the payee and the Combined Pool is contingently liable as the owner of the annuity contract, to fund structured settlements. These annuity contracts are now the direct responsibility of the life insurance companies from whom they have been purchased and claims settled by the purchase of such annuity contracts are treated as closed claims. In the event that the life insurance company fails to make the required annuity payments, the Combined Pool would be required to make such payments if and to the extent the purchased annuities are not covered by state guaranty associations.

The following life insurance companies held reserves at December 31, 2020 for structured settlement annuities purchased by members of the Combined Pool (in millions):

Life Insurance Company and Location	Licensed in Company's State of Domicile	Statement Value of Annuities
Fidelity & Guaranty Life Insurance Company, Baltimore, MD	Yes	$ 719.8
Brighthouse Life Insurance Company, Charlotte, NC	Yes	233.7
All other companies		1,610.2
Total Loss Reserves Eliminated by Annuities		$ 2,563.7

19. HIGH DEDUCTIBLES

Reserve Credit Recorded on Unpaid Claims and Amount Billed and Recoverable on Paid Claims for High Deductibles (in millions):

1. Counterparty exposure recorded on unpaid claims and billed recoverables on paid claims:

Annual Statement Line of Business		Gross (of High Deductible) Loss Reserves	Reserve Credit for High Deductibles	Billed Recoverables on Paid Claims	Total High Deductibles and Billed Recoverables
16	Workers' compensation	$ 9,334.6	$ 4,226.1	$ 39.4	$ 4,265.5
19.3, 19.4	Commercial auto liability	1,303.0	698.3	3.8	702.1
21	Auto physical damage	10.6	4.6	0.0	4.6
17.1, 17.2	Other liability	1,361.2	304.5	4.0	308.5
18.1, 18.2	Products liability	683.5	209.6	2.0	211.6
5	Commercial multiple peril	9.8	0.2	0.0	0.2
	Total	$ 12,702.7	$ 5,443.3	$ 49.2	$ 5,492.5

2. Unsecured amounts of high deductibles:

a.	Total high deductibles and billed recoverables on paid claims	$ 5,492.5
b.	Collateral on balance sheet	$ 705.5
c.	Collateral off balance sheet	$ 4,515.5
d.	Total unsecured deductibles and billed recoverables on paid claims	$ 271.6
e.	Percentage unsecured	4.95%

3. Overdue recoverable amounts on paid claims:

a.	Amount of overdue nonadmitted (either due to aging or collateral)	$ 6.1
b.	Amount over 90 days overdue admitted	$ 1.5
c.	Total overdue (a+b)	$ 7.6

4. The deductible amounts for the highest ten unsecured high deductible policies:

Counterparty Ranking	Top Ten Unsecured High Deductibles Amounts
Counterparty 1	$ 55.8
Counterparty 2	44.3
Counterparty 3	43.1
Counterparty 4	41.4
Counterparty 5	34.2
Counterparty 6	28.8
Counterparty 7	19.8
Counterparty 8	18.0
Counterparty 9	17.8
Counterparty 10	15.7

20. ASBESTOS/ENVIRONMENTAL RESERVES

Asbestos and environmental claims are segregated from other claims and are handled separately by the Combined Pool's Strategic Resolution Group, a separate unit staffed by dedicated legal, claim, finance and engineering professionals.

A. Exposure for asbestos losses arises from liability coverage written many years ago.

Because each policyholder presents different liability and coverage issues, the Combined Pool generally reviews the exposure presented by each policyholder with open claims at least annually. Among the factors the Combined Pool may consider in the course of this review are: available insurance coverage, including the role of any umbrella or excess insurance the Combined Pool has issued to the policyholder; limits and deductibles; an analysis of the policyholder's potential liability; the jurisdictions involved; past and anticipated future claim activity and loss

development on pending claims; past settlement values of similar claims; allocated claim adjustment expense; the potential role of other insurance; the role, if any, of non-asbestos claims or potential non-asbestos claims in any resolution process; and applicable coverage defenses or determinations, if any, including the determination as to whether or not an asbestos claim is a products/completed operation claim subject to an aggregate limit and the available coverage, if any, for that claim.

The Combined Pool continues to be involved in disputes, including litigation, with a number of policyholders, some of whom are in bankruptcy, over coverage for asbestos-related claims. Many coverage disputes with policyholders are only resolved through settlement agreements. Because many policyholders make exaggerated demands, it is difficult to predict the outcome of settlement negotiations. Settlements involving bankrupt policyholders may include extensive releases which are favorable to the Combined Pool, but which could result in settlements for larger amounts than originally anticipated. Although the Combined Pool has seen a reduction in the overall risk associated with these disputes, it remains difficult to predict the ultimate cost of these claims. As in the past, the Combined Pool will continue to pursue settlement opportunities.

The Combined Pool's quarterly asbestos reserve reviews include an analysis of exposure and claim payment patterns by policyholder, as well as recent settlements, policyholder bankruptcies, judicial rulings and legislative actions. The Combined Pool also analyzes developing payment patterns among policyholders and the assumed reinsurance component of reserves, as well as projected reinsurance billings and recoveries. In addition, the Combined Pool reviews its historical gross and net loss and expense paid experience, year-by-year, to assess any emerging trends, fluctuations, or characteristics suggested by the aggregate paid activity. Conventional actuarial methods are not utilized to establish asbestos reserves, and the Combined Pool's evaluations have not resulted in a reliable method to determine a meaningful average asbestos defense or indemnity payment.

	(in millions) 2020	2019
1. Direct Basis - Asbestos:		
a. Beginning reserves:	$ 1,417.6	$ 1,421.3
b. Incurred losses and LAE:	344.0	253.0
c. Calendar year payments for losses and LAE:	275.4	256.7
d. Ending reserves:	$ 1,486.2	$ 1,417.6
2. Assumed Reinsurance Basis - Asbestos:		
a. Beginning reserves:	$ 154.7	$ 174.9
b. Incurred losses and LAE:	18.0	-
c. Calendar year payments for losses and LAE:	19.3	20.2
d. Ending reserves:	$ 153.4	$ 154.7
3. Net of Ceded Reinsurance Basis - Asbestos:		
a. Beginning reserves:	$ 1,250.6	$ 1,269.5
b. Incurred losses and LAE:	295.0	205.0
c. Calendar year payments for losses and LAE:	236.2	223.9
d. Ending reserves:	$ 1,309.4	$ 1,250.6

B. Bulk and IBNR loss and LAE reserves at December 31, 2020 included in Part A above (in millions):

1. Direct Basis:	$ 1,058.5
2. Assumed Reinsurance Basis:	50.3
3. Net of Ceded Reinsurance Basis:	865.6

C. Case, bulk and IBNR LAE reserves at December 31, 2020 included in Part A above (in millions):

1. Direct Basis:	$ 783.2
2. Assumed Reinsurance Basis:	8.8
3. Net of Ceded Reinsurance Basis:	661.7

D. Exposure for environmental losses arises from liability coverage written many years ago. The exposures include bodily injury and property damage losses.

In establishing environmental reserves, the Combined Pool evaluates the exposure presented by each policyholder and the anticipated cost of resolution, if any. These claims are mainly brought pursuant to various state or federal statutes that require a liable party to undertake or pay for environmental remediation. Liability under these statutes may be joint and several with other responsible parties. In the course of its analysis, the Combined Pool generally considers the probable liability, available coverage and relevant judicial interpretations. In addition, the Combined Pool considers the many variables presented, such as: the nature of the alleged activities of the policyholder at each site; the number of sites; the total number of potentially responsible parties at each site; the nature of the alleged environmental harm and the corresponding remedy at each site; the nature of government enforcement activities at each site; the ownership and general use of each site; the overall nature of the insurance relationship between the Combined Pool and the policyholder, including the role of any umbrella or excess insurance the Combined Pool has issued to the policyholder; the involvement of other insurers; the potential for other available coverage, including the number of years of coverage; the role, if any, of non-environmental claims or potential non-environmental claims in any resolution process; and the applicable law in each jurisdiction. The evaluation of the exposure presented by a policyholder can change as information concerning that policyholder and the many variables presented is developed. Conventional actuarial methods are not used to estimate these reserves.

	(in millions) 2020	2019
1. Direct Basis - Environmental:		
a. Beginning reserves:	$ 304.2	$ 308.2
b. Incurred losses and LAE:	62.6	82.6
c. Calendar year payments for losses and LAE:	71.5	86.6
d. Ending reserves:	$ 295.3	$ 304.2
2. Assumed Reinsurance Basis - Environmental:		
a. Beginning reserves:	$ 37.8	$ 41.2
b. Incurred losses and LAE:	1.0	1.0
c. Calendar year payments for losses and LAE:	3.3	4.4
d. Ending reserves:	$ 35.5	$ 37.8
3. Net of Ceded Reinsurance Basis - Environmental:		
a. Beginning reserves:	$ 314.5	$ 327.7
b. Incurred losses and LAE:	62.0	76.0
c. Calendar year payments for losses and LAE:	71.8	89.2
d. Ending reserves:	$ 304.7	$ 314.5

E. Bulk and IBNR loss and LAE reserves at December 31, 2020 included in Part D above (in millions):

1. Direct Basis:	$ 292.7
2. Assumed Reinsurance Basis:	17.1
3. Net of Ceded Reinsurance Basis:	285.5

F. Case, bulk and IBNR LAE reserves at December 31, 2020 included in Part D above (in millions):

1. Direct Basis:	$ 109.9
2. Assumed Reinsurance Basis:	-
3. Net of Ceded Reinsurance Basis:	103.6

G. As a result of the processes and procedures discussed above, management believes that the reserves carried for asbestos and environmental claims are appropriately established based upon known facts, current law and management's judgment. However, the uncertainties surrounding the final resolution of these claims continue, and it is difficult to determine the ultimate exposure for asbestos and environmental claims and related litigation. As a result, these reserves are subject to revision as new information becomes available and as claims develop. Changes in the legal, regulatory and legislative environment may impact the future resolution of asbestos and environmental claims and result in adverse loss reserve development. The emergence of a greater number of asbestos or environmental claims beyond that which is anticipated may result in adverse loss reserve development. Changes in applicable legislation and future court and regulatory decisions and interpretations, including the outcome of legal challenges to legislative and/or judicial reforms establishing medical criteria for the pursuit of asbestos claims, could affect the settlement of asbestos and environmental claims. It is also difficult to predict the ultimate outcome of complex coverage disputes until settlement negotiations near completion and significant legal questions are resolved or, failing settlement, until the dispute is adjudicated. This is particularly the case with policyholders in bankruptcy where negotiations often involve a large number of claimants and other parties and require court approval to be effective. As part of its continuing analysis of asbestos and environmental reserves, the Combined Pool continues to study the implications of these and other developments.

Because of the uncertainties set forth above, additional liabilities may arise for amounts in excess of the Combined Pool's current reserves. In addition, the Combined Pool's estimate of claims and claim adjustment expenses may change. These additional liabilities or increases in estimates, or a range of either, cannot now be reasonably estimated and could result in income statement charges that could be material to the Combined Pool's operating results in future periods.

21. FIXED ASSETS

A. Electronic Data Processing (EDP) Equipment and Software:

The Combined Pool capitalizes software and EDP equipment in certain insurance subsidiaries. Operating system software and EDP equipment are admitted provided they are not in excess of limits prescribed by statutory accounting practices. Capitalized nonoperating system software is recorded as a nonadmitted asset. Depreciation of equipment and amortization of operating system software are calculated using the straight-line method over the shorter of its estimated useful life or 3 years. Nonoperating system software is amortized using the straight-line method over the shorter of its estimated useful life or 5 years. Depreciation and amortization are allocated among companies in accordance with normal expense and cost allocation methods. Depreciation and amortization expense related to EDP equipment and software for the Combined Pool totaled $221.2 million and $204.9 million in 2020 and 2019, respectively.

The following table shows account balances for admitted EDP equipment and operating system software for the Combined Pool at December 31, 2020:

(in millions)	Cost	Accumulated Depreciation/Amortization	Book Value
EDP Equipment	$ 404.1	$ 341.0	$ 63.1
Operating Software	29.9	29.9	-
Total	$ 434.0	$ 370.9	$ 63.1

B. Furniture, Fixtures, Equipment and Leasehold Improvements:

Furniture, fixtures, equipment and leasehold improvements are acquired and capitalized in certain Combined Pool companies. These nonadmitted assets are depreciated on a straight-line basis over their estimated useful lives. Furniture and fixtures are generally depreciated over 15 years while leasehold improvements are amortized over the shorter of their estimated useful life or the remaining life of the original lease.

Depreciation and amortization are allocated among companies in accordance with normal expense and cost allocation methods. Depreciation of furniture, fixtures and equipment and amortization of leasehold improvements for the Combined Pool totaled $39.5 million and $33.6 million in 2020 and 2019, respectively.

22. FINANCIAL GUARANTY INSURANCE

In prior years, the Combined Pool underwrote insurance guaranteeing the structured settlements of certain life insurers. The Combined Pool no longer writes such guarantees. At December 31, 2020 and 2019, the Combined Pool's aggregate net amount of guarantees of principal and interest for such structured settlements was approximately $6.1 million and $6.7 million, respectively.

Also in past years, the Combined Pool underwrote financial guarantee insurance representing the Combined Pool's participation in MBIA's guarantee of municipal bond obligations. The Combined Pool has no net exposure for the guarantee of principal and interest for such securities as the Combined Pool's participation in MBIA has been reinsured. The gross amount of such financial guarantees was not material at December 31, 2020 and 2019.

It is not practicable to estimate the fair value for the Combined Pool's financial guarantees because there is no quoted market price for such contracts, and it is not possible to reliably estimate the timing and amount of all future cash flows due to the unique nature of each of these contracts. The Combined Pool no longer writes such guarantees.

23. SUBSEQUENT EVENTS

The Combined Pool had no material subsequent events through April 19, 2021, the date the Combined Pool's statutory financial statements were available to be issued.

TRAVELERS COMBINED POOL

Legend for Combining Worksheets (Sections 2-8)

Company Code	Pool Participant
IND	The Travelers Indemnity Company
FM	St. Paul Fire and Marine Insurance Company
TCS	Travelers Casualty and Surety Company
PHX	The Phoenix Insurance Company
STD	The Standard Fire Insurance Company
USFG	United States Fidelity and Guaranty Company
TLL	Travelers Casualty Insurance Company of America
FAR	Farmington Casualty Company
AUT	The Automobile Insurance Company of Hartford, Connecticut
ICT	The Travelers Indemnity Company of Connecticut
COK	The Charter Oak Fire Insurance Company
NLI	Northland Insurance Company
AMR	The Travelers Indemnity Company of America
PROT	St. Paul Protective Insurance Company
TCT	Travelers Casualty Company of Connecticut
TCC	Travelers Commercial Casualty Company
TCI	Travelers Commercial Insurance Company
MERC	St. Paul Mercury Insurance Company
ILL	Travelers Property Casualty Company of America
TIN	Travelers Property Casualty Insurance Company
ATNA	The Travelers Casualty Company
MED	Travelers Constitution State Insurance Company
TVC	TravCo Insurance Company
THM	The Travelers Home and Marine Insurance Company
PLL	Travelers Personal Insurance Company
TPS	Travelers Personal Security Insurance Company
DIPR	Discover Property & Casualty Insurance Company
NCC	Northland Casualty Company
FGIU	Fidelity and Guaranty Insurance Underwriters, Inc.
GARD	St. Paul Guardian Insurance Company
AES	American Equity Specialty Insurance Company
DISP	Discover Specialty Insurance Company
NFI	Northfield Insurance Company
SL	St. Paul Surplus Lines Insurance Company
TES	Travelers Excess and Surplus Lines Company
AEQ	American Equity Insurance Company
FGIC	Fidelity and Guaranty Insurance Company
GUI	Gulf Underwriters Insurance Company
SIC	Select Insurance Company
LYD	The Travelers Lloyds Insurance Company
LTX	Travelers Lloyds of Texas Insurance Company

See accompanying Independent Auditors' Report

Travelers Combined Pool - Combining Worksheet
Balance Sheet (statutory basis)

(At December 31, 2020, in thousands)	IND	FM	TCS	PHX	STD
Assets					
Bonds	$ 15,349,040	$ 14,407,530	$ 10,212,276	$ 2,770,538	$ 2,638,036
Preferred stocks	32,977	1,195	1,932	-	-
Common stocks	3,201,973	2,067,886	4,201,942	987,730	533,299
Real estate - Properties occupied by the company	342,336	26,257	-	-	-
Real estate - Properties held for the production of income	-	906,521	-	-	-
Cash, cash equivalents and short-term investments	612,633	190,598	773,793	158,314	232,206
Other invested assets	723,957	648,170	1,500,393	81,475	178,164
Receivables for securities	5	255	247	23	12
Securities lending reinvested collateral assets	9,984	64,202	6,270	2,672	13,814
Aggregate write-ins for invested assets	(15,289)	-	-	-	-
Total cash and invested assets	20,257,616	18,312,614	16,696,853	4,000,752	3,595,531
Investment income due and accrued	127,461	119,419	89,554	26,470	22,899
Uncollected premiums and agents' balances in course of collection	657,275	818,879	656,715	102,294	79,629
Deferred premiums, agents' balances and installments booked but deferred and not yet due	1,279,337	1,256,822	1,032,113	253,466	245,355
Accrued retrospective premiums and contracts subject to redetermination	17,515	17,230	14,151	3,475	3,364
Reinsurance - Amounts recoverable from reinsurers	1,319,774	22,458	42,246	63,791	169,455
Reinsurance - Funds held by or deposited with reinsured companies	1,149	2,579	851	-	-
Current federal and foreign income tax recoverable and interest thereon	-	6,562	-	-	-
Net deferred tax asset	327,170	224,240	136,500	44,423	42,618
Guaranty funds receivable or on deposit	191	23	461	1,033	747
Electronic data processing equipment and software	51,579	5	-	-	11,034
Receivables from parent, subsidiaries and affiliates	-	-	97,910	1,891	60,884
Aggregate write-ins for other-than-invested assets	380,682	100,983	93,166	14,880	19,336
Total assets	$ 24,419,749	$ 20,881,814	$ 18,860,520	$ 4,512,475	$ 4,250,852
Liabilities					
Losses	$ 8,641,095	$ 8,673,303	$ 6,977,015	$ 1,713,413	$ 1,658,583
Reinsurance payable on paid losses and loss adjustment expenses	1,409,719	366,920	300,735	73,801	71,437
Loss adjustment expenses	1,878,959	1,911,322	1,516,535	372,430	360,512
Commissions payable, contingent commissions and other similar charges	207,472	205,014	167,287	41,082	39,767
Other expenses	133,827	138,659	111,649	27,163	26,443
Taxes, licenses and fees	75,266	76,937	62,147	15,262	14,774
Current federal and foreign income taxes	19,478	-	12,848	2,259	2,822
Net deferred tax liability	-	-	-	-	-
Borrowed money and interest thereon	-	-	-	-	-
Unearned premiums	3,064,798	3,042,569	2,476,159	608,094	588,635
Advance premium	75,357	-	-	-	-
Dividends declared and unpaid - Policyholders	14,252	14,020	11,515	2,828	2,737
Ceded reinsurance premiums payable	63,657	66,241	51,431	12,630	150,612
Funds held by company under reinsurance treaties	61,385	244	-	-	-
Amounts withheld or retained by company for account of others	1,031,409	21,352	7,743	1,900	1,839
Remittances and items not allocated	192,011	22,577	939	34	902
Provision for reinsurance	42,112	5,488	-	-	-
Net adjustments in assets and liabilities due to foreign exchange rates	-	67,366	-	-	-
Payable to parent, subsidiaries and affiliates	304,802	2,885	-	-	-
Payable for securities	17,856	933	7,846	-	9,065
Payable for securities lending	9,984	64,202	6,270	2,672	13,814
Aggregate write-ins for liabilities	226,784	62,786	(7,813)	(1,956)	(1,893)
Total liabilities	17,470,223	14,742,818	11,702,306	2,871,612	2,940,049
Surplus as regards policyholders					
Aggregate write-ins for special surplus funds	11,397	11,212	9,208	2,261	2,189
Common capital stock	10,791	20,000	25,000	10,000	5,000
Aggregate write-ins for other-than-special surplus funds	-	-	-	-	-
Gross paid in and contributed surplus	4,234,155	3,238,382	2,629,825	126,370	623,472
Unassigned funds (surplus)	2,693,183	2,869,402	4,494,181	1,502,232	680,142
Total surplus as regards policyholders	6,949,526	6,138,996	7,158,214	1,640,863	1,310,803
Total liabilities and surplus as regards policyholders	$ 24,419,749	$ 20,881,814	$ 18,860,520	$ 4,512,475	$ 4,250,852

(At December 31, 2020, in thousands)	USFG	TLL	FAR	AUT	ICT	COK
Assets						
Bonds	$ 2,761,144	$ 1,693,880	$ 929,537	$ 929,818	$ 918,990	$ 815,062
Preferred stocks	-	-	2,637	-	-	-
Common stocks	-	-	-	-	-	-
Real estate - Properties occupied by the company	-	-	-	-	-	-
Real estate - Properties held for the production of income	-	-	-	-	-	-
Cash, cash equivalents and short-term investments	237,656	101,335	34,903	19,950	32,749	19,197
Other invested assets	-	43,067	14,748	216	13,094	3,323
Receivables for securities	-	-	-	-	-	-
Securities lending reinvested collateral assets	11,233	562	4,250	1,765	155	-
Aggregate write-ins for invested assets	-	-	-	-	-	-
Total cash and invested assets	3,010,033	1,838,844	986,075	951,749	964,988	837,582
Investment income due and accrued	24,959	16,859	8,530	9,996	8,822	8,765
Uncollected premiums and agents' balances in course of collection	146,495	44,915	38,775	22,540	22,540	20,894
Deferred premiums, agents' balances and installments booked but deferred and not yet due	223,557	138,392	75,026	69,450	69,450	64,380
Accrued retrospective premiums and contracts subject to redetermination	3,065	1,897	1,029	952	952	883
Reinsurance - Amounts recoverable from reinsurers	3,363	73,945	10,358	27,201	74,337	70,545
Reinsurance - Funds held by or deposited with reinsured companies	26	-	-	-	-	-
Current federal and foreign income tax recoverable and interest thereon	-	-	-	-	-	-
Net deferred tax asset	29,152	14,538	12,937	11,977	11,413	11,103
Guaranty funds receivable or on deposit	116	474	508	22	346	455
Electronic data processing equipment and software	-	-	-	-	526	-
Receivables from parent, subsidiaries and affiliates	-	4,915	6,370	13,599	24,742	4,161
Aggregate write-ins for other-than-invested assets	11,477	9,581	4,227	4,425	6,227	7,841
Total assets	$ 3,452,243	$ 2,144,360	$ 1,143,835	$ 1,111,911	$ 1,184,343	$ 1,026,609
Liabilities						
Losses	$ 1,511,230	$ 935,523	$ 507,170	$ 469,475	$ 469,475	$ 435,207
Reinsurance payable on paid losses and loss adjustment expenses	65,121	44,081	21,844	20,221	20,221	18,745
Loss adjustment expenses	328,483	203,347	110,239	102,046	102,046	94,597
Commissions payable, contingent commissions and other similar charges	36,235	22,431	12,160	11,257	11,257	10,435
Other expenses	24,009	14,908	8,068	7,463	7,474	6,914
Taxes, licenses and fees	13,461	8,333	4,518	4,182	4,182	3,877
Current federal and foreign income taxes	2,070	1,358	1,437	1,403	308	1,121
Net deferred tax liability	-	-	-	-	-	-
Borrowed money and interest thereon	-	-	-	-	-	-
Unearned premiums	536,339	332,020	179,996	166,618	166,618	154,456
Advance premium	-	-	-	-	-	-
Dividends declared and unpaid - Policyholders	2,494	1,544	837	774	774	718
Ceded reinsurance premiums payable	11,140	28,489	3,738	15,808	70,254	54,100
Funds held by company under reinsurance treaties	-	-	-	-	-	-
Amounts withheld or retained by company for account of others	2,025	1,037	562	520	520	482
Remittances and items not allocated	1	36	-	-	74	48
Provision for reinsurance	-	-	-	-	-	-
Net adjustments in assets and liabilities due to foreign exchange rates	-	-	-	-	-	-
Payable to parent, subsidiaries and affiliates	8,804	-	-	-	-	-
Payable for securities	-	-	-	-	-	-
Payable for securities lending	11,233	562	4,250	1,765	155	-
Aggregate write-ins for liabilities	8,594	(1,068)	(579)	(536)	(536)	(497)
Total liabilities	2,561,239	1,592,601	854,240	800,996	852,822	780,203
Surplus as regards policyholders						
Aggregate write-ins for special surplus funds	1,994	1,235	669	620	620	574
Common capital stock	35,214	6,000	6,000	6,000	5,000	4,200
Aggregate write-ins for other-than-special surplus funds	-	-	-	-	-	-
Gross paid in and contributed surplus	236,805	125,632	126,175	98,351	4,862	80,200
Unassigned funds (surplus)	616,991	418,892	156,751	205,944	321,039	161,432
Total surplus as regards policyholders	891,004	551,759	289,595	310,915	331,521	246,406
Total liabilities and surplus as regards policyholders	$ 3,452,243	$ 2,144,360	$ 1,143,835	$ 1,111,911	$ 1,184,343	$ 1,026,609

(At December 31, 2020, in thousands)	NLI	AMR	PROT	TCT	TCC	TCI
Assets						
Bonds	$ 915,348	$ 496,863	$ 466,276	$ 297,010	$ 303,064	$ 298,064
Preferred stocks	1,054	-	-	-	-	-
Common stocks	163,152	-	-	-	-	-
Real estate - Properties occupied by the company	-	-	-	-	-	-
Real estate - Properties held for the production of income	-	-	-	-	-	-
Cash, cash equivalents and short-term investments	55,756	41,768	28,937	15,246	15,678	8,535
Other invested assets	12,784	1,002	-	209	-	-
Receivables for securities	-	-	-	-	-	-
Securities lending reinvested collateral assets	1,083	140	536	5,889	535	637
Aggregate write-ins for invested assets	-	-	-	-	-	-
Total cash and invested assets	1,149,177	539,773	495,749	318,354	319,277	307,236
Investment income due and accrued	9,540	6,665	4,517	2,653	2,925	3,635
Uncollected premiums and agents' balances in course of collection	20,072	12,668	9,542	14,285	14,474	7,733
Deferred premiums, agents' balances and installments booked but deferred and not yet due	61,846	39,034	29,402	23,826	23,826	23,826
Accrued retrospective premiums and contracts subject to redetermination	848	535	403	326	326	326
Reinsurance - Amounts recoverable from reinsurers	38,839	67,690	17,664	1,066	1,054	54,619
Reinsurance - Funds held by or deposited with reinsured companies	-	-	-	-	2	-
Current federal and foreign income tax recoverable and interest thereon	-	348	-	-	-	-
Net deferred tax asset	11,151	6,742	5,071	4,108	4,108	4,238
Guaranty funds receivable or on deposit	19	846	18	121	6	10
Electronic data processing equipment and software	-	-	-	-	-	-
Receivables from parent, subsidiaries and affiliates	-	-	10,389	112	746	6,968
Aggregate write-ins for other-than-invested assets	5,522	5,992	1,355	1,519	1,087	1,389
Total assets	$ 1,297,014	$ 680,293	$ 574,110	$ 366,370	$ 367,831	$ 409,980
Liabilities						
Losses	$ 418,073	$ 263,866	$ 198,756	$ 161,061	$ 161,061	$ 161,061
Reinsurance payable on paid losses and loss adjustment expenses	18,007	16,731	8,561	6,937	7,009	6,937
Loss adjustment expenses	90,873	57,354	43,202	35,008	35,008	35,008
Commissions payable, contingent commissions and other similar charges	10,024	6,327	4,766	3,862	3,862	3,862
Other expenses	6,677	4,197	3,171	2,558	2,558	2,558
Taxes, licenses and fees	3,724	2,350	1,771	1,435	1,435	1,435
Current federal and foreign income taxes	869	-	290	137	226	226
Net deferred tax liability	-	-	-	-	-	-
Borrowed money and interest thereon	-	-	-	-	-	-
Unearned premiums	148,375	93,647	70,539	57,161	57,161	57,161
Advance premium	-	-	-	-	-	-
Dividends declared and unpaid - Policyholders	690	435	328	265	265	265
Ceded reinsurance premiums payable	11,724	42,370	19,503	1,187	1,187	34,211
Funds held by company under reinsurance treaties	-	-	-	-	-	-
Amounts withheld or retained by company for account of others	27,935	292	220	179	179	179
Remittances and items not allocated	(526)	39	-	-	284	-
Provision for reinsurance	-	-	-	-	-	-
Net adjustments in assets and liabilities due to foreign exchange rates	-	-	-	-	-	-
Payable to parent, subsidiaries and affiliates	11,235	6,763	-	-	-	-
Payable for securities	-	-	-	-	4,156	-
Payable for securities lending	1,083	140	536	5,889	535	637
Aggregate write-ins for liabilities	3,216	(301)	(227)	(184)	(184)	(184)
Total liabilities	751,979	494,210	351,416	275,495	274,742	303,356
Surplus as regards policyholders						
Aggregate write-ins for special surplus funds	552	348	262	213	213	213
Common capital stock	3,500	5,250	4,200	6,000	4,500	6,000
Aggregate write-ins for other-than-special surplus funds	-	-	-	-	-	-
Gross paid in and contributed surplus	167,836	47,400	201,201	36,136	45,262	36,158
Unassigned funds (surplus)	373,147	133,085	17,031	48,526	43,114	64,253
Total surplus as regards policyholders	545,035	186,083	222,694	90,875	93,089	106,624
Total liabilities and surplus as regards policyholders	$ 1,297,014	$ 680,293	$ 574,110	$ 366,370	$ 367,831	$ 409,980

Travelers Combined Pool - Combining Worksheet
Balance Sheet (statutory basis)

Exhibit 1

(At December 31, 2020, in thousands)	MERC	ILL	TIN	ATNA	MED	TVC
Assets						
Bonds	$ 291,208	$ 598,553	$ 199,464	$ 188,876	$ 181,922	$ 183,834
Preferred stocks	-	-	-	-	-	-
Common stocks	-	-	-	-	-	-
Real estate - Properties occupied by the company	-	-	-	-	-	-
Real estate - Properties held for the production of income	-	-	-	-	-	-
Cash, cash equivalents and short-term investments	11,953	806	9,348	8,644	15,541	8,518
Other invested assets	-	12,273	15,357	-	-	-
Receivables for securities	-	-	-	-	-	-
Securities lending reinvested collateral assets	-	-	-	535	-	542
Aggregate write-ins for invested assets	-	-	-	-	-	-
Total cash and invested assets	303,161	611,632	224,169	198,055	197,463	192,894
Investment income due and accrued	2,711	8,373	3,383	1,828	1,808	1,691
Uncollected premiums and agents' balances in course of collection	12,039	5,923	4,936	9,586	9,594	4,442
Deferred premiums, agents' balances and installments booked but deferred and not yet due	20,277	18,250	15,208	14,701	14,701	13,687
Accrued retrospective premiums and contracts subject to redetermination	278	250	209	202	202	188
Reinsurance - Amounts recoverable from reinsurers	6,022	264,646	57,861	16	8	22,447
Reinsurance - Funds held by or deposited with reinsured companies	-	-	-	-	-	-
Current federal and foreign income tax recoverable and interest thereon	-	-	-	-	-	-
Net deferred tax asset	3,497	3,074	2,616	2,535	2,536	2,360
Guaranty funds receivable or on deposit	10	1,116	9	7	7	28
Electronic data processing equipment and software	-	-	-	-	-	-
Receivables from parent, subsidiaries and affiliates	-	-	12,526	84	-	6,504
Aggregate write-ins for other-than-invested assets	983	6,649	660	547	595	1,337
Total assets	$ 348,978	$ 919,913	$ 321,577	$ 227,561	$ 226,914	$ 245,578
Liabilities						
Losses	$ 137,073	$ 123,365	$ 102,805	$ 99,378	$ 99,378	$ 92,524
Reinsurance payable on paid losses and loss adjustment expenses	5,904	5,313	4,428	4,280	4,280	3,985
Loss adjustment expenses	29,794	26,815	22,346	21,601	21,601	20,112
Commissions payable, contingent commissions and other similar charges	3,287	2,958	2,465	2,383	2,383	2,218
Other expenses	2,182	2,012	1,645	1,578	1,578	1,471
Taxes, licenses and fees	1,221	1,099	915	885	885	824
Current federal and foreign income taxes	192	337	235	145	118	137
Net deferred tax liability	-	-	-	-	-	-
Borrowed money and interest thereon	-	-	-	-	-	-
Unearned premiums	48,648	43,783	36,485	35,269	35,269	32,837
Advance premium	-	-	-	-	-	-
Dividends declared and unpaid - Policyholders	226	204	170	164	164	153
Ceded reinsurance premiums payable	1,010	237,309	63,481	733	733	23,503
Funds held by company under reinsurance treaties	-	-	-	-	-	-
Amounts withheld or retained by company for account of others	152	2,261	114	110	110	103
Remittances and items not allocated	-	(72)	-	-	-	-
Provision for reinsurance	-	-	-	-	-	-
Net adjustments in assets and liabilities due to foreign exchange rates	-	-	-	-	-	-
Payable to parent, subsidiaries and affiliates	4,721	4,811	-	-	23	-
Payable for securities	-	-	-	-	-	-
Payable for securities lending	-	-	-	535	-	542
Aggregate write-ins for liabilities	(156)	(141)	(117)	(113)	(113)	(106)
Total liabilities	234,254	450,054	234,972	166,948	166,409	178,303
Surplus as regards policyholders						
Aggregate write-ins for special surplus funds	181	163	136	131	131	122
Common capital stock	4,230	5,040	3,000	3,500	3,500	6,000
Aggregate write-ins for other-than-special surplus funds	-	-	-	-	-	-
Gross paid in and contributed surplus	99,230	378,053	35,606	19,812	16,812	39,000
Unassigned funds (surplus)	11,083	86,603	47,863	37,170	40,062	22,153
Total surplus as regards policyholders	114,724	469,859	86,605	60,613	60,505	67,275
Total liabilities and surplus as regards policyholders	$ 348,978	$ 919,913	$ 321,577	$ 227,561	$ 226,914	$ 245,578

Travelers Combined Pool - Combining Worksheet
Balance Sheet (statutory basis)

Exhibit 1

(At December 31, 2020, in thousands)	THM	PLL	TPS	DIPR	NCC	FGIU
Assets						
Bonds	$ 209,858	$ 184,598	$ 177,401	$ 120,922	$ 98,371	$ 135,489
Preferred stocks	-	-	-	-	-	-
Common stocks	-	-	-	-	-	-
Real estate - Properties occupied by the company	-	-	-	-	-	-
Real estate - Properties held for the production of income	-	-	-	-	-	-
Cash, cash equivalents and short-term investments	12,577	6,347	12,884	8,417	6,262	1,178
Other invested assets	5,579	-	-	-	166	-
Receivables for securities	-	-	-	-	-	-
Securities lending reinvested collateral assets	-	11,294	5,288	-	-	-
Aggregate write-ins for invested assets	-	-	-	-	-	-
Total cash and invested assets	228,014	202,239	195,573	129,339	104,799	136,667
Investment income due and accrued	3,545	1,568	1,669	1,317	836	1,145
Uncollected premiums and agents' balances in course of collection	4,442	4,442	4,442	4,691	4,389	1,645
Deferred premiums, agents' balances and installments booked but deferred and not yet due	13,687	13,687	13,687	7,097	7,097	5,069
Accrued retrospective premiums and contracts subject to redetermination	188	188	188	98	98	69
Reinsurance - Amounts recoverable from reinsurers	119,027	86,387	13,373	1,691	274	9,746
Reinsurance - Funds held by or deposited with reinsured companies	-	-	-	-	-	-
Current federal and foreign income tax recoverable and interest thereon	-	-	-	-	-	-
Net deferred tax asset	2,361	2,360	2,363	1,239	1,230	924
Guaranty funds receivable or on deposit	407	1	15	14	1	12
Electronic data processing equipment and software	-	-	-	-	-	-
Receivables from parent, subsidiaries and affiliates	13,501	52,691	3,653	-	-	1,964
Aggregate write-ins for other-than-invested assets	11,133	4,509	1,837	386	289	268
Total assets	$ 396,305	$ 368,072	$ 236,800	$ 145,872	$ 119,013	$ 157,509
Liabilities						
Losses	$ 92,524	$ 92,524	$ 92,524	$ 47,976	$ 47,976	$ 34,268
Reinsurance payable on paid losses and loss adjustment expenses	3,985	3,985	3,985	2,066	2,066	1,476
Loss adjustment expenses	20,112	20,112	20,112	10,428	10,428	7,448
Commissions payable, contingent commissions and other similar charges	2,218	2,218	2,218	1,150	1,150	822
Other expenses	1,479	1,470	1,471	767	764	554
Taxes, licenses and fees	824	824	824	428	428	305
Current federal and foreign income taxes	159	147	135	63	83	47
Net deferred tax liability	-	-	-	-	-	-
Borrowed money and interest thereon	-	-	-	-	-	-
Unearned premiums	32,837	32,837	32,837	17,027	17,027	12,162
Advance premium	-	-	-	-	-	-
Dividends declared and unpaid - Policyholders	153	153	153	79	79	57
Ceded reinsurance premiums payable	123,217	131,516	12,472	354	354	10,299
Funds held by company under reinsurance treaties	-	-	-	-	-	-
Amounts withheld or retained by company for account of others	103	103	103	53	219	38
Remittances and items not allocated	-	-	-	-	-	-
Provision for reinsurance	-	-	-	-	-	-
Net adjustments in assets and liabilities due to foreign exchange rates	-	-	-	-	-	-
Payable to parent, subsidiaries and affiliates	-	-	-	1,793	25	-
Payable for securities	-	-	-	-	-	-
Payable for securities lending	-	11,294	5,288	-	-	-
Aggregate write-ins for liabilities	(106)	(106)	(106)	647	(55)	(39)
Total liabilities	277,505	297,077	172,016	82,831	80,544	67,437
Surplus as regards policyholders						
Aggregate write-ins for special surplus funds	122	122	122	63	63	45
Common capital stock	5,000	3,500	3,500	6,300	3,000	13,435
Aggregate write-ins for other-than-special surplus funds	-	-	-	-	-	-
Gross paid in and contributed surplus	77,500	36,860	38,367	52,332	10,003	72,016
Unassigned funds (surplus)	36,178	30,513	22,795	4,346	25,403	4,576
Total surplus as regards policyholders	118,800	70,995	64,784	63,041	38,469	90,072
Total liabilities and surplus as regards policyholders	$ 396,305	$ 368,072	$ 236,800	$ 145,872	$ 119,013	$ 157,509

Travelers Combined Pool - Combining Worksheet
Balance Sheet (statutory basis)

Exhibit 1

(At December 31, 2020, in thousands)	GARD	AES	DISP	NFI	SL	TES
Assets						
Bonds	$ 63,919	$ 24,952	$ 36,238	$ 98,500	$ 184,271	$ 60,658
Preferred stocks	-	-	-	-	-	-
Common stocks	-	-	-	-	-	-
Real estate - Properties occupied by the company	-	-	-	-	-	-
Real estate - Properties held for the production of income	-	-	-	-	-	-
Cash, cash equivalents and short-term investments	4,099	2,907	1,520	27,570	7,998	4,757
Other invested assets	-	-	-	3,652	-	-
Receivables for securities	-	-	-	-	-	-
Securities lending reinvested collateral assets	-	-	-	530	460	-
Aggregate write-ins for invested assets	-	-	-	-	-	-
Total cash and invested assets	68,018	27,859	37,758	130,252	192,729	65,415
Investment income due and accrued	553	290	321	1,208	1,808	699
Uncollected premiums and agents' balances in course of collection	2,966	1	-	-	-	-
Deferred premiums, agents' balances and installments booked but deferred and not yet due	5,069	-	-	-	-	-
Accrued retrospective premiums and contracts subject to redetermination	69	-	-	-	-	-
Reinsurance - Amounts recoverable from reinsurers	247	-	-	9,987	6,090	5,703
Reinsurance - Funds held by or deposited with reinsured companies	-	-	-	-	-	-
Current federal and foreign income tax recoverable and interest thereon	-	-	-	-	-	-
Net deferred tax asset	884	-	-	-	-	-
Guaranty funds receivable or on deposit	158	1	-	-	-	1
Electronic data processing equipment and software	-	-	-	-	-	-
Receivables from parent, subsidiaries and affiliates	2,112	-	-	4,383	-	23,317
Aggregate write-ins for other-than-invested assets	288	-	-	-	-	-
Total assets	$ 80,364	$ 28,151	$ 38,079	$ 145,830	$ 200,627	$ 95,135
Liabilities						
Losses	$ 34,268	$ -	$ -	$ -	$ -	$ -
Reinsurance payable on paid losses and loss adjustment expenses	1,476	-	-	-	-	-
Loss adjustment expenses	7,448	-	-	-	-	-
Commissions payable, contingent commissions and other similar charges	822	-	-	-	-	-
Other expenses	545	9	13	51	77	25
Taxes, licenses and fees	305	-	-	-	-	-
Current federal and foreign income taxes	56	97	127	548	772	239
Net deferred tax liability	-	555	756	2,049	4,463	1,632
Borrowed money and interest thereon	-	-	-	-	-	-
Unearned premiums	12,162	-	-	-	-	-
Advance premium	-	-	-	-	-	-
Dividends declared and unpaid - Policyholders	57	-	-	-	-	-
Ceded reinsurance premiums payable	252	-	-	14,316	1,472	29,193
Funds held by company under reinsurance treaties	-	-	-	-	-	-
Amounts withheld or retained by company for account of others	38	-	-	3,653	-	-
Remittances and items not allocated	-	-	-	-	-	-
Provision for reinsurance	-	-	-	-	-	-
Net adjustments in assets and liabilities due to foreign exchange rates	-	-	-	-	-	-
Payable to parent, subsidiaries and affiliates	-	2	3	-	4,596	-
Payable for securities	-	-	-	-	-	-
Payable for securities lending	-	-	-	530	460	-
Aggregate write-ins for liabilities	(39)	-	-	-	-	-
Total liabilities	57,390	663	899	21,147	11,840	31,089
Surplus as regards policyholders						
Aggregate write-ins for special surplus funds	45	-	-	-	-	-
Common capital stock	4,200	3,500	5,000	3,500	4,100	3,500
Aggregate write-ins for other-than-special surplus funds	-	-	-	-	-	-
Gross paid in and contributed surplus	11,000	21,000	21,506	18,350	56,031	38,000
Unassigned funds (surplus)	7,729	2,988	10,674	102,833	128,656	22,546
Total surplus as regards policyholders	22,974	27,488	37,180	124,683	188,787	64,046
Total liabilities and surplus as regards policyholders	$ 80,364	$ 28,151	$ 38,079	$ 145,830	$ 200,627	$ 95,135

Travelers Combined Pool - Combining Worksheet
Balance Sheet (statutory basis)

Exhibit 1

(At December 31, 2020, in thousands)	AEQ	FGIC	GUI	SIC	LYD	LTX
Assets						
Bonds	$ 65,901	$ 18,061	$ 54,115	$ 76,420	$ 10,316	$ 11,632
Preferred stocks	-	-	-	-	-	-
Common stocks	27,488	-	-	-	-	-
Real estate - Properties occupied by the company	-	-	-	-	-	-
Real estate - Properties held for the production of income	-	-	-	-	-	-
Cash, cash equivalents and short-term investments	4,032	155	3,593	3,671	2,173	988
Other invested assets	-	-	-	-	-	-
Receivables for securities	-	-	-	-	-	-
Securities lending reinvested collateral assets	-	-	-	-	-	-
Aggregate write-ins for invested assets	-	-	-	-	-	-
Total cash and invested assets	97,421	18,216	57,708	80,091	12,489	12,620
Investment income due and accrued	685	114	560	802	114	119
Uncollected premiums and agents' balances in course of collection	8	-	-	4	-	-
Deferred premiums, agents' balances and installments booked but deferred and not yet due	-	-	-	-	-	-
Accrued retrospective premiums and contracts subject to redetermination	-	-	-	-	-	-
Reinsurance - Amounts recoverable from reinsurers	15	1,572	(115)	6	5,366	3,787
Reinsurance - Funds held by or deposited with reinsured companies	-	-	-	-	-	-
Current federal and foreign income tax recoverable and interest thereon	1	1	-	-	9	1
Net deferred tax asset	-	-	-	-	-	-
Guaranty funds receivable or on deposit	-	124	-	5	39	41
Electronic data processing equipment and software	-	-	-	-	-	-
Receivables from parent, subsidiaries and affiliates	-	4,341	281	-	4,252	2,727
Aggregate write-ins for other-than-invested assets	-	358	(73)	-	-	-
Total assets	$ 98,130	$ 24,726	$ 58,361	$ 80,908	$ 22,269	$ 19,295
Liabilities						
Losses	$ -	$ -	$ -	$ -	$ -	$ -
Reinsurance payable on paid losses and loss adjustment expenses	-	-	-	-	-	-
Loss adjustment expenses	-	-	-	-	-	-
Commissions payable, contingent commissions and other similar charges	-	-	-	-	-	-
Other expenses	-	3	-	-	2	1
Taxes, licenses and fees	-	-	-	-	-	-
Current federal and foreign income taxes	-	-	-	-	-	-
Net deferred tax liability	11	6	7	4	25	8
Borrowed money and interest thereon	-	-	-	-	-	-
Unearned premiums	-	-	-	-	-	-
Advance premium	-	-	-	-	-	-
Dividends declared and unpaid - Policyholders	-	-	-	-	-	-
Ceded reinsurance premiums payable	-	5,755	39	-	9,519	6,450
Funds held by company under reinsurance treaties	-	-	-	-	-	-
Amounts withheld or retained by company for account of others	-	-	-	-	-	-
Remittances and items not allocated	-	-	-	-	-	-
Provision for reinsurance	-	-	-	-	-	-
Net adjustments in assets and liabilities due to foreign exchange rates	-	-	-	-	-	-
Payable to parent, subsidiaries and affiliates	18	-	-	12	-	-
Payable for securities	-	-	-	-	-	-
Payable for securities lending	-	-	-	-	-	-
Aggregate write-ins for liabilities	-	-	-	-	-	-
Total liabilities	29	5,764	46	16	9,546	6,459
Surplus as regards policyholders						
Aggregate write-ins for special surplus funds	-	-	-	-	-	-
Common capital stock	4,121	5,000	4,000	3,000	-	-
Aggregate write-ins for other-than-special surplus funds	-	-	-	-	300	2,000
Gross paid in and contributed surplus	74,969	8,600	39,455	26,305	200	-
Unassigned funds (surplus)	19,011	5,362	14,860	51,587	12,223	10,836
Total surplus as regards policyholders	98,101	18,962	58,315	80,892	12,723	12,836
Total liabilities and surplus as regards policyholders	$ 98,130	$ 24,726	$ 58,361	$ 80,908	$ 22,269	$ 19,295

Travelers Combined Pool - Combining Worksheet
Balance Sheet (statutory basis)

(At December 31, 2020, in thousands)	Subtotal	Eliminations		Total
Assets				
Bonds	$ 59,477,955	$ -		$ 59,477,955
Preferred stocks	39,795	-		39,795
Common stocks	11,183,470	7,533,633	(a)	3,649,837
Real estate - Properties occupied by the company	368,593	-		368,593
Real estate - Properties held for the production of income	906,521	-		906,521
Cash, cash equivalents and short-term investments	2,745,192	-		2,745,192
Other invested assets	3,257,629	25,559	(a)	3,232,070
Receivables for securities	542	-		542
Securities lending reinvested collateral assets	142,376	-		142,376
Aggregate write-ins for invested assets	(15,289)	37,917	(n)	(53,206)
Total cash and invested assets	78,106,784	7,597,109		70,509,675
Investment income due and accrued	530,816	-		530,816
Uncollected premiums and agents' balances in course of collection	2,763,275	1,054,216	(c)	1,709,059
Deferred premiums, agents' balances and installments booked but deferred and not yet due	5,071,325	-		5,071,325
Accrued retrospective premiums and contracts subject to redetermination	69,504	-		69,504
Reinsurance - Amounts recoverable from reinsurers	2,672,561	2,498,669	(d)	173,892
Reinsurance - Funds held by or deposited with reinsured companies	4,607	-		4,607
Current federal and foreign income tax recoverable and interest thereon	6,922	6,922	(b)	-
Net deferred tax asset	929,468	9,516	(b)	919,952
Guaranty funds receivable or on deposit	7,392	-		7,392
Electronic data processing equipment and software	63,144	-		63,144
Receivables from parent, subsidiaries and affiliates	365,023	350,493	(e)	14,530
Aggregate write-ins for other-than-invested assets	699,455	(2)	(n)	699,457
Total assets	$ 91,290,276	$ 11,516,923		$ 79,773,353
Liabilities				
Losses	$ 34,451,950	$ -		$ 34,451,950
Reinsurance payable on paid losses and loss adjustment expenses	2,524,256	2,498,669	(d)	25,587
Loss adjustment expenses	7,515,326	-		7,515,326
Commissions payable, contingent commissions and other similar charges	823,392	-		823,392
Other expenses	545,993	-		545,993
Taxes, licenses and fees	304,856	-		304,856
Current federal and foreign income taxes	50,489	6,922	(b)	43,567
Net deferred tax liability	9,516	9,516	(b)	-
Borrowed money and interest thereon	-	-		-
Unearned premiums	12,189,526	-		12,189,526
Advance premium	75,357	-		75,357
Dividends declared and unpaid - Policyholders	56,553	-		56,553
Ceded reinsurance premiums payable	1,310,259	1,054,216	(c)	256,043
Funds held by company under reinsurance treaties	61,629	-		61,629
Amounts withheld or retained by company for account of others	1,105,533	-		1,105,533
Remittances and items not allocated	216,347	-		216,347
Provision for reinsurance	47,600	-		47,600
Net adjustments in assets and liabilities due to foreign exchange rates	67,366	-		67,366
Payable to parent, subsidiaries and affiliates	350,493	350,493	(e)	-
Payable for securities	39,856	-		39,856
Payable for securities lending	142,376	-		142,376
Aggregate write-ins for liabilities	284,872	-		284,872
Total liabilities	62,173,545	3,919,816		58,253,729
Surplus as regards policyholders				
Aggregate write-ins for special surplus funds	45,226	441	(o)	44,785
Common capital stock	262,581	201,790	(g)	60,791
Aggregate write-ins for other-than-special surplus funds	2,300	2,300	(f)	-
Gross paid in and contributed surplus	13,249,229	2,523,395	(h)	10,725,834
Unassigned funds (surplus)	15,557,395	4,869,181	(i,l,n,o)	10,688,214
Total surplus as regards policyholders	29,116,731	7,597,107		21,519,624
Total liabilities and surplus as regards policyholders	$ 91,290,276	$ 11,516,923		$ 79,773,353

(At December 31, 2019, in thousands)	IND	FM	TCS	PHX	STD
Assets					
Bonds	$ 13,503,701	$ 13,221,004	$ 9,839,717	$ 2,756,934	$ 2,521,459
Preferred stocks	23,208	1,195	27,276	-	-
Common stocks	3,159,265	2,027,327	4,084,738	968,254	515,476
Real estate - Properties occupied by the company	336,361	27,530	-	-	-
Real estate - Properties held for the production of income	-	838,302	-	-	-
Cash, cash equivalents and short-term investments	725,178	567,876	758,730	32,008	135,905
Other invested assets	786,399	620,804	1,327,484	83,692	183,076
Receivables for securities	5	1,400	-	-	54
Securities lending reinvested collateral assets	71,204	159,328	55,102	7,483	23,588
Aggregate write-ins for invested assets	(384)	(87)	-	-	-
Total cash and invested assets	18,604,937	17,464,679	16,093,047	3,848,371	3,379,558
Investment income due and accrued	122,392	119,809	88,303	27,232	23,043
Uncollected premiums and agents' balances in course of collection	474,302	751,209	605,866	92,118	72,473
Deferred premiums, agents' balances and installments booked but deferred and not yet due	1,225,810	1,305,027	1,069,963	262,761	254,353
Accrued retrospective premiums and contracts subject to redetermination	19,132	20,365	16,725	4,107	3,976
Reinsurance - Amounts recoverable from reinsurers	1,329,706	39,378	38,291	65,599	165,986
Reinsurance - Funds held by or deposited with reinsured companies	1,147	4,194	995	-	-
Current federal and foreign income tax recoverable and interest thereon	-	-	-	-	-
Net deferred tax asset	302,773	214,896	132,419	42,331	40,655
Guaranty funds receivable or on deposit	447	19	731	1,351	1,009
Electronic data processing equipment and software	62,309	13	-	-	8,334
Receivables from parent, subsidiaries and affiliates	-	63,025	72,004	2,315	36,991
Aggregate write-ins for other-than-invested assets	360,827	107,508	86,263	14,966	21,380
Total assets	$ 22,503,782	$ 20,090,122	$ 18,204,607	$ 4,361,151	$ 4,007,758
Liabilities					
Losses	$ 7,537,157	$ 8,190,308	$ 6,584,022	$ 1,616,901	$ 1,565,160
Reinsurance payable on paid losses and loss adjustment expenses	1,354,906	356,445	293,619	71,931	69,552
Loss adjustment expenses	1,716,594	1,891,172	1,498,793	368,073	356,295
Commissions payable, contingent commissions and other similar charges	184,539	197,804	160,958	39,528	38,263
Other expenses	140,638	156,505	126,620	30,806	30,062
Taxes, licenses and fees	68,197	76,203	61,063	14,996	14,516
Current federal and foreign income taxes	14,874	4,070	12,777	2,147	3,916
Net deferred tax liability	-	-	-	-	-
Borrowed money and interest thereon	-	-	9	-	-
Unearned premiums	2,720,768	2,928,407	2,378,477	584,105	565,414
Advance premium	81,205	-	1	-	-
Dividends declared and unpaid - Policyholders	13,848	14,740	12,106	2,973	2,878
Ceded reinsurance premiums payable	61,631	67,604	52,751	12,955	123,480
Funds held by company under reinsurance treaties	66,424	741	-	-	-
Amounts withheld or retained by company for account of others	955,465	21,636	8,051	1,987	1,923
Remittances and items not allocated	361,207	18,547	917	34	865
Provision for reinsurance	35,119	5,192	-	-	-
Net adjustments in assets and liabilities due to foreign exchange rates	-	66,900	-	-	-
Payable to parent, subsidiaries and affiliates	305,913	-	-	-	-
Payable for securities	2,405	6,342	77,553	-	1,498
Payable for securities lending	71,204	159,328	55,102	7,483	23,588
Aggregate write-ins for liabilities	102,877	59,453	(8,579)	(2,125)	(2,057)
Total liabilities	15,794,971	14,221,397	11,314,240	2,751,794	2,795,353
Surplus as regards policyholders					
Aggregate write-ins for special surplus funds	11,323	12,053	9,899	2,431	2,353
Common capital stock	10,791	20,000	25,000	10,000	5,000
Aggregate write-ins for other-than-special surplus funds	-	-	-	-	-
Gross paid in and contributed surplus	4,234,155	3,238,382	2,629,825	126,370	623,472
Unassigned funds (surplus)	2,452,542	2,598,290	4,225,643	1,470,556	581,580
Total surplus as regards policyholders	6,708,811	5,868,725	6,890,367	1,609,357	1,212,405
Total liabilities and surplus as regards policyholders	$ 22,503,782	$ 20,090,122	$ 18,204,607	$ 4,361,151	$ 4,007,758

(At December 31, 2019, in thousands)	USFG	TLL	FAR	AUT	ICT	COK
Assets						
Bonds	$ 2,827,022	$ 1,715,099	$ 918,596	$ 902,284	$ 907,029	$ 762,589
Preferred stocks	-	-	2,597	-	-	-
Common stocks	-	-	-	-	-	-
Real estate - Properties occupied by the company	-	-	-	-	-	-
Real estate - Properties held for the production of income	-	-	-	-	-	-
Cash, cash equivalents and short-term investments	55,897	17,004	7,295	16,209	9,627	25,944
Other invested assets	-	51,788	15,900	240	12,970	4,753
Receivables for securities	-	2,739	-	111	-	-
Securities lending reinvested collateral assets	17,915	9,540	25,665	5,950	9,360	-
Aggregate write-ins for invested assets	-	-	-	-	-	-
Total cash and invested assets	2,900,834	1,796,170	970,053	924,794	938,986	793,286
Investment income due and accrued	26,425	17,619	8,837	9,508	9,340	8,572
Uncollected premiums and agents' balances in course of collection	136,039	40,879	35,050	20,514	20,514	19,017
Deferred premiums, agents' balances and installments booked but deferred and not yet due	231,755	143,467	77,777	71,997	71,997	66,741
Accrued retrospective premiums and contracts subject to redetermination	3,623	2,243	1,216	1,125	1,125	1,043
Reinsurance - Amounts recoverable from reinsurers	6,637	63,146	11,028	23,893	65,589	71,549
Reinsurance - Funds held by or deposited with reinsured companies	26	-	-	-	-	-
Current federal and foreign income tax recoverable and interest thereon	-	-	-	-	-	-
Net deferred tax asset	25,432	14,397	12,364	11,440	11,340	10,605
Guaranty funds receivable or on deposit	136	569	726	27	509	715
Electronic data processing equipment and software	-	-	-	-	842	-
Receivables from parent, subsidiaries and affiliates	-	8,093	704	9,812	21,950	8,012
Aggregate write-ins for other-than-invested assets	12,540	8,855	4,206	3,175	5,315	5,745
Total assets	$ 3,343,447	$ 2,095,438	$ 1,121,961	$ 1,076,285	$ 1,147,507	$ 985,285
Liabilities						
Losses	$ 1,426,107	$ 882,828	$ 478,603	$ 443,031	$ 443,031	$ 410,693
Reinsurance payable on paid losses and loss adjustment expenses	63,387	42,519	21,268	19,687	19,687	18,250
Loss adjustment expenses	324,640	200,968	108,949	100,852	100,852	93,491
Commissions payable, contingent commissions and other similar charges	34,864	21,582	11,700	10,831	10,831	10,040
Other expenses	27,236	16,936	9,162	8,466	8,482	7,843
Taxes, licenses and fees	13,226	8,187	4,439	4,109	4,109	3,809
Current federal and foreign income taxes	3,542	2,182	1,323	1,608	699	520
Net deferred tax liability	-	-	-	-	-	-
Borrowed money and interest thereon	-	-	-	-	-	-
Unearned premiums	515,181	318,922	172,895	160,045	160,045	148,363
Advance premium	-	-	-	-	-	-
Dividends declared and unpaid - Policyholders	2,622	1,623	880	815	815	755
Ceded reinsurance premiums payable	11,426	27,079	3,835	13,638	62,826	57,158
Funds held by company under reinsurance treaties	-	-	-	-	-	-
Amounts withheld or retained by company for account of others	2,102	1,085	588	544	544	505
Remittances and items not allocated	39	36	-	-	74	48
Provision for reinsurance	-	-	-	-	-	-
Net adjustments in assets and liabilities due to foreign exchange rates	-	-	-	-	-	-
Payable to parent, subsidiaries and affiliates	7,521	-	-	-	-	-
Payable for securities	-	-	-	-	-	-
Payable for securities lending	17,915	9,540	25,665	5,950	9,360	-
Aggregate write-ins for liabilities	11,050	(1,160)	(629)	(582)	(582)	(540)
Total liabilities	2,460,858	1,532,327	838,678	768,994	820,773	750,935
Surplus as regards policyholders						
Aggregate write-ins for special surplus funds	2,144	1,327	720	666	666	617
Common capital stock	35,214	6,000	6,000	6,000	5,000	4,200
Aggregate write-ins for other-than-special surplus funds	-	-	-	-	-	-
Gross paid in and contributed surplus	236,805	125,632	126,175	98,351	4,862	80,200
Unassigned funds (surplus)	608,426	430,152	150,388	202,274	316,206	149,333
Total surplus as regards policyholders	882,589	563,111	283,283	307,291	326,734	234,350
Total liabilities and surplus as regards policyholders	$ 3,343,447	$ 2,095,438	$ 1,121,961	$ 1,076,285	$ 1,147,507	$ 985,285

Travelers Combined Pool - Combining Worksheet
Balance Sheet (statutory basis)

Exhibit 1

(At December 31, 2019, in thousands)	NLI	AMR	PROT	TCT	TCC	TCI
Assets						
Bonds	$ 904,158	$ 461,723	$ 467,604	$ 290,516	$ 291,819	$ 275,934
Preferred stocks	1,041	-	-	-	-	-
Common stocks	159,287	-	-	-	-	-
Real estate - Properties occupied by the company	-	-	-	-	-	-
Real estate - Properties held for the production of income	-	-	-	-	-	-
Cash, cash equivalents and short-term investments	46,560	64,042	11,705	6,803	8,853	26,504
Other invested assets	12,347	1,294	-	233	-	-
Receivables for securities	239	-	-	-	-	-
Securities lending reinvested collateral assets	1,015	-	550	514	522	10,750
Aggregate write-ins for invested assets	-	-	-	-	-	-
Total cash and invested assets	1,124,647	527,059	479,859	298,066	301,194	313,188
Investment income due and accrued	9,458	6,895	4,633	2,685	2,932	3,554
Uncollected premiums and agents' balances in course of collection	18,268	11,530	8,685	12,924	13,452	7,038
Deferred premiums, agents' balances and installments booked but deferred and not yet due	64,114	40,465	30,480	24,700	24,700	24,700
Accrued retrospective premiums and contracts subject to redetermination	1,002	633	476	386	386	386
Reinsurance - Amounts recoverable from reinsurers	31,945	68,326	62,369	1,194	1,027	52,672
Reinsurance - Funds held by or deposited with reinsured companies	-	-	-	-	2	-
Current federal and foreign income tax recoverable and interest thereon	-	-	-	-	-	-
Net deferred tax asset	10,762	3,784	4,845	3,924	3,924	4,056
Guaranty funds receivable or on deposit	24	1,349	18	120	5	12
Electronic data processing equipment and software	-	-	-	-	-	-
Receivables from parent, subsidiaries and affiliates	34,520	-	-	202	1,077	1,017
Aggregate write-ins for other-than-invested assets	5,513	4,661	1,501	1,695	1,208	1,112
Total assets	$ 1,300,253	$ 664,702	$ 592,866	$ 345,896	$ 349,907	$ 407,735
Liabilities						
Losses	$ 394,524	$ 249,003	$ 187,561	$ 151,989	$ 151,989	$ 151,989
Reinsurance payable on paid losses and loss adjustment expenses	17,532	19,007	8,335	6,754	6,756	6,754
Loss adjustment expenses	89,809	56,683	42,697	34,599	34,599	34,599
Commissions payable, contingent commissions and other similar charges	9,645	6,087	4,585	3,715	3,715	3,715
Other expenses	7,571	4,769	3,598	2,902	2,902	2,900
Taxes, licenses and fees	3,659	2,309	1,740	1,410	1,410	1,410
Current federal and foreign income taxes	1,101	2,401	407	224	325	298
Net deferred tax liability	-	-	-	-	-	-
Borrowed money and interest thereon	-	-	-	-	-	-
Unearned premiums	142,522	89,952	67,756	54,906	54,906	54,906
Advance premium	-	-	-	-	-	-
Dividends declared and unpaid - Policyholders	725	458	345	279	279	279
Ceded reinsurance premiums payable	12,702	40,930	11,440	1,218	1,218	43,591
Funds held by company under reinsurance treaties	-	-	-	-	-	-
Amounts withheld or retained by company for account of others	32,340	306	230	187	187	187
Remittances and items not allocated	47,276	39	-	-	129	-
Provision for reinsurance	-	-	-	-	-	-
Net adjustments in assets and liabilities due to foreign exchange rates	-	-	-	-	-	-
Payable to parent, subsidiaries and affiliates	-	5,473	42,839	-	-	-
Payable for securities	-	-	-	-	-	-
Payable for securities lending	1,015	-	550	514	522	10,750
Aggregate write-ins for liabilities	1,045	(327)	(247)	(200)	(200)	(200)
Total liabilities	761,466	477,090	371,836	258,497	258,737	311,178
Surplus as regards policyholders						
Aggregate write-ins for special surplus funds	593	374	282	229	229	229
Common capital stock	3,500	5,250	4,200	6,000	4,500	6,000
Aggregate write-ins for other-than-special surplus funds	-	-	-	-	-	-
Gross paid in and contributed surplus	167,836	47,400	201,201	36,136	45,262	36,158
Unassigned funds (surplus)	366,858	134,588	15,347	45,034	41,179	54,170
Total surplus as regards policyholders	538,787	187,612	221,030	87,399	91,170	96,557
Total liabilities and surplus as regards policyholders	$ 1,300,253	$ 664,702	$ 592,866	$ 345,896	$ 349,907	$ 407,735

Travelers Combined Pool - Combining Worksheet
Balance Sheet (statutory basis)

Exhibit 1

(At December 31, 2019, in thousands)	MERC	ILL	TIN	ATNA	MED	TVC
Assets						
Bonds	$ 286,937	$ 554,582	$ 177,086	$ 186,089	$ 181,529	$ 181,005
Preferred stocks	-	-	-	-	-	-
Common stocks	-	-	-	-	-	-
Real estate - Properties occupied by the company	-	-	-	-	-	-
Real estate - Properties held for the production of income	-	-	-	-	-	-
Cash, cash equivalents and short-term investments	6,659	9,351	18,314	3,342	8,036	4,674
Other invested assets	-	10,748	12,860	-	-	-
Receivables for securities	-	-	-	-	-	-
Securities lending reinvested collateral assets	-	-	-	-	-	2,843
Aggregate write-ins for invested assets	-	-	-	-	-	-
Total cash and invested assets	293,596	574,681	208,260	189,431	189,565	188,522
Investment income due and accrued	2,795	8,679	3,541	1,906	1,845	1,788
Uncollected premiums and agents' balances in course of collection	9,116	5,390	4,492	8,921	8,917	4,043
Deferred premiums, agents' balances and installments booked but deferred and not yet due	21,021	18,919	15,766	15,240	15,240	14,189
Accrued retrospective premiums and contracts subject to redetermination	329	296	246	238	238	222
Reinsurance - Amounts recoverable from reinsurers	1,677	219,344	54,260	4	-	15,514
Reinsurance - Funds held by or deposited with reinsured companies	-	-	-	-	-	-
Current federal and foreign income tax recoverable and interest thereon	-	-	-	-	-	-
Net deferred tax asset	3,340	3,033	2,506	2,421	2,421	2,254
Guaranty funds receivable or on deposit	7	1,539	8	7	7	32
Electronic data processing equipment and software	-	-	-	-	-	-
Receivables from parent, subsidiaries and affiliates	1,621	42,932	7,739	-	-	8,882
Aggregate write-ins for other-than-invested assets	1,087	7,303	727	666	666	620
Total assets	$ 334,589	$ 882,116	$ 297,545	$ 218,834	$ 218,899	$ 236,066
Liabilities						
Losses	$ 129,352	$ 116,417	$ 97,014	$ 93,780	$ 93,780	$ 87,313
Reinsurance payable on paid losses and loss adjustment expenses	5,748	6,207	4,311	4,167	4,167	3,880
Loss adjustment expenses	29,446	26,501	22,084	21,348	21,348	19,876
Commissions payable, contingent commissions and other similar charges	3,162	2,846	2,372	2,293	2,293	2,135
Other expenses	2,476	2,292	1,864	1,791	1,791	1,667
Taxes, licenses and fees	1,200	1,079	900	870	870	810
Current federal and foreign income taxes	294	1,270	320	192	178	190
Net deferred tax liability	-	-	-	-	-	-
Borrowed money and interest thereon	-	-	-	-	-	-
Unearned premiums	46,728	42,056	35,046	33,878	33,878	31,542
Advance premium	-	-	-	-	-	-
Dividends declared and unpaid - Policyholders	238	214	178	173	173	161
Ceded reinsurance premiums payable	1,036	225,764	54,396	751	751	18,530
Funds held by company under reinsurance treaties	-	-	-	-	-	-
Amounts withheld or retained by company for account of others	159	3,424	119	115	115	107
Remittances and items not allocated	-	298	-	-	-	-
Provision for reinsurance	-	-	-	-	-	-
Net adjustments in assets and liabilities due to foreign exchange rates	-	-	-	-	-	-
Payable to parent, subsidiaries and affiliates	-	-	-	10	10	-
Payable for securities	-	-	-	-	-	-
Payable for securities lending	-	-	-	-	-	2,843
Aggregate write-ins for liabilities	(170)	(153)	(128)	(123)	(123)	(115)
Total liabilities	219,669	428,215	218,476	159,245	159,231	168,939
Surplus as regards policyholders						
Aggregate write-ins for special surplus funds	194	175	146	141	141	131
Common capital stock	4,230	5,040	3,000	3,500	3,500	6,000
Aggregate write-ins for other-than-special surplus funds	-	-	-	-	-	-
Gross paid in and contributed surplus	99,230	378,053	35,606	19,812	16,812	39,000
Unassigned funds (surplus)	11,266	70,633	40,317	36,136	39,215	21,996
Total surplus as regards policyholders	114,920	453,901	79,069	59,589	59,668	67,127
Total liabilities and surplus as regards policyholders	$ 334,589	$ 882,116	$ 297,545	$ 218,834	$ 218,899	$ 236,066

(At December 31, 2019, in thousands)	THM	PLL	TPS	DIPR	NCC	FGIU
Assets						
Bonds	$ 176,084	$ 174,776	$ 174,712	$ 124,359	$ 94,506	$ 129,709
Preferred stocks	-	-	-	-	-	-
Common stocks	-	-	-	-	-	-
Real estate - Properties occupied by the company	-	-	-	-	-	-
Real estate - Properties held for the production of income	-	-	-	-	-	-
Cash, cash equivalents and short-term investments	36,117	5,914	8,488	1,355	5,923	3,820
Other invested assets	3,129	-	-	-	160	-
Receivables for securities	-	-	-	-	-	-
Securities lending reinvested collateral assets	-	665	2,534	-	103	-
Aggregate write-ins for invested assets	-	-	-	-	-	-
Total cash and invested assets	215,330	181,355	185,734	125,714	100,692	133,529
Investment income due and accrued	3,544	1,551	1,638	1,421	868	1,231
Uncollected premiums and agents' balances in course of collection	4,043	4,043	4,043	4,376	3,929	1,497
Deferred premiums, agents' balances and installments booked but deferred and not yet due	14,189	14,189	14,189	7,357	7,357	5,255
Accrued retrospective premiums and contracts subject to redetermination	222	222	222	115	115	82
Reinsurance - Amounts recoverable from reinsurers	122,339	48,310	13,988	1,552	92	11,179
Reinsurance - Funds held by or deposited with reinsured companies	-	-	-	-	-	-
Current federal and foreign income tax recoverable and interest thereon	-	-	-	-	-	-
Net deferred tax asset	2,256	2,254	2,256	1,180	1,177	876
Guaranty funds receivable or on deposit	464	-	17	21	1	17
Electronic data processing equipment and software	-	-	-	-	-	-
Receivables from parent, subsidiaries and affiliates	13,707	32,995	1,528	-	493	993
Aggregate write-ins for other-than-invested assets	10,392	1,890	1,650	420	324	291
Total assets	$ 386,486	$ 286,809	$ 225,265	$ 142,156	$ 115,048	$ 154,950
Liabilities						
Losses	$ 87,313	$ 87,313	$ 87,313	$ 45,273	$ 45,273	$ 32,338
Reinsurance payable on paid losses and loss adjustment expenses	3,880	3,880	3,880	2,012	2,012	1,437
Loss adjustment expenses	19,876	19,876	19,876	10,306	10,306	7,361
Commissions payable, contingent commissions and other similar charges	2,135	2,135	2,135	1,107	1,107	791
Other expenses	1,678	1,667	1,667	870	867	629
Taxes, licenses and fees	810	810	810	420	420	300
Current federal and foreign income taxes	184	196	184	94	180	61
Net deferred tax liability	-	-	-	-	-	-
Borrowed money and interest thereon	-	-	-	-	-	-
Unearned premiums	31,542	31,542	31,542	16,355	16,355	11,682
Advance premium	-	-	-	-	-	-
Dividends declared and unpaid - Policyholders	161	161	161	83	83	59
Ceded reinsurance premiums payable	127,184	73,653	10,975	363	363	10,710
Funds held by company under reinsurance treaties	-	-	-	-	-	-
Amounts withheld or retained by company for account of others	107	107	107	56	216	40
Remittances and items not allocated	-	-	-	-	-	-
Provision for reinsurance	-	-	-	-	-	-
Net adjustments in assets and liabilities due to foreign exchange rates	-	-	-	-	-	-
Payable to parent, subsidiaries and affiliates	-	-	-	1,607	-	-
Payable for securities	-	-	-	-	-	-
Payable for securities lending	-	665	2,534	-	103	-
Aggregate write-ins for liabilities	(115)	(115)	(115)	666	(60)	(43)
Total liabilities	274,755	221,890	161,069	79,212	77,225	65,365
Surplus as regards policyholders						
Aggregate write-ins for special surplus funds	131	131	131	68	68	49
Common capital stock	5,000	3,500	3,500	6,300	3,000	13,435
Aggregate write-ins for other-than-special surplus funds	-	-	-	-	-	-
Gross paid in and contributed surplus	77,500	36,860	38,367	52,332	10,003	72,016
Unassigned funds (surplus)	29,100	24,428	22,198	4,244	24,752	4,085
Total surplus as regards policyholders	111,731	64,919	64,196	62,944	37,823	89,585
Total liabilities and surplus as regards policyholders	$ 386,486	$ 286,809	$ 225,265	$ 142,156	$ 115,048	$ 154,950

(At December 31, 2019, in thousands)	GARD	AES	DISP	NFI	SL	TES
Assets						
Bonds	$ 65,716	$ 69,531	$ 96,827	$ 335,046	$ 575,462	$ 180,769
Preferred stocks	-	-	-	-	-	-
Common stocks	-	-	-	-	-	-
Real estate - Properties occupied by the company	-	-	-	-	-	-
Real estate - Properties held for the production of income	-	-	-	-	-	-
Cash, cash equivalents and short-term investments	1,621	2,183	2,284	19,219	3,584	2,171
Other invested assets	-	-	-	3,528	-	-
Receivables for securities	-	-	-	-	217	-
Securities lending reinvested collateral assets	-	-	-	3,245	1,573	647
Aggregate write-ins for invested assets	-	-	-	-	-	-
Total cash and invested assets	67,337	71,714	99,111	361,038	580,836	183,587
Investment income due and accrued	566	712	1,020	3,178	5,503	1,914
Uncollected premiums and agents' balances in course of collection	3,001	3,068	4,295	7,786	26,392	4,043
Deferred premiums, agents' balances and installments booked but deferred and not yet due	5,255	5,255	7,357	27,327	46,246	14,189
Accrued retrospective premiums and contracts subject to redetermination	82	82	115	427	723	222
Reinsurance - Amounts recoverable from reinsurers	1,147	-	-	8,862	5,460	10,008
Reinsurance - Funds held by or deposited with reinsured companies	-	-	-	-	-	-
Current federal and foreign income tax recoverable and interest thereon	-	-	-	-	-	-
Net deferred tax asset	835	835	1,183	4,506	7,354	2,254
Guaranty funds receivable or on deposit	154	1	-	-	-	-
Electronic data processing equipment and software	-	-	-	-	-	-
Receivables from parent, subsidiaries and affiliates	-	-	300	2,664	-	6,655
Aggregate write-ins for other-than-invested assets	301	230	322	1,195	2,021	620
Total assets	$ 78,678	$ 81,897	$ 113,703	$ 416,983	$ 674,535	$ 223,492
Liabilities						
Losses	$ 32,338	$ 32,338	$ 45,273	$ 168,158	$ 284,574	$ 87,313
Reinsurance payable on paid losses and loss adjustment expenses	1,437	1,437	2,012	7,472	12,646	3,880
Loss adjustment expenses	7,361	7,361	10,306	38,280	64,781	19,876
Commissions payable, contingent commissions and other similar charges	791	791	1,107	4,111	6,957	2,135
Other expenses	618	618	866	3,218	5,435	1,669
Taxes, licenses and fees	300	300	420	1,560	2,639	810
Current federal and foreign income taxes	67	79	96	525	608	175
Net deferred tax liability	-	-	-	-	-	-
Borrowed money and interest thereon	-	-	-	-	-	-
Unearned premiums	11,682	11,682	16,355	60,747	102,803	31,542
Advance premium	-	-	-	-	-	-
Dividends declared and unpaid - Policyholders	59	59	83	309	523	161
Ceded reinsurance premiums payable	259	259	363	4,381	2,280	13,093
Funds held by company under reinsurance treaties	-	-	-	-	-	-
Amounts withheld or retained by company for account of others	40	40	56	3,734	350	107
Remittances and items not allocated	-	-	-	-	-	-
Provision for reinsurance	-	-	-	-	-	-
Net adjustments in assets and liabilities due to foreign exchange rates	-	-	-	-	-	-
Payable to parent, subsidiaries and affiliates	1,049	3	-	-	4,865	-
Payable for securities	-	-	-	-	-	-
Payable for securities lending	-	-	-	3,245	1,573	647
Aggregate write-ins for liabilities	(43)	(43)	(60)	(221)	(374)	(115)
Total liabilities	55,958	54,924	76,877	295,519	489,660	161,293
Surplus as regards policyholders						
Aggregate write-ins for special surplus funds	49	49	68	253	428	131
Common capital stock	4,200	3,500	5,000	3,500	4,100	3,500
Aggregate write-ins for other-than-special surplus funds	-	-	-	-	-	-
Gross paid in and contributed surplus	11,000	21,000	21,506	18,350	56,031	38,000
Unassigned funds (surplus)	7,471	2,424	10,252	99,361	124,316	20,568
Total surplus as regards policyholders	22,720	26,973	36,826	121,464	184,875	62,199
Total liabilities and surplus as regards policyholders	$ 78,678	$ 81,897	$ 113,703	$ 416,983	$ 674,535	$ 223,492

Travelers Combined Pool - Combining Worksheet
Balance Sheet (statutory basis)

Exhibit 1

(At December 31, 2019, in thousands)	AEQ	FGIC	GUI	SIC	LYD	LTX
Assets						
Bonds	$ 68,998	$ 15,956	$ 52,945	$ 75,249	$ 10,672	$ 11,717
Preferred stocks	-	-	-	-	-	-
Common stocks	26,973	-	-	-	-	-
Real estate - Properties occupied by the company	-	-	-	-	-	-
Real estate - Properties held for the production of income	-	-	-	-	-	-
Cash, cash equivalents and short-term investments	708	1,918	2,990	5,279	1,540	1,077
Other invested assets	-	-	-	-	-	-
Receivables for securities	-	-	-	-	-	-
Securities lending reinvested collateral assets	-	-	-	-	-	-
Aggregate write-ins for invested assets	-	-	-	-	-	-
Total cash and invested assets	96,679	17,874	55,935	80,528	12,212	12,794
Investment income due and accrued	735	162	609	818	118	114
Uncollected premiums and agents' balances in course of collection	17	-	31	49	-	-
Deferred premiums, agents' balances and installments booked but deferred and not yet due	-	-	-	-	-	-
Accrued retrospective premiums and contracts subject to redetermination	-	-	-	-	-	-
Reinsurance - Amounts recoverable from reinsurers	-	3,117	390	4	7,938	3,288
Reinsurance - Funds held by or deposited with reinsured companies	-	-	-	-	-	-
Current federal and foreign income tax recoverable and interest thereon	-	-	-	-	8	5
Net deferred tax asset	-	-	-	-	-	-
Guaranty funds receivable or on deposit	-	128	-	5	46	48
Electronic data processing equipment and software	-	-	-	-	-	-
Receivables from parent, subsidiaries and affiliates	-	-	-	-	1,323	3,299
Aggregate write-ins for other-than-invested assets	-	369	-	-	-	-
Total assets	$ 97,431	$ 21,650	$ 56,965	$ 81,404	$ 21,645	$ 19,548
Liabilities						
Losses	$ -	$ -	$ -	$ -	$ -	$ -
Reinsurance payable on paid losses and loss adjustment expenses	-	-	-	-	-	-
Loss adjustment expenses	-	-	-	-	-	-
Commissions payable, contingent commissions and other similar charges	-	-	-	-	-	-
Other expenses	1	3	1	1	2	2
Taxes, licenses and fees	-	-	-	-	-	-
Current federal and foreign income taxes	2	4	1	4	-	-
Net deferred tax liability	13	14	5	3	29	9
Borrowed money and interest thereon	-	-	-	-	-	-
Unearned premiums	-	-	-	-	-	-
Advance premium	-	-	-	-	-	-
Dividends declared and unpaid - Policyholders	-	-	-	-	-	-
Ceded reinsurance premiums payable	-	410	-	-	9,045	6,450
Funds held by company under reinsurance treaties	-	-	-	-	-	-
Amounts withheld or retained by company for account of others	-	-	-	-	-	-
Remittances and items not allocated	-	-	-	-	-	-
Provision for reinsurance	-	-	-	-	-	-
Net adjustments in assets and liabilities due to foreign exchange rates	-	-	-	-	-	-
Payable to parent, subsidiaries and affiliates	2	2,657	156	55	-	-
Payable for securities	-	-	-	-	-	-
Payable for securities lending	-	-	-	-	-	-
Aggregate write-ins for liabilities	-	-	-	-	-	-
Total liabilities	18	3,088	163	63	9,076	6,461
Surplus as regards policyholders						
Aggregate write-ins for special surplus funds	-	-	-	-	-	-
Common capital stock	4,121	5,000	4,000	3,000	-	-
Aggregate write-ins for other-than-special surplus funds	-	-	-	-	300	2,000
Gross paid in and contributed surplus	74,969	8,600	39,455	26,305	200	-
Unassigned funds (surplus)	18,323	4,962	13,347	52,036	12,069	11,087
Total surplus as regards policyholders	97,413	18,562	56,802	81,341	12,569	13,087
Total liabilities and surplus as regards policyholders	$ 97,431	$ 21,650	$ 56,965	$ 81,404	$ 21,645	$ 19,548

Travelers Combined Pool - Combining Worksheet
Balance Sheet (statutory basis)

(At December 31, 2019, in thousands)	Subtotal	Eliminations		Total
Assets				
Bonds	$ 56,567,450	$ -		$ 56,567,450
Preferred stocks	55,317	-		55,317
Common stocks	10,941,320	7,403,917	(a)	3,537,403
Real estate - Properties occupied by the company	363,891	-		363,891
Real estate - Properties held for the production of income	838,302	-		838,302
Cash, cash equivalents and short-term investments	2,672,707	-		2,672,707
Other invested assets	3,131,405	25,656	(a)	3,105,749
Receivables for securities	4,765	-		4,765
Securities lending reinvested collateral assets	410,096	-		410,096
Aggregate write-ins for invested assets	(471)	10,320	(n)	(10,791)
Total cash and invested assets	74,984,782	7,439,893		67,544,889
Investment income due and accrued	537,493	-		537,493
Uncollected premiums and agents' balances in course of collection	2,451,370	903,139	(c)	1,548,231
Deferred premiums, agents' balances and installments booked but deferred and not yet due	5,259,347	-		5,259,347
Accrued retrospective premiums and contracts subject to redetermination	82,147	-		82,147
Reinsurance - Amounts recoverable from reinsurers	2,626,808	2,443,610	(d)	183,198
Reinsurance - Funds held by or deposited with reinsured companies	6,364	-		6,364
Current federal and foreign income tax recoverable and interest thereon	13	13	(b)	-
Net deferred tax asset	892,888	73	(b)	892,815
Guaranty funds receivable or on deposit	10,269	-		10,269
Electronic data processing equipment and software	71,498	-		71,498
Receivables from parent, subsidiaries and affiliates	384,853	372,160	(e)	12,693
Aggregate write-ins for other-than-invested assets	677,564	(2)	(n)	677,566
Total assets	$ 87,985,396	$ 11,158,886		$ 76,826,510
Liabilities				
Losses	$ 32,517,369	$ -		$ 32,517,369
Reinsurance payable on paid losses and loss adjustment expenses	2,470,854	2,443,610	(d)	27,244
Loss adjustment expenses	7,429,834	-		7,429,834
Commissions payable, contingent commissions and other similar charges	792,805	-		792,805
Other expenses	619,091	-		619,091
Taxes, licenses and fees	300,120	-		300,120
Current federal and foreign income taxes	57,318	13	(b)	57,305
Net deferred tax liability	73	73	(b)	-
Borrowed money and interest thereon	9	-		9
Unearned premiums	11,714,527	-		11,714,527
Advance premium	81,206	-		81,206
Dividends declared and unpaid - Policyholders	59,459	-		59,459
Ceded reinsurance premiums payable	1,166,498	903,139	(c)	263,359
Funds held by company under reinsurance treaties	67,165	-		67,165
Amounts withheld or retained by company for account of others	1,036,866	-		1,036,866
Remittances and items not allocated	429,509	-		429,509
Provision for reinsurance	40,311	-		40,311
Net adjustments in assets and liabilities due to foreign exchange rates	66,900	-		66,900
Payable to parent, subsidiaries and affiliates	372,160	372,160	(e)	-
Payable for securities	87,798	-		87,798
Payable for securities lending	410,096	-		410,096
Aggregate write-ins for liabilities	155,547	-		155,547
Total liabilities	59,875,515	3,718,995		56,156,520
Surplus as regards policyholders				
Aggregate write-ins for special surplus funds	48,619	511	(o)	48,108
Common capital stock	262,581	201,790	(g)	60,791
Aggregate write-ins for other-than-special surplus funds	2,300	2,300	(f)	-
Gross paid in and contributed surplus	13,249,229	2,523,395	(h)	10,725,834
Unassigned funds (surplus)	14,547,152	4,711,895	(i,l,n,o)	9,835,257
Total surplus as regards policyholders	28,109,881	7,439,891		20,669,990
Total liabilities and surplus as regards policyholders	$ 87,985,396	$ 11,158,886		$ 76,826,510

Travelers Combined Pool - Combining Worksheet
Statement of Income (statutory basis)

Exhibit 1

(For the year ended December 31, 2020, in thousands)	IND	FM	TCS	PHX	STD
Underwriting Income					
Premiums earned	$ 6,369,774	$ 6,338,673	$ 5,146,360	$ 1,264,041	$ 1,223,398
Losses incurred	3,646,940	3,622,272	2,946,544	723,611	700,455
Loss adjustment expenses incurred	611,877	609,022	494,340	121,400	117,515
Other underwriting expenses incurred	1,858,983	1,851,078	1,501,855	368,825	357,023
Net underwriting gain (loss)	251,974	256,301	203,621	50,205	48,405
Investment Income					
Net investment income earned	786,689	715,927	825,415	145,397	133,006
Net realized capital gains (losses) less capital gains tax	(12,506)	(87,633)	(18,556)	(183)	409
Net investment gain (loss)	774,183	628,294	806,859	145,214	133,415
Other Income					
Net gain (loss) from agents' or premium balances charged off	(11,495)	(11,308)	(9,288)	(2,281)	(2,208)
Finance and service charges not included in premiums	20,223	19,895	16,340	4,013	3,884
Aggregate write-ins for miscellaneous income (expense)	37,467	730	1,127	818	(1,100)
Total other income (expense)	46,195	9,317	8,179	2,550	576
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	1,072,352	893,912	1,018,659	197,969	182,396
Dividends to policyholders	8,717	8,575	7,043	1,730	1,674
Federal and foreign income taxes incurred	126,552	136,333	114,039	23,538	29,196
Net income (loss)	$ 937,083	$ 749,004	$ 897,577	$ 172,701	$ 151,526
Statement of Changes in Capital and Surplus (statutory basis)					
Surplus as regards policyholders - December 31, prior year	$ 6,708,811	$ 5,868,725	$ 6,890,367	$ 1,609,357	$ 1,212,405
Net income (loss)	937,083	749,004	897,577	172,701	151,526
Change in net unrealized capital gains or (losses)	9,577	38,940	146,972	17,007	28,325
Change in net unrealized foreign exchange capital gain (loss)	(213)	306	3,709	-	-
Change in net deferred income tax	30,637	14,322	10,797	3,068	2,541
Change in nonadmitted assets	(138,377)	(2,005)	792	(370)	3,006
Change in provision for reinsurance	(6,993)	(296)	-	-	-
Dividends to stockholders (cash)	(591,000)	(530,000)	(792,000)	(160,900)	(87,000)
Aggregate write-ins for gains and losses in surplus	1	-	-	-	-
Change in surplus as regards policyholders for the year	240,715	270,271	267,847	31,506	98,398
Surplus as regards policyholders - December 31, current year	$ 6,949,526	$ 6,138,996	$ 7,158,214	$ 1,640,863	$ 1,310,803

(For the year ended December 31, 2020, in thousands)	USFG	TLL	FAR	AUT	ICT	COK
Underwriting Income						
Premiums earned	$ 1,114,707	$ 690,056	$ 374,097	$ 346,292	$ 346,292	$ 321,015
Losses incurred	638,225	395,092	214,189	198,269	198,269	183,797
Loss adjustment expenses incurred	107,075	66,284	35,934	33,264	33,264	30,835
Other underwriting expenses incurred	325,304	201,378	109,172	101,058	101,058	93,682
Net underwriting gain (loss)	44,103	27,302	14,802	13,701	13,701	12,701
Investment Income						
Net investment income earned	90,200	57,486	28,859	29,474	27,989	24,861
Net realized capital gains (losses) less capital gains tax	(452)	314	106	202	238	(2,337)
Net investment gain (loss)	89,748	57,800	28,965	29,676	28,227	22,524
Other Income						
Net gain (loss) from agents' or premium balances charged off	(2,012)	(1,246)	(675)	(625)	(625)	(579)
Finance and service charges not included in premiums	3,539	2,191	1,188	1,100	1,100	1,019
Aggregate write-ins for miscellaneous income (expense)	(151)	(139)	1,507	(410)	573	3,699
Total other income (expense)	1,376	806	2,020	65	1,048	4,139
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	135,227	85,908	45,787	43,442	42,976	39,364
Dividends to policyholders	1,526	944	512	474	474	440
Federal and foreign income taxes incurred	24,083	13,134	8,511	7,545	6,900	7,563
Net income (loss)	$ 109,618	$ 71,830	$ 36,764	$ 35,423	$ 35,602	$ 31,361
Statement of Changes in Capital and Surplus (statutory basis)						
Surplus as regards policyholders - December 31, prior year	$ 882,589	$ 563,111	$ 283,283	$ 307,291	$ 326,734	$ 234,350
Net income (loss)	109,618	71,830	36,764	35,423	35,602	31,361
Change in net unrealized capital gains or (losses)	329	(7,486)	(879)	(574)	443	767
Change in net unrealized foreign exchange capital gain (loss)	-	-	-	1	-	-
Change in net deferred income tax	3,864	141	1,200	787	32	1,964
Change in nonadmitted assets	(96)	(1,937)	(873)	287	410	(836)
Change in provision for reinsurance	-	-	-	-	-	-
Dividends to stockholders (cash)	(105,300)	(73,900)	(29,900)	(32,300)	(31,700)	(21,200)
Aggregate write-ins for gains and losses in surplus	-	-	-	-	-	-
Change in surplus as regards policyholders for the year	8,415	(11,352)	6,312	3,624	4,787	12,056
Surplus as regards policyholders - December 31, current year	$ 891,004	$ 551,759	$ 289,595	$ 310,915	$ 331,521	$ 246,406

(For the year ended December 31, 2020, in thousands)	NLI	AMR	PROT	TCT	TCC	TCI
Underwriting Income						
Premiums earned	$ 308,377	$ 194,631	$ 146,706	$ 118,801	$ 118,801	$ 118,801
Losses incurred	176,561	111,436	83,939	68,019	68,019	68,019
Loss adjustment expenses incurred	29,622	18,696	14,082	11,412	11,412	11,412
Other underwriting expenses incurred	89,993	56,799	42,784	34,670	34,670	34,670
Net underwriting gain (loss)	12,201	7,700	5,901	4,700	4,700	4,700
Investment Income						
Net investment income earned	43,380	14,643	14,237	9,002	9,038	7,592
Net realized capital gains (losses) less capital gains tax	20	2,409	45	62	38	(17)
Net investment gain (loss)	43,400	17,052	14,282	9,064	9,076	7,575
Other Income						
Net gain (loss) from agents' or premium balances charged off	(557)	(351)	(265)	(214)	(214)	(214)
Finance and service charges not included in premiums	979	618	466	377	377	377
Aggregate write-ins for miscellaneous income (expense)	52	1,221	(222)	316	268	(569)
Total other income (expense)	474	1,488	(21)	479	431	(406)
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	56,075	26,240	20,162	14,243	14,207	11,869
Dividends to policyholders	422	266	201	162	162	162
Federal and foreign income taxes incurred	6,238	5,918	3,198	2,265	2,406	1,817
Net income (loss)	$ 49,415	$ 20,056	$ 16,763	$ 11,816	$ 11,639	$ 9,890
Statement of Changes in Capital and Surplus (statutory basis)						
Surplus as regards policyholders - December 31, prior year	$ 538,787	$ 187,612	$ 221,030	$ 87,399	$ 91,170	$ 96,557
Net income (loss)	49,415	20,056	16,763	11,816	11,639	9,890
Change in net unrealized capital gains or (losses)	3,875	51	(15)	(16)	-	-
Change in net unrealized foreign exchange capital gain (loss)	-	-	-	-	-	-
Change in net deferred income tax	919	652	399	240	337	383
Change in nonadmitted assets	(361)	2,312	(183)	(64)	(157)	(206)
Change in provision for reinsurance	-	-	-	-	-	-
Dividends to stockholders (cash)	(47,600)	(24,600)	(15,300)	(8,500)	(9,900)	-
Aggregate write-ins for gains and losses in surplus	-	-	-	-	-	-
Change in surplus as regards policyholders for the year	6,248	(1,529)	1,664	3,476	1,919	10,067
Surplus as regards policyholders - December 31, current year	$ 545,035	$ 186,083	$ 222,694	$ 90,875	$ 93,089	$ 106,624

(For the year ended December 31, 2020, in thousands)	MERC	ILL	TIN	ATNA	MED	TVC
Underwriting Income						
Premiums earned	$ 101,107	$ 90,996	$ 75,830	$ 73,303	$ 73,303	$ 68,247
Losses incurred	57,889	52,100	43,417	41,970	41,970	39,075
Loss adjustment expenses incurred	9,712	8,741	7,284	7,041	7,041	6,555
Other underwriting expenses incurred	29,506	26,555	22,129	21,392	21,392	19,917
Net underwriting gain (loss)	4,000	3,600	3,000	2,900	2,900	2,700
Investment Income						
Net investment income earned	8,804	14,934	4,503	5,418	5,276	5,284
Net realized capital gains (losses) less capital gains tax	50	(1,079)	27	55	-	13
Net investment gain (loss)	8,854	13,855	4,530	5,473	5,276	5,297
Other Income						
Net gain (loss) from agents' or premium balances charged off	(182)	(164)	(137)	(132)	(132)	(123)
Finance and service charges not included in premiums	321	289	241	233	233	217
Aggregate write-ins for miscellaneous income (expense)	(39)	(2,318)	(642)	(9)	(9)	(260)
Total other income (expense)	100	(2,193)	(538)	92	92	(166)
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	12,954	15,262	6,992	8,465	8,268	7,831
Dividends to policyholders	138	125	104	100	100	93
Federal and foreign income taxes incurred	1,965	369	(542)	1,352	1,344	1,294
Net income (loss)	$ 10,851	$ 14,768	$ 7,430	$ 7,013	$ 6,824	$ 6,444
Statement of Changes in Capital and Surplus (statutory basis)						
Surplus as regards policyholders - December 31, prior year	$ 114,920	$ 453,901	$ 79,069	$ 59,589	$ 59,668	$ 67,127
Net income (loss)	10,851	14,768	7,430	7,013	6,824	6,444
Change in net unrealized capital gains or (losses)	-	697	-	-	-	-
Change in net unrealized foreign exchange capital gain (loss)	-	-	-	-	-	-
Change in net deferred income tax	280	242	(203)	202	207	177
Change in nonadmitted assets	(127)	251	309	(91)	(94)	(73)
Change in provision for reinsurance	-	-	-	-	-	-
Dividends to stockholders (cash)	(11,200)	-	-	(6,100)	(6,100)	(6,400)
Aggregate write-ins for gains and losses in surplus	-	-	-	-	-	-
Change in surplus as regards policyholders for the year	(196)	15,958	7,536	1,024	837	148
Surplus as regards policyholders - December 31, current year	$ 114,724	$ 469,859	$ 86,605	$ 60,613	$ 60,505	$ 67,275

(For the year ended December 31, 2020, in thousands)	THM	PLL	TPS	DIPR	NCC	FGIU
Underwriting Income						
Premiums earned	$ 68,247	$ 68,247	$ 68,247	$ 35,387	$ 35,387	$ 25,277
Losses incurred	39,075	39,075	39,075	20,261	20,261	14,472
Loss adjustment expenses incurred	6,555	6,555	6,555	3,399	3,399	2,428
Other underwriting expenses incurred	19,917	19,917	19,917	10,327	10,327	7,377
Net underwriting gain (loss)	2,700	2,700	2,700	1,400	1,400	1,000
Investment Income						
Net investment income earned	6,135	5,233	5,188	3,574	2,730	3,484
Net realized capital gains (losses) less capital gains tax	6	25	4	11	(26)	23
Net investment gain (loss)	6,141	5,258	5,192	3,585	2,704	3,507
Other Income						
Net gain (loss) from agents' or premium balances charged off	(123)	(123)	(123)	(64)	(64)	(46)
Finance and service charges not included in premiums	217	217	217	112	112	80
Aggregate write-ins for miscellaneous income (expense)	(1,170)	(702)	(139)	(54)	(4)	(145)
Total other income (expense)	(1,076)	(608)	(45)	(6)	44	(111)
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	7,765	7,350	7,847	4,979	4,148	4,396
Dividends to policyholders	93	93	93	48	48	34
Federal and foreign income taxes incurred	706	1,284	1,370	710	706	661
Net income (loss)	$ 6,966	$ 5,973	$ 6,384	$ 4,221	$ 3,394	$ 3,701
Statement of Changes in Capital and Surplus (statutory basis)						
Surplus as regards policyholders - December 31, prior year	$ 111,731	$ 64,919	$ 64,196	$ 62,944	$ 37,823	$ 89,585
Net income (loss)	6,966	5,973	6,384	4,221	3,394	3,701
Change in net unrealized capital gains or (losses)	-	-	-	14	-	109
Change in net unrealized foreign exchange capital gain (loss)	-	-	-	-	-	-
Change in net deferred income tax	33	180	190	112	105	89
Change in nonadmitted assets	70	(77)	(86)	(50)	(53)	(12)
Change in provision for reinsurance	-	-	-	-	-	-
Dividends to stockholders (cash)	-	-	(5,900)	(4,200)	(2,800)	(3,400)
Aggregate write-ins for gains and losses in surplus	-	-	-	-	-	-
Change in surplus as regards policyholders for the year	7,069	6,076	588	97	646	487
Surplus as regards policyholders - December 31, current year	$ 118,800	$ 70,995	$ 64,784	$ 63,041	$ 38,469	$ 90,072

Travelers Combined Pool - Combining Worksheet
Statement of Income (statutory basis)

Exhibit 1

(For the year ended December 31, 2020, in thousands)	GARD	AES	DISP	NFI	SL	TES
Underwriting Income						
Premiums earned	$ 25,277	$ -	$ -	$ -	$ -	$ -
Losses incurred	14,472	-	-	-	-	-
Loss adjustment expenses incurred	2,428	-	-	-	-	-
Other underwriting expenses incurred	7,377	-	-	-	-	-
Net underwriting gain (loss)	1,000	-	-	-	-	-
Investment Income						
Net investment income earned	1,923	742	1,023	3,050	5,254	1,833
Net realized capital gains (losses) less capital gains tax	(7)	2,458	3,306	12,521	19,612	7,304
Net investment gain (loss)	1,916	3,200	4,329	15,571	24,866	9,137
Other Income						
Net gain (loss) from agents' or premium balances charged off	(46)	-	-	-	-	-
Finance and service charges not included in premiums	80	-	-	-	-	-
Aggregate write-ins for miscellaneous income (expense)	(7)	-	-	-	(10)	(202)
Total other income (expense)	27	-	-	-	(10)	(202)
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	2,943	3,200	4,329	15,571	24,856	8,935
Dividends to policyholders	34	-	-	-	-	-
Federal and foreign income taxes incurred	503	(884)	(1,224)	(4,554)	(7,716)	(2,401)
Net income (loss)	$ 2,406	$ 4,084	$ 5,553	$ 20,125	$ 32,572	$ 11,336
Statement of Changes in Capital and Surplus (statutory basis)						
Surplus as regards policyholders - December 31, prior year	$ 22,720	$ 26,973	$ 36,826	$ 121,464	$ 184,875	$ 62,199
Net income (loss)	2,406	4,084	5,553	20,125	32,572	11,336
Change in net unrealized capital gains or (losses)	-	-	23	-	9	-
Change in net unrealized foreign exchange capital gain (loss)	-	-	-	-	-	-
Change in net deferred income tax	88	(1,528)	(2,106)	(7,820)	(13,012)	(4,246)
Change in nonadmitted assets	(40)	359	484	2,414	3,143	957
Change in provision for reinsurance	-	-	-	-	-	-
Dividends to stockholders (cash)	(2,200)	(2,400)	(3,600)	(11,500)	(18,800)	(6,200)
Aggregate write-ins for gains and losses in surplus	-	-	-	-	-	-
Change in surplus as regards policyholders for the year	254	515	354	3,219	3,912	1,847
Surplus as regards policyholders - December 31, current year	$ 22,974	$ 27,488	$ 37,180	$ 124,683	$ 188,787	$ 64,046

(For the year ended December 31, 2020, in thousands)	AEQ	FGIC	GUI	SIC	LYD	LTX
Underwriting Income						
Premiums earned	$ -	$ -	$ -	$ -	$ -	$ -
Losses incurred	-	-	-	-	-	-
Loss adjustment expenses incurred	-	-	-	-	-	-
Other underwriting expenses incurred	-	-	-	-	(1,801)	(979)
Net underwriting gain (loss)	-	-	-	-	1,801	979
Investment Income						
Net investment income earned	4,436	459	1,636	2,313	344	354
Net realized capital gains (losses) less capital gains tax	2	(5)	2	2	-	-
Net investment gain (loss)	4,438	454	1,638	2,315	344	354
Other Income						
Net gain (loss) from agents' or premium balances charged off	-	-	-	-	-	-
Finance and service charges not included in premiums	-	-	-	-	-	-
Aggregate write-ins for miscellaneous income (expense)	-	(5)	-	-	(115)	(70)
Total other income (expense)	-	(5)	-	-	(115)	(70)
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	4,438	449	1,638	2,315	2,030	1,263
Dividends to policyholders	-	-	-	-	-	-
Federal and foreign income taxes incurred	166	57	123	163	380	215
Net income (loss)	$ 4,272	$ 392	$ 1,515	$ 2,152	$ 1,650	$ 1,048
Statement of Changes in Capital and Surplus (statutory basis)						
Surplus as regards policyholders - December 31, prior year	$ 97,413	$ 18,562	$ 56,802	$ 81,341	$ 12,569	$ 13,087
Net income (loss)	4,272	392	1,515	2,152	1,650	1,048
Change in net unrealized capital gains or (losses)	514	-	-	-	-	-
Change in net unrealized foreign exchange capital gain (loss)	-	-	-	-	-	-
Change in net deferred income tax	2	8	(2)	(1)	4	1
Change in nonadmitted assets	-	-	-	-	-	-
Change in provision for reinsurance	-	-	-	-	-	-
Dividends to stockholders (cash)	(4,100)	-	-	(2,600)	(1,500)	(1,300)
Aggregate write-ins for gains and losses in surplus	-	-	-	-	-	-
Change in surplus as regards policyholders for the year	688	400	1,513	(449)	154	(251)
Surplus as regards policyholders - December 31, current year	$ 98,101	$ 18,962	$ 58,315	$ 80,892	$ 12,723	$ 12,836

Travelers Combined Pool - Combining Worksheet
Statement of Income (statutory basis)

(For the year ended December 31, 2020, in thousands)	Subtotal	Eliminations		Total
Underwriting Income				
Premiums earned	$ 25,349,677	$ -		$ 25,349,677
Losses incurred	14,506,768	-		14,506,768
Loss adjustment expenses incurred	2,435,139	-		2,435,139
Other underwriting expenses incurred	7,396,272	-		7,396,272
Net underwriting gain (loss)	1,011,498	-		1,011,498
Investment Income				
Net investment income earned	3,057,125	661,400	(j)	2,395,725
Net realized capital gains (losses) less capital gains tax	(73,537)	43,114	(n)	(116,651)
Net investment gain (loss)	2,983,588	704,514		2,279,074
Other Income				
Net gain (loss) from agents' or premium balances charged off	(45,616)	-		(45,616)
Finance and service charges not included in premiums	80,255	-		80,255
Aggregate write-ins for miscellaneous income (expense)	39,287	-		39,287
Total other income (expense)	73,926	-		73,926
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	4,069,012	704,514		3,364,498
Dividends to policyholders	34,587	-		34,587
Federal and foreign income taxes incurred	515,283	-		515,283
Net income (loss)	$ 3,519,142	$ 704,514		$ 2,814,628
Statement of Changes in Capital and Surplus (statutory basis)				
Surplus as regards policyholders - December 31, prior year	$ 28,109,881	$ 7,439,891	(k)	$ 20,669,990
Net income (loss)	3,519,142	704,514	(j,n)	2,814,628
Change in net unrealized capital gains or (losses)	238,682	114,101	(a,n)	124,581
Change in net unrealized foreign exchange capital gain (loss)	3,803	-		3,803
Change in net deferred income tax	45,285	-		45,285
Change in nonadmitted assets	(131,374)	-		(131,374)
Change in provision for reinsurance	(7,289)	-		(7,289)
Dividends to stockholders (cash)	(2,661,400)	(661,400)	(j)	(2,000,000)
Aggregate write-ins for gains and losses in surplus	1	1	(n)	-
Change in surplus as regards policyholders for the year	1,006,850	157,216		849,634
Surplus as regards policyholders - December 31, current year	$ 29,116,731	$ 7,597,107		$ 21,519,624

Travelers Combined Pool - Combining Worksheet
Statement of Income (statutory basis)

Exhibit 1

(For the year ended December 31, 2019, in thousands)	IND	FM	TCS	PHX	STD
Underwriting Income					
Premiums earned	$ 5,737,050	$ 6,189,076	$ 5,015,285	$ 1,232,052	$ 1,192,239
Losses incurred	3,338,399	3,598,197	2,918,012	716,604	693,673
Loss adjustment expenses incurred	601,725	642,915	525,229	128,986	124,858
Other underwriting expenses incurred	1,672,663	1,805,087	1,462,145	359,073	347,583
Net underwriting gain (loss)	124,263	142,877	109,899	27,389	26,125
Investment Income					
Net investment income earned	801,552	813,769	1,023,373	139,322	135,885
Net realized capital gains (losses) less capital gains tax	(15,525)	(2,890)	(5,326)	2,589	(14,810)
Net investment gain (loss)	786,027	810,879	1,018,047	141,911	121,075
Other Income					
Net gain (loss) from agents' or premium balances charged off	(12,861)	(13,690)	(11,243)	(2,761)	(2,673)
Finance and service charges not included in premiums	21,235	22,603	18,564	4,559	4,413
Aggregate write-ins for miscellaneous income (expense)	40,544	3,080	1,355	1,360	575
Total other income (expense)	48,918	11,993	8,676	3,158	2,315
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	959,208	965,749	1,136,622	172,458	149,515
Dividends to policyholders	9,646	10,267	8,433	2,071	2,005
Federal and foreign income taxes incurred	124,456	133,175	99,900	23,013	25,491
Net income (loss)	$ 825,106	$ 822,307	$ 1,028,289	$ 147,374	$ 122,019
Statement of Changes in Capital and Surplus (statutory basis)					
Surplus as regards policyholders - December 31, prior year	$ 6,633,300	$ 5,704,568	$ 6,647,847	$ 1,597,639	$ 1,221,485
Net income (loss)	825,106	822,307	1,028,289	147,374	122,019
Change in net unrealized capital gains or (losses)	60,648	(52,941)	130,403	21,640	6,040
Change in net unrealized foreign exchange capital gain (loss)	(660)	2,351	504	3	3
Change in net deferred income tax	13,683	15,161	(6,603)	5,081	4,698
Change in nonadmitted assets	(45,397)	2,522	18,927	(2,680)	18,160
Change in provision for reinsurance	1,129	6,757	-	-	-
Dividends to stockholders (cash)	(779,000)	(632,000)	(929,000)	(159,700)	(160,000)
Aggregate write-ins for gains and losses in surplus	2	-	-	-	-
Change in surplus as regards policyholders for the year	75,511	164,157	242,520	11,718	(9,080)
Surplus as regards policyholders - December 31, current year	$ 6,708,811	$ 5,868,725	$ 6,890,367	$ 1,609,357	$ 1,212,405

(For the year ended December 31, 2019, in thousands)	USFG	TLL	FAR	AUT	ICT	COK
Underwriting Income						
Premiums earned	$ 1,086,316	$ 672,481	$ 364,570	$ 337,472	$ 337,472	$ 312,839
Losses incurred	632,045	391,266	212,115	196,349	196,349	182,017
Loss adjustment expenses incurred	113,765	70,426	38,180	35,342	35,342	32,762
Other underwriting expenses incurred	316,702	196,053	106,286	98,386	98,386	91,205
Net underwriting gain (loss)	23,804	14,736	7,989	7,395	7,395	6,855
Investment Income						
Net investment income earned	96,685	73,694	29,176	29,830	28,777	24,586
Net realized capital gains (losses) less capital gains tax	6,079	1,291	846	1,951	(7,913)	756
Net investment gain (loss)	102,764	74,985	30,022	31,781	20,864	25,342
Other Income						
Net gain (loss) from agents' or premium balances charged off	(2,436)	(1,508)	(817)	(757)	(757)	(701)
Finance and service charges not included in premiums	4,021	2,489	1,350	1,249	1,249	1,158
Aggregate write-ins for miscellaneous income (expense)	(264)	1,456	2,133	(461)	(644)	4,318
Total other income (expense)	1,321	2,437	2,666	31	(152)	4,775
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	127,889	92,158	40,677	39,207	28,107	36,972
Dividends to policyholders	1,827	1,131	613	567	567	526
Federal and foreign income taxes incurred	20,691	17,096	7,141	6,327	5,763	5,441
Net income (loss)	$ 105,371	$ 73,931	$ 32,923	$ 32,313	$ 21,777	$ 31,005
Statement of Changes in Capital and Surplus (statutory basis)						
Surplus as regards policyholders - December 31, prior year	$ 984,206	$ 552,654	$ 286,234	$ 304,379	$ 332,787	$ 228,733
Net income (loss)	105,371	73,931	32,923	32,313	21,777	31,005
Change in net unrealized capital gains or (losses)	(4,610)	(6,937)	(6,934)	(57)	4,709	(241)
Change in net unrealized foreign exchange capital gain (loss)	3	2	1	1	1	1
Change in net deferred income tax	3,548	2,772	818	701	2,771	(279)
Change in nonadmitted assets	(463)	(2,011)	(859)	(46)	(2,311)	431
Change in provision for reinsurance	-	-	-	-	-	-
Dividends to stockholders (cash)	(205,466)	(57,300)	(28,900)	(30,000)	(33,000)	(25,300)
Aggregate write-ins for gains and losses in surplus	-	-	-	-	-	-
Change in surplus as regards policyholders for the year	(101,617)	10,457	(2,951)	2,912	(6,053)	5,617
Surplus as regards policyholders - December 31, current year	$ 882,589	$ 563,111	$ 283,283	$ 307,291	$ 326,734	$ 234,350

(For the year ended December 31, 2019, in thousands)	NLI	AMR	PROT	TCT	TCC	TCI
Underwriting Income						
Premiums earned	$ 300,523	$ 189,674	$ 142,971	$ 115,775	$ 115,775	$ 115,775
Losses incurred	174,851	110,357	83,126	67,361	67,361	67,361
Loss adjustment expenses incurred	31,473	19,864	14,962	12,124	12,124	12,124
Other underwriting expenses incurred	87,614	55,297	41,652	33,753	33,753	33,753
Net underwriting gain (loss)	6,585	4,156	3,231	2,537	2,537	2,537
Investment Income						
Net investment income earned	41,425	25,285	14,431	9,255	9,205	7,899
Net realized capital gains (losses) less capital gains tax	459	(3,692)	483	203	137	113
Net investment gain (loss)	41,884	21,593	14,914	9,458	9,342	8,012
Other Income						
Net gain (loss) from agents' or premium balances charged off	(673)	(425)	(320)	(260)	(260)	(260)
Finance and service charges not included in premiums	1,112	702	529	429	429	429
Aggregate write-ins for miscellaneous income (expense)	(63)	1,848	(197)	750	190	(563)
Total other income (expense)	376	2,125	12	919	359	(394)
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	48,845	27,874	18,157	12,914	12,238	10,155
Dividends to policyholders	505	319	240	195	195	195
Federal and foreign income taxes incurred	5,351	2,947	2,704	2,037	1,976	1,431
Net income (loss)	$ 42,989	$ 24,608	$ 15,213	$ 10,682	$ 10,067	$ 8,529
Statement of Changes in Capital and Surplus (statutory basis)						
Surplus as regards policyholders - December 31, prior year	$ 504,289	$ 182,511	$ 218,714	$ 85,876	$ 89,911	$ 87,959
Net income (loss)	42,989	24,608	15,213	10,682	10,067	8,529
Change in net unrealized capital gains or (losses)	3,034	(664)	31	(80)	-	15
Change in net unrealized foreign exchange capital gain (loss)	1	-	-	-	-	-
Change in net deferred income tax	1,122	1,202	250	181	289	241
Change in nonadmitted assets	(748)	(2,845)	(178)	(160)	(197)	(187)
Change in provision for reinsurance	-	-	-	-	-	-
Dividends to stockholders (cash)	(11,900)	(17,200)	(13,000)	(9,100)	(8,900)	-
Aggregate write-ins for gains and losses in surplus	-	-	-	-	-	-
Change in surplus as regards policyholders for the year	34,498	5,101	2,316	1,523	1,259	8,598
Surplus as regards policyholders - December 31, current year	$ 538,787	$ 187,612	$ 221,030	$ 87,399	$ 91,170	$ 96,557

(For the year ended December 31, 2019, in thousands)	MERC	ILL	TIN	ATNA	MED	TVC
Underwriting Income						
Premiums earned	$ 98,532	$ 88,679	$ 73,899	$ 71,435	$ 71,435	$ 66,509
Losses incurred	57,328	51,596	42,996	41,563	41,563	38,697
Loss adjustment expenses incurred	10,319	9,287	7,739	7,481	7,481	6,965
Other underwriting expenses incurred	28,726	25,853	21,545	20,826	20,826	19,390
Net underwriting gain (loss)	2,159	1,943	1,619	1,565	1,565	1,457
Investment Income						
Net investment income earned	9,034	16,179	4,998	5,514	5,512	5,435
Net realized capital gains (losses) less capital gains tax	104	581	58	202	180	164
Net investment gain (loss)	9,138	16,760	5,056	5,716	5,692	5,599
Other Income						
Net gain (loss) from agents' or premium balances charged off	(221)	(199)	(166)	(160)	(160)	(149)
Finance and service charges not included in premiums	365	328	274	264	264	246
Aggregate write-ins for miscellaneous income (expense)	(48)	(2,315)	(645)	(17)	(17)	(256)
Total other income (expense)	96	(2,186)	(537)	87	87	(159)
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	11,393	16,517	6,138	7,368	7,344	6,897
Dividends to policyholders	166	149	124	120	120	112
Federal and foreign income taxes incurred	1,608	808	(267)	1,090	1,098	1,062
Net income (loss)	$ 9,619	$ 15,560	$ 6,281	$ 6,158	$ 6,126	$ 5,723
Statement of Changes in Capital and Surplus (statutory basis)						
Surplus as regards policyholders - December 31, prior year	$ 115,087	$ 437,448	$ 72,730	$ 59,201	$ 59,228	$ 66,551
Net income (loss)	9,619	15,560	6,281	6,158	6,126	5,723
Change in net unrealized capital gains or (losses)	-	(83)	-	18	2	-
Change in net unrealized foreign exchange capital gain (loss)	-	-	-	-	-	-
Change in net deferred income tax	441	525	337	71	75	159
Change in nonadmitted assets	(227)	451	(279)	(59)	(63)	(106)
Change in provision for reinsurance	-	-	-	-	-	-
Dividends to stockholders (cash)	(10,000)	-	-	(5,800)	(5,700)	(5,200)
Aggregate write-ins for gains and losses in surplus	-	-	-	-	-	-
Change in surplus as regards policyholders for the year	(167)	16,453	6,339	388	440	576
Surplus as regards policyholders - December 31, current year	$ 114,920	$ 453,901	$ 79,069	$ 59,589	$ 59,668	$ 67,127

(For the year ended December 31, 2019, in thousands)	THM	PLL	TPS	DIPR	NCC	FGIU
Underwriting Income						
Premiums earned	$ 66,509	$ 66,509	$ 66,509	$ 34,486	$ 34,486	$ 24,633
Losses incurred	38,697	38,697	38,697	20,065	20,065	14,332
Loss adjustment expenses incurred	6,965	6,965	6,965	3,611	3,611	2,580
Other underwriting expenses incurred	19,390	19,390	19,390	10,054	10,054	7,181
Net underwriting gain (loss)	1,457	1,457	1,457	756	756	540
Investment Income						
Net investment income earned	6,865	5,292	5,283	3,726	2,856	3,697
Net realized capital gains (losses) less capital gains tax	328	61	189	38	40	30
Net investment gain (loss)	7,193	5,353	5,472	3,764	2,896	3,727
Other Income						
Net gain (loss) from agents' or premium balances charged off	(149)	(149)	(149)	(77)	(77)	(55)
Finance and service charges not included in premiums	246	246	246	127	127	91
Aggregate write-ins for miscellaneous income (expense)	(1,315)	(342)	(93)	-	(8)	(176)
Total other income (expense)	(1,218)	(245)	4	50	42	(140)
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	7,432	6,565	6,933	4,570	3,694	4,127
Dividends to policyholders	112	112	112	58	58	41
Federal and foreign income taxes incurred	700	1,102	1,125	610	381	600
Net income (loss)	$ 6,620	$ 5,351	$ 5,696	$ 3,902	$ 3,255	$ 3,486
Statement of Changes in Capital and Surplus (statutory basis)						
Surplus as regards policyholders - December 31, prior year	$ 105,102	$ 59,515	$ 63,785	$ 62,447	$ 37,310	$ 88,921
Net income (loss)	6,620	5,351	5,696	3,902	3,255	3,486
Change in net unrealized capital gains or (losses)	7	-	6	52	-	190
Change in net unrealized foreign exchange capital gain (loss)	-	-	-	-	-	-
Change in net deferred income tax	98	145	41	97	(133)	91
Change in nonadmitted assets	(96)	(92)	(32)	(54)	91	(3)
Change in provision for reinsurance	-	-	-	-	-	-
Dividends to stockholders (cash)	-	-	(5,300)	(3,500)	(2,700)	(3,100)
Aggregate write-ins for gains and losses in surplus	-	-	-	-	-	-
Change in surplus as regards policyholders for the year	6,629	5,404	411	497	513	664
Surplus as regards policyholders - December 31, current year	$ 111,731	$ 64,919	$ 64,196	$ 62,944	$ 37,823	$ 89,585

(For the year ended December 31, 2019, in thousands)	GARD	AES	DISP	NFI	SL	TES
Underwriting Income						
Premiums earned	$ 24,633	$ 24,633	$ 34,486	$ 128,092	$ 216,770	$ 66,509
Losses incurred	14,332	14,332	20,065	74,527	126,122	38,697
Loss adjustment expenses incurred	2,580	2,580	3,611	13,414	22,701	6,965
Other underwriting expenses incurred	7,181	7,181	10,054	37,344	63,197	19,390
Net underwriting gain (loss)	540	540	756	2,807	4,750	1,457
Investment Income						
Net investment income earned	1,954	2,136	2,973	10,532	17,706	5,662
Net realized capital gains (losses) less capital gains tax	5	9	54	420	837	179
Net investment gain (loss)	1,959	2,145	3,027	10,952	18,543	5,841
Other Income						
Net gain (loss) from agents' or premium balances charged off	(55)	(55)	(77)	(287)	(486)	(149)
Finance and service charges not included in premiums	91	91	127	474	802	246
Aggregate write-ins for miscellaneous income (expense)	(11)	(6)	(8)	(31)	(67)	(193)
Total other income (expense)	25	30	42	156	249	(96)
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	2,524	2,715	3,825	13,915	23,542	7,202
Dividends to policyholders	41	41	58	216	364	112
Federal and foreign income taxes incurred	413	368	533	1,931	3,495	1,047
Net income (loss)	$ 2,070	$ 2,306	$ 3,234	$ 11,768	$ 19,683	$ 6,043
Statement of Changes in Capital and Surplus (statutory basis)						
Surplus as regards policyholders - December 31, prior year	$ 22,829	$ 26,748	$ 36,420	$ 118,960	$ 183,419	$ 61,639
Net income (loss)	2,070	2,306	3,234	11,768	19,683	6,043
Change in net unrealized capital gains or (losses)	-	-	34	45	(45)	7
Change in net unrealized foreign exchange capital gain (loss)	-	-	-	-	1	-
Change in net deferred income tax	76	54	91	(46)	414	49
Change in nonadmitted assets	(55)	(35)	(53)	(63)	(297)	(39)
Change in provision for reinsurance	-	-	-	-	-	-
Dividends to stockholders (cash)	(2,200)	(2,100)	(2,900)	(9,200)	(18,300)	(5,500)
Aggregate write-ins for gains and losses in surplus	-	-	-	-	-	-
Change in surplus as regards policyholders for the year	(109)	225	406	2,504	1,456	560
Surplus as regards policyholders - December 31, current year	$ 22,720	$ 26,973	$ 36,826	$ 121,464	$ 184,875	$ 62,199

(For the year ended December 31, 2019, in thousands)	AEQ	FGIC	GUI	SIC	LYD	LTX
Underwriting Income						
Premiums earned	$ -	$ -	$ -	$ -	$ -	$ -
Losses incurred	-	-	-	-	-	-
Loss adjustment expenses incurred	-	-	-	-	-	-
Other underwriting expenses incurred	-	-	-	-	(1,666)	(1,018)
Net underwriting gain (loss)	-	-	-	-	1,666	1,018
Investment Income						
Net investment income earned	4,241	509	1,683	2,384	375	379
Net realized capital gains (losses) less capital gains tax	113	(22)	94	219	17	4
Net investment gain (loss)	4,354	487	1,777	2,603	392	383
Other Income						
Net gain (loss) from agents' or premium balances charged off	-	-	-	-	-	-
Finance and service charges not included in premiums	-	-	-	-	-	-
Aggregate write-ins for miscellaneous income (expense)	-	(31)	-	-	(106)	(77)
Total other income (expense)	-	(31)	-	-	(106)	(77)
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	4,354	456	1,777	2,603	1,952	1,324
Dividends to policyholders	-	-	-	-	-	-
Federal and foreign income taxes incurred	181	72	129	182	363	229
Net income (loss)	$ 4,173	$ 384	$ 1,648	$ 2,421	$ 1,589	$ 1,095
Statement of Changes in Capital and Surplus (statutory basis)						
Surplus as regards policyholders - December 31, prior year	$ 97,926	$ 18,145	$ 55,160	$ 80,822	$ 12,270	$ 13,291
Net income (loss)	4,173	384	1,648	2,421	1,589	1,095
Change in net unrealized capital gains or (losses)	225	-	-	-	-	-
Change in net unrealized foreign exchange capital gain (loss)	-	-	-	-	-	-
Change in net deferred income tax	(11)	33	(7)	(2)	10	1
Change in nonadmitted assets	-	-	1	-	-	-
Change in provision for reinsurance	-	-	-	-	-	-
Dividends to stockholders (cash)	(4,900)	-	-	(1,900)	(1,300)	(1,300)
Aggregate write-ins for gains and losses in surplus	-	-	-	-	-	-
Change in surplus as regards policyholders for the year	(513)	417	1,642	519	299	(204)
Surplus as regards policyholders - December 31, current year	$ 97,413	$ 18,562	$ 56,802	$ 81,341	$ 12,569	$ 13,087

(For the year ended December 31, 2019, in thousands)	Subtotal	Eliminations		Total
Underwriting Income				
Premiums earned	$ 24,716,089	$ -		$ 24,716,089
Losses incurred	14,377,814	-		14,377,814
Loss adjustment expenses incurred	2,584,021	-		2,584,021
Other underwriting expenses incurred	7,203,679	-		7,203,679
Net underwriting gain (loss)	550,575	-		550,575
Investment Income				
Net investment income earned	3,429,074	690,666	(j)	2,738,408
Net realized capital gains (losses) less capital gains tax	(31,345)	(6,807)	(m,n)	(24,538)
Net investment gain (loss)	3,397,729	683,859		2,713,870
Other Income				
Net gain (loss) from agents' or premium balances charged off	(55,222)	-		(55,222)
Finance and service charges not included in premiums	91,175	-		91,175
Aggregate write-ins for miscellaneous income (expense)	49,655	3	(n)	49,652
Total other income (expense)	85,608	3		85,605
Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes	4,033,912	683,862		3,350,050
Dividends to policyholders	41,418	-		41,418
Federal and foreign income taxes incurred	503,800	-		503,800
Net income (loss)	$ 3,488,694	$ 683,862		$ 2,804,832
Statement of Changes in Capital and Surplus (statutory basis)				
Surplus as regards policyholders - December 31, prior year	$ 27,618,046	$ 7,432,816	(k)	$ 20,185,230
Net income (loss)	3,488,694	683,862	(j,m,n)	2,804,832
Change in net unrealized capital gains or (losses)	154,514	13,877	(a,m,n)	140,637
Change in net unrealized foreign exchange capital gain (loss)	2,212	-		2,212
Change in net deferred income tax	48,245	-		48,245
Change in nonadmitted assets	(19,052)	-		(19,052)
Change in provision for reinsurance	7,886	-		7,886
Dividends to stockholders (cash)	(3,190,666)	(690,666)	(j)	(2,500,000)
Aggregate write-ins for gains and losses in surplus	2	2	(n)	-
Change in surplus as regards policyholders for the year	491,835	7,075		484,760
Surplus as regards policyholders - December 31, current year	$ 28,109,881	$ 7,439,891		$ 20,669,990

(For the year ended December 31, 2020, in thousands)	IND	FM	TCS	PHX	STD
Cash from Operations					
Premiums collected net of reinsurance	$ 6,470,486	$ 6,434,617	$ 5,231,871	$ 1,287,351	$ 1,276,104
Net investment income	861,870	797,015	859,144	157,830	141,013
Miscellaneous income	45,592	9,227	8,179	2,550	576
Total	7,377,948	7,240,859	6,099,194	1,447,731	1,417,693
Benefit and loss related payments	2,478,260	3,110,266	2,550,246	623,422	608,617
Commissions, expenses paid and aggregate write-ins for deductions	2,283,965	2,449,053	1,985,273	486,576	471,647
Dividends paid to policyholders	8,313	9,295	7,634	1,874	1,815
Federal and foreign income taxes paid (recovered)	128,895	144,573	115,168	24,115	27,641
Total	4,899,433	5,713,187	4,658,321	1,135,987	1,109,720
Net cash provided by (used in) operations	2,478,515	1,527,672	1,440,873	311,744	307,973
Cash from Investments					
Proceeds from investments sold, matured or repaid:					
Bonds	2,986,243	2,033,388	1,985,232	238,793	239,467
Stocks	6,136	102,981	28,561	661	-
Real estate	-	30	-	-	-
Other invested assets	54,101	60,898	69,886	64	19,773
Net gains or (losses) on cash, cash equivalents and short-term investments	-	130	-	-	-
Miscellaneous proceeds	77,274	96,361	41,844	4,811	17,382
Total investment proceeds	3,123,754	2,293,788	2,125,523	244,329	276,622
Cost of investments acquired:					
Bonds	4,890,677	3,270,797	2,389,842	262,960	364,186
Stocks	1,407	100,141	-	-	-
Real estate	20,140	107,839	-	-	-
Other invested assets	16,936	170,368	218,579	1,000	2,858
Miscellaneous applications	-	5,409	69,953	23	-
Total investments acquired	4,929,160	3,654,554	2,678,374	263,983	367,044
Net increase (decrease) in contract loans and premium notes	(1,144)	-	-	-	-
Net cash provided by (used in) investments	(1,804,262)	(1,360,766)	(552,851)	(19,654)	(90,422)
Cash from Financing and Miscellaneous Sources					
Cash provided (applied):					
Dividends to stockholders	(591,000)	(530,000)	(792,000)	(160,900)	(87,000)
Other cash provided (applied)	(195,798)	(14,184)	(80,959)	(4,884)	(34,250)
Net cash provided by (used in) financing and miscellaneous sources	(786,798)	(544,184)	(872,959)	(165,784)	(121,250)
Net change in cash, cash equivalents and short-term investments	(112,545)	(377,278)	15,063	126,306	96,301
Cash, cash equivalents and short-term investments - beginning of year	725,178	567,876	758,730	32,008	135,905
Cash, cash equivalents and short-term investments - end of year	$ 612,633	$ 190,598	$ 773,793	$ 158,314	$ 232,206

(For the year ended December 31, 2020, in thousands)	USFG	TLL	FAR	AUT	ICT	COK
Cash from Operations						
Premiums collected net of reinsurance	$ 1,133,786	$ 705,892	$ 380,285	$ 355,701	$ 360,958	$ 324,667
Net investment income	103,139	63,874	31,823	31,961	32,071	27,820
Miscellaneous income	1,376	806	2,020	65	1,048	4,139
Total	1,238,301	770,572	414,128	387,727	394,077	356,626
Benefit and loss related payments	548,094	351,634	184,376	174,600	180,040	157,785
Commissions, expenses paid and aggregate write-ins for deductions	430,058	266,121	144,116	133,602	133,353	123,240
Dividends paid to policyholders	1,653	1,024	555	514	514	476
Federal and foreign income taxes paid (recovered)	26,025	14,325	8,550	7,885	7,368	7,923
Total	1,005,830	633,104	337,597	316,601	321,275	289,424
Net cash provided by (used in) operations	232,471	137,468	76,531	71,126	72,802	67,202
Cash from Investments						
Proceeds from investments sold, matured or repaid:						
Bonds	412,576	202,641	101,070	82,563	92,920	48,757
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	792	-	24	169	564
Net gains or (losses) on cash, cash equivalents and short-term investments	-	-	-	-	-	-
Miscellaneous proceeds	6,682	11,718	21,416	4,296	9,205	-
Total investment proceeds	419,258	215,151	122,486	86,883	102,294	49,321
Cost of investments acquired:						
Bonds	357,815	185,985	114,448	112,763	107,801	103,807
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	1,930	-	20	12	12
Miscellaneous applications	-	-	-	-	-	-
Total investments acquired	357,815	187,915	114,448	112,783	107,813	103,819
Net increase (decrease) in contract loans and premium notes	-	-	-	-	-	-
Net cash provided by (used in) investments	61,443	27,236	8,038	(25,900)	(5,519)	(54,498)
Cash from Financing and Miscellaneous Sources						
Cash provided (applied):						
Dividends to stockholders	(105,300)	(73,900)	(29,900)	(32,300)	(31,700)	(21,200)
Other cash provided (applied)	(6,855)	(6,473)	(27,061)	(9,185)	(12,461)	1,749
Net cash provided by (used in) financing and miscellaneous sources	(112,155)	(80,373)	(56,961)	(41,485)	(44,161)	(19,451)
Net change in cash, cash equivalents and short-term investments	181,759	84,331	27,608	3,741	23,122	(6,747)
Cash, cash equivalents and short-term investments - beginning of year	55,897	17,004	7,295	16,209	9,627	25,944
Cash, cash equivalents and short-term investments - end of year	$ 237,656	$ 101,335	$ 34,903	$ 19,950	$ 32,749	$ 19,197

(For the year ended December 31, 2020, in thousands)	NLI	AMR	PROT	TCT	TCC	TCI
Cash from Operations						
Premiums collected net of reinsurance	$ 313,846	$ 200,140	$ 157,833	$ 120,589	$ 120,927	$ 111,905
Net investment income	47,489	18,924	16,258	9,894	9,928	9,907
Miscellaneous income	474	1,488	(21)	479	431	(406)
Total	361,809	220,552	174,070	130,962	131,286	121,406
Benefit and loss related payments	159,432	98,214	27,812	58,636	58,721	60,711
Commissions, expenses paid and aggregate write-ins for deductions	118,974	74,273	56,564	45,837	45,836	45,834
Dividends paid to policyholders	457	289	218	176	176	176
Federal and foreign income taxes paid (recovered)	6,458	6,263	3,344	2,369	2,510	1,906
Total	285,321	179,039	87,938	107,018	107,243	108,627
Net cash provided by (used in) operations	76,488	41,513	86,132	23,944	24,043	12,779
Cash from Investments						
Proceeds from investments sold, matured or repaid:						
Bonds	49,918	11,089	40,487	23,265	30,033	15,126
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	4,034	-	-	-	-	-
Net gains or (losses) on cash, cash equivalents and short-term investments	-	-	-	-	-	-
Miscellaneous proceeds	239	-	14	-	4,156	10,112
Total investment proceeds	54,191	11,089	40,501	23,265	34,189	25,238
Cost of investments acquired:						
Bonds	65,314	50,223	41,021	30,544	42,125	39,659
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	4,471	12	-	-	-	-
Miscellaneous applications	68	140	-	5,375	14	-
Total investments acquired	69,853	50,375	41,021	35,919	42,139	39,659
Net increase (decrease) in contract loans and premium notes	-	-	-	-	-	-
Net cash provided by (used in) investments	(15,662)	(39,286)	(520)	(12,654)	(7,950)	(14,421)
Cash from Financing and Miscellaneous Sources						
Cash provided (applied):						
Dividends to stockholders	(47,600)	(24,600)	(15,300)	(8,500)	(9,900)	-
Other cash provided (applied)	(4,030)	99	(53,080)	5,653	632	(16,327)
Net cash provided by (used in) financing and miscellaneous sources	(51,630)	(24,501)	(68,380)	(2,847)	(9,268)	(16,327)
Net change in cash, cash equivalents and short-term investments	9,196	(22,274)	17,232	8,443	6,825	(17,969)
Cash, cash equivalents and short-term investments - beginning of year	46,560	64,042	11,705	6,803	8,853	26,504
Cash, cash equivalents and short-term investments - end of year	$ 55,756	$ 41,768	$ 28,937	$ 15,246	$ 15,678	$ 8,535

(For the year ended December 31, 2020, in thousands)	MERC	ILL	TIN	ATNA	MED	TVC
Cash from Operations						
Premiums collected net of reinsurance	$ 100,863	$ 104,444	$ 86,500	$ 74,579	$ 74,568	$ 74,646
Net investment income	10,022	21,751	7,746	6,366	6,055	6,156
Miscellaneous income	100	(2,193)	(538)	92	92	(166)
Total	110,985	124,002	93,708	81,037	80,715	80,636
Benefit and loss related payments	54,356	91,347	41,110	36,271	36,267	40,691
Commissions, expenses paid and aggregate write-ins for deductions	39,012	33,246	29,257	28,282	28,282	26,327
Dividends paid to policyholders	150	135	113	109	109	101
Federal and foreign income taxes paid (recovered)	2,073	1,261	(477)	1,418	1,404	1,350
Total	95,591	125,989	70,003	66,080	66,062	68,469
Net cash provided by (used in) operations	15,394	(1,987)	23,705	14,957	14,653	12,167
Cash from Investments						
Proceeds from investments sold, matured or repaid:						
Bonds	21,424	74,729	6,901	16,458	21,059	20,220
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	-	-	-	-	-
Net gains or (losses) on cash, cash equivalents and short-term investments	-	-	-	-	-	-
Miscellaneous proceeds	-	-	-	-	-	2,301
Total investment proceeds	21,424	74,729	6,901	16,458	21,059	22,521
Cost of investments acquired:						
Bonds	26,780	123,878	30,655	20,046	22,199	23,811
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	3,341	4,205	-	-	-
Miscellaneous applications	-	-	-	535	-	-
Total investments acquired	26,780	127,219	34,860	20,581	22,199	23,811
Net increase (decrease) in contract loans and premium notes	-	-	-	-	-	-
Net cash provided by (used in) investments	(5,356)	(52,490)	(27,959)	(4,123)	(1,140)	(1,290)
Cash from Financing and Miscellaneous Sources						
Cash provided (applied):						
Dividends to stockholders	(11,200)	-	-	(6,100)	(6,100)	(6,400)
Other cash provided (applied)	6,456	45,932	(4,712)	568	92	(633)
Net cash provided by (used in) financing and miscellaneous sources	(4,744)	45,932	(4,712)	(5,532)	(6,008)	(7,033)
Net change in cash, cash equivalents and short-term investments	5,294	(8,545)	(8,966)	5,302	7,505	3,844
Cash, cash equivalents and short-term investments - beginning of year	6,659	9,351	18,314	3,342	8,036	4,674
Cash, cash equivalents and short-term investments - end of year	$ 11,953	$ 806	$ 9,348	$ 8,644	$ 15,541	$ 8,518

(For the year ended December 31, 2020, in thousands)	THM	PLL	TPS	DIPR	NCC	FGIU
Cash from Operations						
Premiums collected net of reinsurance	$ 65,707	$ 127,536	$ 71,171	$ 36,011	$ 35,866	$ 25,395
Net investment income	7,905	5,480	5,801	4,335	3,076	3,980
Miscellaneous income	(1,076)	(608)	(45)	(6)	44	(111)
Total	72,536	132,408	76,927	40,340	38,986	29,264
Benefit and loss related payments	30,447	71,835	33,143	17,643	17,687	11,070
Commissions, expenses paid and aggregate write-ins for deductions	24,105	26,332	26,134	13,646	13,653	9,747
Dividends paid to policyholders	101	101	101	52	52	37
Federal and foreign income taxes paid (recovered)	725	1,336	1,426	747	802	679
Total	55,378	99,604	60,804	32,088	32,194	21,533
Net cash provided by (used in) operations	17,158	32,804	16,123	8,252	6,792	7,731
Cash from Investments						
Proceeds from investments sold, matured or repaid:						
Bonds	16,244	21,500	21,102	19,930	14,910	18,845
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	-	-	-	52	-
Net gains or (losses) on cash, cash equivalents and short-term investments	-	-	-	-	-	-
Miscellaneous proceeds	-	-	-	-	103	-
Total investment proceeds	16,244	21,500	21,102	19,930	15,065	18,845
Cost of investments acquired:						
Bonds	51,652	31,563	24,428	17,120	19,118	24,873
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	3,224	-	-	-	58	-
Miscellaneous applications	-	10,629	2,754	-	-	-
Total investments acquired	54,876	42,192	27,182	17,120	19,176	24,873
Net increase (decrease) in contract loans and premium notes	-	-	-	-	-	-
Net cash provided by (used in) investments	(38,632)	(20,692)	(6,080)	2,810	(4,111)	(6,028)
Cash from Financing and Miscellaneous Sources						
Cash provided (applied):						
Dividends to stockholders	-	-	(5,900)	(4,200)	(2,800)	(3,400)
Other cash provided (applied)	(2,066)	(11,679)	253	200	458	(945)
Net cash provided by (used in) financing and miscellaneous sources	(2,066)	(11,679)	(5,647)	(4,000)	(2,342)	(4,345)
Net change in cash, cash equivalents and short-term investments	(23,540)	433	4,396	7,062	339	(2,642)
Cash, cash equivalents and short-term investments - beginning of year	36,117	5,914	8,488	1,355	5,923	3,820
Cash, cash equivalents and short-term investments - end of year	$ 12,577	$ 6,347	$ 12,884	$ 8,417	$ 6,262	$ 1,178

(For the year ended December 31, 2020, in thousands)	GARD	AES	DISP	NFI	SL	TES
Cash from Operations						
Premiums collected net of reinsurance	$ 25,982	$ (3,323)	$ (4,651)	$ (14,159)	$ (28,367)	$ 3,589
Net investment income	2,201	1,237	1,780	5,370	9,366	3,207
Miscellaneous income	27	-	-	-	(10)	(202)
Total	28,210	(2,086)	(2,871)	(8,789)	(19,011)	6,594
Benefit and loss related payments	11,604	33,775	47,285	176,755	297,851	86,888
Commissions, expenses paid and aggregate write-ins for deductions	9,756	9,059	12,683	47,107	79,719	24,460
Dividends paid to policyholders	37	60	83	309	523	161
Federal and foreign income taxes paid (recovered)	521	(904)	(1,243)	(4,574)	(7,857)	(2,463)
Total	21,918	41,990	58,808	219,597	370,236	109,046
Net cash provided by (used in) operations	6,292	(44,076)	(61,679)	(228,386)	(389,247)	(102,452)
Cash from Investments						
Proceeds from investments sold, matured or repaid:						
Bonds	7,937	52,937	68,497	262,190	442,209	132,400
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	-	-	1,153	-	-
Net gains or (losses) on cash, cash equivalents and short-term investments	-	-	-	-	-	-
Miscellaneous proceeds	-	-	-	2,716	1,329	648
Total investment proceeds	7,937	52,937	68,497	266,059	443,538	133,048
Cost of investments acquired:						
Bonds	6,407	5,977	4,621	13,481	31,804	5,147
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	-	-	1,278	-	-
Miscellaneous applications	-	-	-	-	-	-
Total investments acquired	6,407	5,977	4,621	14,759	31,804	5,147
Net increase (decrease) in contract loans and premium notes	-	-	-	-	-	-
Net cash provided by (used in) investments	1,530	46,960	63,876	251,300	411,734	127,901
Cash from Financing and Miscellaneous Sources						
Cash provided (applied):						
Dividends to stockholders	(2,200)	(2,400)	(3,600)	(11,500)	(18,800)	(6,200)
Other cash provided (applied)	(3,144)	240	639	(3,063)	727	(16,663)
Net cash provided by (used in) financing and miscellaneous sources	(5,344)	(2,160)	(2,961)	(14,563)	(18,073)	(22,863)
Net change in cash, cash equivalents and short-term investments	2,478	724	(764)	8,351	4,414	2,586
Cash, cash equivalents and short-term investments - beginning of year	1,621	2,183	2,284	19,219	3,584	2,171
Cash, cash equivalents and short-term investments - end of year	$ 4,099	$ 2,907	$ 1,520	$ 27,570	$ 7,998	$ 4,757

(For the year ended December 31, 2020, in thousands)	AEQ	FGIC	GUI	SIC	LYD	LTX
Cash from Operations						
Premiums collected net of reinsurance	$ 9	$ 5,345	$ 69	$ 44	$ 474	$ -
Net investment income	4,810	595	1,983	2,828	430	433
Miscellaneous income	-	(5)	-	-	(115)	(70)
Total	4,819	5,935	2,052	2,872	789	363
Benefit and loss related payments	15	(1,545)	(505)	2	(2,572)	499
Commissions, expenses paid and aggregate write-ins for deductions	-	(4)	-	-	(1,807)	(986)
Dividends paid to policyholders	-	-	-	-	-	-
Federal and foreign income taxes paid (recovered)	167	67	122	165	381	211
Total	182	(1,482)	(383)	167	(3,998)	(276)
Net cash provided by (used in) operations	4,637	7,417	2,435	2,705	4,787	639
Cash from Investments						
Proceeds from investments sold, matured or repaid:						
Bonds	5,319	5,010	1,545	2,500	690	-
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	-	-	-	-	-
Net gains or (losses) on cash, cash equivalents and short-term investments	-	-	-	-	-	-
Miscellaneous proceeds	-	-	-	-	-	-
Total investment proceeds	5,319	5,010	1,545	2,500	690	-
Cost of investments acquired:						
Bonds	2,547	7,203	3,014	4,170	415	-
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	-	-	-	-	-
Miscellaneous applications	-	-	-	-	-	-
Total investments acquired	2,547	7,203	3,014	4,170	415	-
Net increase (decrease) in contract loans and premium notes	-	-	-	-	-	-
Net cash provided by (used in) investments	2,772	(2,193)	(1,469)	(1,670)	275	-
Cash from Financing and Miscellaneous Sources						
Cash provided (applied):						
Dividends to stockholders	(4,100)	-	-	(2,600)	(1,500)	(1,300)
Other cash provided (applied)	15	(6,987)	(363)	(43)	(2,929)	572
Net cash provided by (used in) financing and miscellaneous sources	(4,085)	(6,987)	(363)	(2,643)	(4,429)	(728)
Net change in cash, cash equivalents and short-term investments	3,324	(1,763)	603	(1,608)	633	(89)
Cash, cash equivalents and short-term investments - beginning of year	708	1,918	2,990	5,279	1,540	1,077
Cash, cash equivalents and short-term investments - end of year	$ 4,032	$ 155	$ 3,593	$ 3,671	$ 2,173	$ 988

Travelers Combined Pool - Combining Worksheet
Statement of Cash Flow (statutory basis)

(For the year ended December 31, 2020, in thousands)	Subtotal	Eliminations		Total
Cash from Operations				
Premiums collected net of reinsurance	$ 25,849,256	$ -		$ 25,849,256
Net investment income	3,342,873	661,400	(j)	2,681,473
Miscellaneous income	73,233	-		73,233
Total	29,265,362	661,400		28,603,962
Benefit and loss related payments	12,562,785	-		12,562,785
Commissions, expenses paid and aggregate write-ins for deductions	9,772,332	-		9,772,332
Dividends paid to policyholders	37,493	-		37,493
Federal and foreign income taxes paid (recovered)	532,655	-		532,655
Total	22,905,265	-		22,905,265
Net cash provided by (used in) operations	6,360,097	661,400		5,698,697
Cash from Investments				
Proceeds from investments sold, matured or repaid:				
Bonds	9,848,124	896,044	(p)	8,952,080
Stocks	138,339	-		138,339
Real estate	30	-		30
Other invested assets	211,510	-		211,510
Net gains or (losses) on cash, cash equivalents and short-term investments	130	-		130
Miscellaneous proceeds	312,607	-		312,607
Total investment proceeds	10,510,740	896,044		9,614,696
Cost of investments acquired:				
Bonds	12,930,876	896,044	(p)	12,034,832
Stocks	101,548	-		101,548
Real estate	127,979	-		127,979
Other invested assets	428,304	-		428,304
Miscellaneous applications	94,900	-		94,900
Total investments acquired	13,683,607	896,044		12,787,563
Net increase (decrease) in contract loans and premium notes	(1,144)	-		(1,144)
Net cash provided by (used in) investments	(3,171,723)	-		(3,171,723)
Cash from Financing and Miscellaneous Sources				
Cash provided (applied):				
Dividends to stockholders	(2,661,400)	(661,400)	(j)	(2,000,000)
Other cash provided (applied)	(454,489)	-		(454,489)
Net cash provided by (used in) financing and miscellaneous sources	(3,115,889)	(661,400)		(2,454,489)
Net change in cash, cash equivalents and short-term investments	72,485	-		72,485
Cash, cash equivalents and short-term investments - beginning of year	2,672,707	-		2,672,707
Cash, cash equivalents and short-term investments - end of year	$ 2,745,192	$ -		$ 2,745,192

(For the year ended December 31, 2019, in thousands)	IND	FM	TCS	PHX	STD
Cash from Operations					
Premiums collected net of reinsurance	$ 5,824,324	$ 6,266,707	$ 5,080,714	$ 1,255,661	$ 1,220,434
Net investment income	869,359	797,319	1,066,580	150,853	143,548
Miscellaneous income	48,918	11,993	8,676	3,158	2,315
Total	6,742,601	7,076,019	6,155,970	1,409,672	1,366,297
Benefit and loss related payments	3,149,543	3,385,032	2,719,021	671,315	662,503
Commissions, expenses paid and aggregate write-ins for deductions	2,230,560	2,409,715	1,950,997	478,172	463,422
Dividends paid to policyholders	10,092	10,742	8,822	2,167	2,097
Federal and foreign income taxes paid (recovered)	115,469	108,122	80,843	17,587	23,067
Total	5,505,664	5,913,611	4,759,683	1,169,241	1,151,089
Net cash provided by (used in) operations	1,236,937	1,162,408	1,396,287	240,431	215,208
Cash from Investments					
Proceeds from investments sold, matured or repaid:					
Bonds	1,581,978	1,896,684	1,804,372	244,330	229,182
Stocks	47,228	75,266	15,034	-	-
Real estate	-	-	-	-	-
Other invested assets	77,477	105,479	171,296	17	36,039
Net gains or (losses) on cash, cash equivalents and short-term investments	-	48	-	-	-
Miscellaneous proceeds	103,237	5,469	77,956	9,830	17,314
Total investment proceeds	1,809,920	2,082,946	2,068,658	254,177	282,535
Cost of investments acquired:					
Bonds	1,744,129	2,216,038	1,967,058	336,468	292,158
Stocks	6,000	74,902	-	-	-
Real estate	10,545	98,785	-	-	-
Other invested assets	54,269	69,472	297,742	59	5,603
Miscellaneous applications	38,815	15,276	290	-	3,477
Total investments acquired	1,853,758	2,474,473	2,265,090	336,527	301,238
Net increase (decrease) in contract loans and premium notes	(438)	-	-	-	-
Net cash provided by (used in) investments	(43,400)	(391,527)	(196,432)	(82,350)	(18,703)
Cash from Financing and Miscellaneous Sources					
Cash provided (applied):					
Dividends to stockholders	(779,000)	(632,000)	(929,000)	(159,700)	(160,000)
Other cash provided (applied)	350,965	(76,619)	(16,506)	(19,802)	(34,888)
Net cash provided by (used in) financing and miscellaneous sources	(428,035)	(708,619)	(945,506)	(179,502)	(194,888)
Net change in cash, cash equivalents and short-term investments	765,502	62,262	254,349	(21,421)	1,617
Cash, cash equivalents and short-term investments - beginning of year	(40,324)	505,614	504,381	53,429	134,288
Cash, cash equivalents and short-term investments - end of year	$ 725,178	$ 567,876	$ 758,730	$ 32,008	$ 135,905

(For the year ended December 31, 2019, in thousands)	USFG	TLL	FAR	AUT	ICT	COK
Cash from Operations						
Premiums collected net of reinsurance	$ 1,099,873	$ 688,444	$ 367,906	$ 344,835	$ 345,987	$ 339,017
Net investment income	108,032	79,512	31,790	32,366	31,809	27,591
Miscellaneous income	1,321	2,437	2,666	31	(152)	4,775
Total	1,209,226	770,393	402,362	377,232	377,644	371,383
Benefit and loss related payments	591,987	364,613	197,433	181,509	175,469	179,393
Commissions, expenses paid and aggregate write-ins for deductions	422,609	261,479	141,645	131,295	130,880	121,027
Dividends paid to policyholders	1,911	1,183	642	594	594	550
Federal and foreign income taxes paid (recovered)	16,016	14,260	5,531	5,343	4,170	3,741
Total	1,032,523	641,535	345,251	318,741	311,113	304,711
Net cash provided by (used in) operations	176,703	128,858	57,111	58,491	66,531	66,672
Cash from Investments						
Proceeds from investments sold, matured or repaid:						
Bonds	341,559	167,786	83,256	92,596	62,539	67,724
Stocks	133	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	13,736	2,387	603	901	236
Net gains or (losses) on cash, cash equivalents and short-term investments	-	-	-	-	-	-
Miscellaneous proceeds	-	-	-	2,273	-	112
Total investment proceeds	341,692	181,522	85,643	95,472	63,440	68,072
Cost of investments acquired:						
Bonds	449,362	283,407	134,568	133,738	114,026	110,626
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	100	2,071	913	5	782	16
Miscellaneous applications	1,230	2,712	17,706	1,239	2,701	-
Total investments acquired	450,692	288,190	153,187	134,982	117,509	110,642
Net increase (decrease) in contract loans and premium notes	-	-	-	-	-	-
Net cash provided by (used in) investments	(109,000)	(106,668)	(67,544)	(39,510)	(54,069)	(42,570)
Cash from Financing and Miscellaneous Sources						
Cash provided (applied):						
Dividends to stockholders	(98,400)	(57,300)	(28,900)	(30,000)	(33,000)	(25,300)
Other cash provided (applied)	2,669	(1,655)	17,755	(6,089)	(13,146)	(17,355)
Net cash provided by (used in) financing and miscellaneous sources	(95,731)	(58,955)	(11,145)	(36,089)	(46,146)	(42,655)
Net change in cash, cash equivalents and short-term investments	(28,028)	(36,765)	(21,578)	(17,108)	(33,684)	(18,553)
Cash, cash equivalents and short-term investments - beginning of year	83,925	53,769	28,873	33,317	43,311	44,497
Cash, cash equivalents and short-term investments - end of year	$ 55,897	$ 17,004	$ 7,295	$ 16,209	$ 9,627	$ 25,944

(For the year ended December 31, 2019, in thousands)	NLI	AMR	PROT	TCT	TCC	TCI
Cash from Operations						
Premiums collected net of reinsurance	$ 292,135	$ 194,679	$ 149,698	$ 117,118	$ 117,534	$ 126,106
Net investment income	45,776	29,367	16,065	9,964	9,924	10,095
Miscellaneous income	376	2,125	12	919	359	(394)
Total	338,287	226,171	165,775	128,001	127,817	135,807
Benefit and loss related payments	170,195	93,575	125,185	62,845	63,228	(42,366)
Commissions, expenses paid and aggregate write-ins for deductions	116,925	73,001	55,586	45,042	45,043	45,041
Dividends paid to policyholders	528	334	251	204	204	204
Federal and foreign income taxes paid (recovered)	3,642	1,830	2,038	1,331	1,462	810
Total	291,290	168,740	183,060	109,422	109,937	3,689
Net cash provided by (used in) operations	46,997	57,431	(17,285)	18,579	17,880	132,118
Cash from Investments						
Proceeds from investments sold, matured or repaid:						
Bonds	70,683	42,538	52,809	32,400	27,216	21,365
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	3,195	6,058	-	582	-	-
Net gains or (losses) on cash, cash equivalents and short-term investments	-	-	-	-	-	-
Miscellaneous proceeds	1,843	12,280	-	880	54	-
Total investment proceeds	75,721	60,876	52,809	33,862	27,270	21,365
Cost of investments acquired:						
Bonds	103,692	46,152	77,630	51,749	47,172	37,595
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	5,048	90	-	8	-	-
Miscellaneous applications	239	-	550	4,708	-	10,246
Total investments acquired	108,979	46,242	78,180	56,465	47,172	47,841
Net increase (decrease) in contract loans and premium notes	-	-	-	-	-	-
Net cash provided by (used in) investments	(33,258)	14,634	(25,371)	(22,603)	(19,902)	(26,476)
Cash from Financing and Miscellaneous Sources						
Cash provided (applied):						
Dividends to stockholders	(11,900)	(17,200)	(13,000)	(9,100)	(8,900)	-
Other cash provided (applied)	10,202	(25,967)	43,772	(986)	(1,004)	(104,557)
Net cash provided by (used in) financing and miscellaneous sources	(1,698)	(43,167)	30,772	(10,086)	(9,904)	(104,557)
Net change in cash, cash equivalents and short-term investments	12,041	28,898	(11,884)	(14,110)	(11,926)	1,085
Cash, cash equivalents and short-term investments - beginning of year	34,519	35,144	23,589	20,913	20,779	25,419
Cash, cash equivalents and short-term investments - end of year	$ 46,560	$ 64,042	$ 11,705	$ 6,803	$ 8,853	$ 26,504

(For the year ended December 31, 2019, in thousands)	MERC	ILL	TIN	ATNA	MED	TVC
Cash from Operations						
Premiums collected net of reinsurance	$ 100,592	$ 112,317	$ 82,271	$ 72,282	$ 72,289	$ 70,919
Net investment income	9,892	23,686	7,643	6,149	6,071	5,934
Miscellaneous income	96	(2,186)	(537)	87	87	(159)
Total	110,580	133,817	89,377	78,518	78,447	76,694
Benefit and loss related payments	49,539	36,517	38,566	38,760	38,756	36,602
Commissions, expenses paid and aggregate write-ins for deductions	38,340	32,112	28,751	27,792	27,792	25,874
Dividends paid to policyholders	173	156	130	126	126	117
Federal and foreign income taxes paid (recovered)	1,417	583	(635)	702	694	795
Total	89,469	69,368	66,812	67,380	67,368	63,388
Net cash provided by (used in) operations	21,111	64,449	22,565	11,138	11,079	13,306
Cash from Investments						
Proceeds from investments sold, matured or repaid:						
Bonds	17,977	60,483	15,385	14,814	18,430	24,645
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	118	-	-	-	-
Net gains or (losses) on cash, cash equivalents and short-term investments	-	-	-	-	-	-
Miscellaneous proceeds	-	-	-	-	-	219
Total investment proceeds	17,977	60,601	15,385	14,814	18,430	24,864
Cost of investments acquired:						
Bonds	41,485	63,953	13,054	28,798	29,644	39,395
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	2,327	4,388	-	-	-
Miscellaneous applications	-	-	-	1,986	-	1,430
Total investments acquired	41,485	66,280	17,442	30,784	29,644	40,825
Net increase (decrease) in contract loans and premium notes	-	-	-	-	-	-
Net cash provided by (used in) investments	(23,508)	(5,679)	(2,057)	(15,970)	(11,214)	(15,961)
Cash from Financing and Miscellaneous Sources						
Cash provided (applied):						
Dividends to stockholders	(10,000)	-	-	(5,800)	(5,700)	(5,200)
Other cash provided (applied)	(4,847)	(64,134)	(11,470)	(81)	(87)	3,054
Net cash provided by (used in) financing and miscellaneous sources	(14,847)	(64,134)	(11,470)	(5,881)	(5,787)	(2,146)
Net change in cash, cash equivalents and short-term investments	(17,244)	(5,364)	9,038	(10,713)	(5,922)	(4,801)
Cash, cash equivalents and short-term investments - beginning of year	23,903	14,715	9,276	14,055	13,958	9,475
Cash, cash equivalents and short-term investments - end of year	$ 6,659	$ 9,351	$ 18,314	$ 3,342	$ 8,036	$ 4,674

(For the year ended December 31, 2019, in thousands)	THM	PLL	TPS	DIPR	NCC	FGIU
Cash from Operations						
Premiums collected net of reinsurance	$ 69,310	$ 110,661	$ 71,745	$ 34,927	$ 35,285	$ 24,843
Net investment income	8,997	5,463	5,964	4,308	3,245	4,092
Miscellaneous income	(1,218)	(245)	4	50	42	(140)
Total	77,089	115,879	77,713	39,285	38,572	28,795
Benefit and loss related payments	42,660	64,312	37,387	18,938	18,717	13,443
Commissions, expenses paid and aggregate write-ins for deductions	23,484	25,876	25,138	13,409	13,417	9,579
Dividends paid to policyholders	117	117	117	61	61	43
Federal and foreign income taxes paid (recovered)	310	846	738	449	170	502
Total	66,571	91,151	63,380	32,857	32,365	23,567
Net cash provided by (used in) operations	10,518	24,728	14,333	6,428	6,207	5,228
Cash from Investments						
Proceeds from investments sold, matured or repaid:						
Bonds	38,212	18,600	17,469	6,012	11,951	11,155
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	-	-	-	1,028	-
Net gains or (losses) on cash, cash equivalents and short-term investments	-	-	-	-	-	-
Miscellaneous proceeds	-	-	-	-	-	-
Total investment proceeds	38,212	18,600	17,469	6,012	12,979	11,155
Cost of investments acquired:						
Bonds	24,782	28,229	21,786	16,543	14,994	17,522
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	-	-	-	43	-
Miscellaneous applications	-	491	777	-	103	4,351
Total investments acquired	24,782	28,720	22,563	16,543	15,140	21,873
Net increase (decrease) in contract loans and premium notes	-	-	-	-	-	-
Net cash provided by (used in) investments	13,430	(10,120)	(5,094)	(10,531)	(2,161)	(10,718)
Cash from Financing and Miscellaneous Sources						
Cash provided (applied):						
Dividends to stockholders	-	-	(5,300)	(3,500)	(2,700)	(3,100)
Other cash provided (applied)	3,994	(16,723)	(290)	653	(1,494)	184
Net cash provided by (used in) financing and miscellaneous sources	3,994	(16,723)	(5,590)	(2,847)	(4,194)	(2,916)
Net change in cash, cash equivalents and short-term investments	27,942	(2,115)	3,649	(6,950)	(148)	(8,406)
Cash, cash equivalents and short-term investments - beginning of year	8,175	8,029	4,839	8,305	6,071	12,226
Cash, cash equivalents and short-term investments - end of year	$ 36,117	$ 5,914	$ 8,488	$ 1,355	$ 5,923	$ 3,820

(For the year ended December 31, 2019, in thousands)	GARD	AES	DISP	NFI	SL	TES
Cash from Operations						
Premiums collected net of reinsurance	$ 24,923	$ 24,933	$ 34,906	$ 142,334	$ 218,537	$ 72,935
Net investment income	2,139	2,425	3,184	11,595	19,392	5,961
Miscellaneous income	25	30	42	156	249	(96)
Total	27,087	27,388	38,132	154,085	238,178	78,800
Benefit and loss related payments	13,426	13,365	18,711	69,361	122,657	32,543
Commissions, expenses paid and aggregate write-ins for deductions	9,574	9,583	13,419	49,832	84,335	25,870
Dividends paid to policyholders	43	43	61	226	381	117
Federal and foreign income taxes paid (recovered)	309	279	387	1,001	2,568	661
Total	23,352	23,270	32,578	120,420	209,941	59,191
Net cash provided by (used in) operations	3,735	4,118	5,554	33,665	28,237	19,609
Cash from Investments						
Proceeds from investments sold, matured or repaid:						
Bonds	3,108	3,213	9,357	33,912	80,064	11,797
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	-	-	1,627	-	-
Net gains or (losses) on cash, cash equivalents and short-term investments	-	-	-	-	-	-
Miscellaneous proceeds	-	-	-	-	-	-
Total investment proceeds	3,108	3,213	9,357	35,539	80,064	11,797
Cost of investments acquired:						
Bonds	8,818	3,964	16,863	40,382	124,564	32,273
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	-	-	956	-	-
Miscellaneous applications	-	993	1,242	8,938	2,662	390
Total investments acquired	8,818	4,957	18,105	50,276	127,226	32,663
Net increase (decrease) in contract loans and premium notes	-	-	-	-	-	-
Net cash provided by (used in) investments	(5,710)	(1,744)	(8,748)	(14,737)	(47,162)	(20,866)
Cash from Financing and Miscellaneous Sources						
Cash provided (applied):						
Dividends to stockholders	(2,200)	(2,100)	(2,900)	(9,200)	(18,300)	(5,500)
Other cash provided (applied)	107	(30)	(339)	(10,191)	7,716	(9,023)
Net cash provided by (used in) financing and miscellaneous sources	(2,093)	(2,130)	(3,239)	(19,391)	(10,584)	(14,523)
Net change in cash, cash equivalents and short-term investments	(4,068)	244	(6,433)	(463)	(29,509)	(15,780)
Cash, cash equivalents and short-term investments - beginning of year	5,689	1,939	8,717	19,682	33,093	17,951
Cash, cash equivalents and short-term investments - end of year	$ 1,621	$ 2,183	$ 2,284	$ 19,219	$ 3,584	$ 2,171

(For the year ended December 31, 2019, in thousands)	AEQ	FGIC	GUI	SIC	LYD	LTX
Cash from Operations						
Premiums collected net of reinsurance	$ (16)	$ 816	$ 12	$ (20)	$ (558)	$ 411
Net investment income	4,505	569	1,964	2,921	473	465
Miscellaneous income	-	(31)	-	-	(106)	(77)
Total	4,489	1,354	1,976	2,901	(191)	799
Benefit and loss related payments	-	965	239	(98)	1,383	(1,106)
Commissions, expenses paid and aggregate write-ins for deductions	-	(14)	-	-	(1,672)	(1,024)
Dividends paid to policyholders	-	-	-	-	-	-
Federal and foreign income taxes paid (recovered)	242	95	196	244	381	231
Total	242	1,046	435	146	92	(1,899)
Net cash provided by (used in) operations	4,247	308	1,541	2,755	(283)	2,698
Cash from Investments						
Proceeds from investments sold, matured or repaid:						
Bonds	10,409	2,053	8,654	11,584	1,536	456
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	-	-	-	-	-
Net gains or (losses) on cash, cash equivalents and short-term investments	-	-	-	1	1	1
Miscellaneous proceeds	-	-	-	-	-	-
Total investment proceeds	10,409	2,053	8,654	11,585	1,537	457
Cost of investments acquired:						
Bonds	17,467	2,518	10,017	13,781	1,856	794
Stocks	-	-	-	-	-	-
Real estate	-	-	-	-	-	-
Other invested assets	-	-	-	-	-	-
Miscellaneous applications	-	-	-	-	-	-
Total investments acquired	17,467	2,518	10,017	13,781	1,856	794
Net increase (decrease) in contract loans and premium notes	-	-	-	-	-	-
Net cash provided by (used in) investments	(7,058)	(465)	(1,363)	(2,196)	(319)	(337)
Cash from Financing and Miscellaneous Sources						
Cash provided (applied):						
Dividends to stockholders	(4,900)	-	-	(1,900)	(1,300)	(1,300)
Other cash provided (applied)	-	1,226	(3)	(77)	1,843	(1,581)
Net cash provided by (used in) financing and miscellaneous sources	(4,900)	1,226	(3)	(1,977)	543	(2,881)
Net change in cash, cash equivalents and short-term investments	(7,711)	1,069	175	(1,418)	(59)	(520)
Cash, cash equivalents and short-term investments - beginning of year	8,419	849	2,815	6,697	1,599	1,597
Cash, cash equivalents and short-term investments - end of year	$ 708	$ 1,918	$ 2,990	$ 5,279	$ 1,540	$ 1,077

Travelers Combined Pool - Combining Worksheet
Statement of Cash Flow (statutory basis)

(For the year ended December 31, 2019, in thousands)	Subtotal	Eliminations		Total
Cash from Operations				
Premiums collected net of reinsurance	$ 25,207,826	$ -		$ 25,207,826
Net investment income	3,606,987	583,600	(j)	3,023,387
Miscellaneous income	85,608	3	(n)	85,605
Total	28,900,421	583,603		28,316,818
Benefit and loss related payments	13,456,123	-		13,456,123
Commissions, expenses paid and aggregate write-ins for deductions	9,603,906	-		9,603,906
Dividends paid to policyholders	43,334	-		43,334
Federal and foreign income taxes paid (recovered)	418,427	-		418,427
Total	23,521,790	-		23,521,790
Net cash provided by (used in) operations	5,378,631	583,603		4,795,028
Cash from Investments				
Proceeds from investments sold, matured or repaid:				
Bonds	7,250,293	-		7,250,293
Stocks	137,661	-		137,661
Real estate	-	-		-
Other invested assets	420,779	-		420,779
Net gains or (losses) on cash, cash equivalents and short-term investments	51	-		51
Miscellaneous proceeds	231,467	-		231,467
Total investment proceeds	8,040,251	-		8,040,251
Cost of investments acquired:				
Bonds	8,759,050	-		8,759,050
Stocks	80,902	-		80,902
Real estate	109,330	-		109,330
Other invested assets	443,892	-		443,892
Miscellaneous applications	122,552	-		122,552
Total investments acquired	9,515,726	-		9,515,726
Net increase (decrease) in contract loans and premium notes	(438)	-		(438)
Net cash provided by (used in) investments	(1,475,037)	-		(1,475,037)
Cash from Financing and Miscellaneous Sources				
Cash provided (applied):				
Dividends to stockholders	(3,083,600)	(583,600)	(j)	(2,500,000)
Other cash provided (applied)	5,196	(3)	(n)	5,199
Net cash provided by (used in) financing and miscellaneous sources	(3,078,404)	(583,603)		(2,494,801)
Net change in cash, cash equivalents and short-term investments	825,190	-		825,190
Cash, cash equivalents and short-term investments - beginning of year	1,847,517	-		1,847,517
Cash, cash equivalents and short-term investments - end of year	$ 2,672,707	$ -		$ 2,672,707

TRAVELERS COMBINED POOL

Combining Worksheets - Eliminating Entry Explanations

Explanation:

(a) Elimination of statutory equity of subsidiary insurance affiliates included in the Combined Pool.

(b) Netting of current and deferred federal and foreign income tax assets and liabilities.

(c) Netting of intercompany premiums receivable and payable between insurance affiliates included in the Combined Pool.

(d) Netting of intercompany paid loss and LAE receivable and payable between insurance affiliates included in the Combined Pool.

(e) Netting of intercompany receivable and payable.

(f) Elimination of write-ins for other than special surplus funds of subsidiary insurance affiliates included in the Combined Pool.

(g) Elimination of capital stock of subsidiary insurance affiliates included in the Combined Pool.

(h) Elimination of gross paid in and contributed surplus of subsidiary insurance affiliates included in the Combined Pool.

(i) Elimination of unassigned funds (surplus) of subsidiary insurance affiliates included in the Combined Pool.

(j) Elimination of dividends paid by subsidiary insurance affiliates included in the Combined Pool.

(k) Elimination of beginning statutory equity of subsidiary insurance affiliates included in the Combined Pool.

(l) Elimination of subsidiary special surplus from retroactive reinsurance.

(m) Elimination of capital gain associated with a common stock dividend of subsidiaries within the Combined Pool.

(n) Elimination of net gains from sales between insurance affiliates included in the Combined Pool.

(o) Transfer of net unamortized gain from unassigned funds (surplus) to restricted surplus resulting from sale/leaseback transactions.

(p) Elimination of cost and proceeds on investment transfers between insurance affiliates included in the Combined Pool.

See accompanying Independent Auditors' Report

TRAVELERS COMBINED POOL

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings 1 Amount	Gross Investment Holdings 2 Percentage of Column 1 Line 13	Admitted Assets as Reported in the Annual Statement 3 Amount	Admitted Assets as Reported in the Annual Statement 4 Securities Lending Reinvested Collateral Amount	Admitted Assets as Reported in the Annual Statement 5 Total (Col. 3 + 4) Amount	Admitted Assets as Reported in the Annual Statement 6 Percentage of Column 5 Line 13
1. Long-Term Bonds (Schedule D, Part 1):						
1.01 U.S. Governments	3,284,286,986	4.6	3,284,286,986	142,376,455	3,426,663,441	4.9
1.02 All Other Governments	548,797,931	0.8	548,797,931	0	548,797,931	0.8
1.03 U.S. States, Territories and Possessions, etc., Guaranteed	1,338,332,583	1.9	1,338,332,583	0	1,338,332,583	1.9
1.04 U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed	17,643,404,781	25.0	17,643,404,781	0	17,643,404,781	25.0
1.05 U.S. Special Revenue and Special Assessment Obligations, etc., Non-Guaranteed	13,320,934,484	18.8	13,320,934,484	0	13,320,934,484	18.9
1.06 Industrial and Miscellaneous	23,275,391,634	32.9	23,275,391,634	0	23,275,391,634	33.0
1.07 Hybrid Securities	0	0.0	0	0	0	0.0
1.08 Parent, Subsidiaries and Affiliates	0	0.0	0	0	0	0.0
1.09 SVO Identified Funds	0	0.0	0	0	0	0.0
1.10 Unaffiliated Bank Loans	66,806,336	0.1	66,806,336	0	66,806,336	0.1
1.11 Total Long-Term Bonds	59,477,954,734	84.2	59,477,954,734	142,376,455	59,620,331,189	84.6
2. Preferred Stocks (Schedule D, Part 2, Section 1):						
2.01 Industrial and Misc. (Unaffiliated)	39,794,906	0.1	39,794,906	0	39,794,906	0.1
2.02 Parent, Subsidiaries and Affiliates	0	0.0	0	0	0	0.0
2.03 Total Preferred Stock	39,794,906	0.1	39,794,906	0	39,794,906	0.1
3. Common Stocks (Schedule D, Part 2, Section 2):						
3.01 Industrial and Miscellaneous Publicly Traded (Unaffiliated)	110,832,239	0.2	110,832,239	0	110,832,239	0.2
3.02 Industrial and Miscellaneous Other (Unaffiliated)	4,463,138	0.0	4,463,138	0	4,463,138	0.0
3.03 Parent, Subsidiaries and Affiliates Publicly Traded	0	0.0	0	0	0	0.0
3.04 Parent, Subsidiaries and Affiliates Other	3,553,726,116	5.0	3,534,541,569	0	3,534,541,569	5.0
3.05 Mutual Funds	0	0.0	0	0	0	0.0
3.06 Unit Investment Trusts	0	0.0	0	0	0	0.0
3.07 Closed-End Funds	0	0.0	0	0	0	0.0
3.08 Total Common Stocks	3,669,021,493	5.2	3,649,836,946	0	3,649,836,946	5.2
4. Mortgage Loans Schedule B):						
4.01 Farm Mortgages	0	0.0	0	0	0	0.0
4.02 Residential Mortgages	0	0.0	0	0	0	0.0
4.03 Commercial Mortgages	0	0.0	0	0	0	0.0
4.04 Mezzanine Real Estate Loans	0	0.0	0	0	0	0.0
4.05 Total Valuation Allowance	0	0.0	0	0	0	0.0
4.06 Total Mortgage Loans	0	0.0	0	0	0	0.0
5. Real Estate (Schedule A):						
5.01 Properties Occupied by Company	368,592,701	0.5	368,592,701	0	368,592,701	0.5
5.02 Properties Held for Production of Income	906,520,697	1.3	906,520,697	0	906,520,697	1.3
5.03 Properties Held for Sale	0	0.0	0	0	0	0.0
5.04 Total Real Estate	1,275,113,398	1.8	1,275,113,398	0	1,275,113,398	1.8
6. Cash, Cash Equivalents, and Short-Term Investments::						
6.01 Cash (Schedule E, Part 1)	(694,281,932)	(1.0)	(694,281,932)	0	(694,281,932)	(1.0)
6.02 Cash Equivalents (Schedule E, Part 2)	0	0.0	0	0	0	0.0
6.03 Short-Term Investments (Schedule DA)	3,439,473,878	4.9	3,439,473,878	0	3,439,473,878	4.9
6.04 Total Cash, Cash Equivalents, and Short-Term Investments	2,745,191,946	3.9	2,745,191,946	0	2,745,191,946	3.9
7. Contract Loans	922,835	0.0	0	0	0	0.0
8. Derivatives (Schedule DB)	0	0.0	0	0	0	0.0
9. Other Invested Assets (Schedule BA)	3,376,933,425	4.8	3,232,069,866	0	3,232,069,866	4.6
10. Receivables for Securities	542,157	0.0	542,157	0	542,157	0.0
11. Securities Lending (Schedule DL, Part 1)	142,376,455	0.2	142,376,455	XXX	XXX	XXX
12. Other Invested Assets (Page 2, Line 11)	(53,205,062)	(0.1)	(53,205,062)	0	(53,205,062)	(0.1)
13. Total Invested Assets	70,674,646,286	100.0	70,509,675,345	142,376,455	70,509,675,345	100.0

SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES

For the year ended December 31, 2020
Of TRAVELERS COMBINED POOL

Address (City, State, Zip Code): HARTFORD, CT 06183

The Investment Risks Interrogatories are to be filed by April 1. They are also to be included with the Audited Statutory Financial Statements.

Answer the following interrogatories by reporting the applicable U.S. dollar amounts and percentages of the reporting entity's total admitted assets held in that category of investments.

1. Reporting entity's total admitted assets as reported on Page 2 of this annual statement. $ 79,773,353,000

2. Ten largest exposures to a single issuer/borrower/investment.

	1 Issuer	2 Description of Exposure	3 Amount	4 Percentage of Total Admitted Assets
2.01	TRAVELERS M MKT LIQUIDITY POOL	PRIVATE SHORT-TERM INVESTMENT POOL	$ 3,420,019,820	4.3 %
2.02	TRAVELERS CAS & SUR CO OF AMERICA	COMMON STK	$ 2,091,034,607	2.6 %
2.03	8527512 CANADA INC	COMMON STK	$ 826,417,798	1.0 %
2.04	FANNIE MAE (ULTIMATE COMPANY)	BOND	$ 649,192,190	0.8 %
2.05	FREDDIE MAC (ULTIMATE COMPANY)	BOND	$ 548,291,963	0.7 %
2.06	TRAVELERS INSURANCE COMPANY OF CANADA	COMMON STK	$ 363,885,622	0.5 %
2.07	VIRGINIA ST PUB SCH AUTH REV	BOND	$ 328,570,380	0.4 %
2.08	EXXON MOBIL CORP	BOND	$ 292,025,103	0.4 %
2.09	CHEVRON CORP	BOND	$ 285,405,210	0.4 %
2.10	HARVARD UNIVERSITY	BOND	$ 279,106,399	0.3 %

3. Amounts and percentages of the reporting entity's total admitted assets held in bonds and preferred stocks by NAIC designation.

	Bonds	1	2
3.01	NAIC 1	$53,003,178,737	66.4 %
3.02	NAIC 2	$ 8,603,589,223	10.8 %
3.03	NAIC 3	$ 894,552,439	1.1 %
3.04	NAIC 4	$ 326,619,120	0.4 %
3.05	NAIC 5	$ 89,483,367	0.1 %
3.06	NAIC 6	$ 5,726	0.0 %
	Preferred Stocks	**3**	**4**
3.07	P/RP-1	$ 1,054,310	0.0 %
3.08	P/RP-2	$ 28,138,873	0.0 %
3.09	P/RP-3	$ 10,601,723	0.0 %
3.10	P/RP-4	$ 0	0.0 %
3.11	P/RP-5	$ 0	0.0 %
3.12	P/RP-6	$ 0	0.0 %

4. Assets held in foreign investments:

4.01 Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets? Yes [ ] No [X]

If response to 4.01 above is yes, responses are not required for interrogatories 5-10.

4.02	Total admitted assets held in foreign investments	$ 2,556,331,094	3.2 %
4.03	Foreign-currency-denominated investments	$ 97,044,503	0.1 %
4.04	Insurance liabilities denominated in that same foreign currency	$ 0	0.0 %

5. Aggregate foreign investment exposure categorized by NAIC sovereign designation:

		1	2
5.01	Countries designated NAIC 1	$ 2,448,096,906	3.1 %
5.02	Countries designated NAIC 2	$ 95,409,657	0.1 %
5.03	Countries designated NAIC 3 or below	$ 12,824,531	0.0 %

6. Largest foreign investment exposures by country, categorized by the country's NAIC sovereign designation:

	Countries designated NAIC 1:	1	2
6.01	Country 1: UNITED KINGDOM	$ 662,321,738	0.8 %
6.02	Country 2: NETHERLANDS	$ 453,506,514	0.6 %
	Countries designated NAIC 2:		
6.03	Country 1: MEXICO	$ 81,443,481	0.1 %
6.04	Country 2: CURACAO	$ 13,966,176	0.0 %
	Countries designated NAIC 3 or below:		
6.05	Country 1: LIBERIA	$ 11,309,531	0.0 %
6.06	Country 2: BAHAMAS	$ 1,515,000	0.0 %

		1	2
7.	Aggregate unhedged foreign currency exposure	$ 97,044,503	0.1 %

8. Aggregate unhedged foreign currency exposure categorized by NAIC sovereign designation:

		1	2
8.01	Countries designated NAIC 1	$ 93,502,542	0.1 %
8.02	Countries designated NAIC 2	$ 0	0.0 %
8.03	Countries designated NAIC 3 or below	$ 3,541,961	0.0 %

9. Largest unhedged foreign currency exposures by country, categorized by the country's NAIC sovereign designation:

		1	2
	Countries designated NAIC 1:		
9.01	Country 1: EUROPEAN UNION	$ 48,398,377	0.1 %
9.02	Country 2: UNITED KINGDOM	$ 41,272,809	0.1 %
	Countries designated NAIC 2:		
9.03	Country 1:	$ 0	0.0 %
9.04	Country 2:	$ 0	0.0 %
	Countries designated NAIC 3 or below:		
9.05	Country 1: BRAZIL	$ 3,541,961	0.0 %
9.06	Country 2:	$ 0	0.0 %

10. Ten largest non-sovereign (i.e. non-governmental) foreign issues:

	1 Issuer	2 NAIC Designation	3	4
10.01	ROYAL DUTCH SHELL PLC	1.D FE & 1.E FE	$ 121,179,938	0.2 %
10.02	TOTAL SA	1.D FE & 1.E FE	$ 89,945,213	0.1 %
10.03	DIAGEO PLC	1.G FE	$ 87,252,437	0.1 %
10.04	FEDERAL REPUBLIC OF GERMANY	1.A FE	$ 81,998,060	0.1 %
10.05	COMMONWEALTH BANK OF AUSTRALIA	1.A FE & 1.D FE 1.E FE	$ 71,249,615	0.1 %
10.06	SIEMENS AG	1.E FE	$ 69,595,377	0.1 %
10.07	EQUINOR ASA	1.D FE	$ 65,344,071	0.1 %
10.08	SANOFI	1.E FE	$ 65,011,969	0.1 %
10.09	ASTRAZENECA PLC	2.A FE	$ 60,697,014	0.1 %
10.10	TRANE TECHNOLOGIES PLC	2.B FE	$ 59,297,888	0.1 %

11. Amounts and percentages of the reporting entity's total admitted assets held in Canadian investments and unhedged Canadian currency exposure:

11.01 Are assets held in Canadian investments less than 2.5% of the reporting entity's total admitted assets? Yes [ ] No [X]

If response to 11.01 is yes, detail is not required for the remainder of Interrogatory 11.

		1	2
11.02	Total admitted assets held in Canadian Investments	$ 2,187,289,380	2.7 %
11.03	Canadian currency-denominated investments	$ 552,260,096	0.7 %
11.04	Canadian-denominated insurance liabilities	$ 0	0.0 %
11.05	Unhedged Canadian currency exposure	$ 552,260,096	0.7 %

12. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments with contractual sales restrictions.

12.01 Are assets held in investments with contractual sales restrictions less than 2.5% of the reporting entity's total admitted assets? Yes [X] No [ ]

If response to 12.01 is yes, responses are not required for the remainder of Interrogatory 12.

		1	2	3
12.02	Aggregate statement value of investments with contractual sales restrictions	$ 0	0.0 %	
	Largest three investments with contractual sales restrictions:			
12.03		$ 0	0.0 %	
12.04		$ 0	0.0 %	
12.05		$ 0	0.0 %	

13. Amounts and percentages of admitted assets held in the ten largest equity interests:

13.01 Are assets held in equity interest less than 2.5% of the reporting entity's total admitted assets? Yes [ ] No [X]

If response to 13.01 above is yes, responses are not required for the remainder of Interrogatory 13.

	1 Name of Issuer	2	3
13.02	TRAVELERS CAS & SUR CO OF AMERICA	$ 2,091,034,607	2.6 %
13.03	8527512 CANADA INC	$ 826,417,798	1.0 %
13.04	TRAVELERS INSURANCE CO OF CANADA	$ 363,885,622	0.5 %
13.05	TRAVELERS INDEMNITY UK INVESTMENTS LLC	$ 188,694,451	0.2 %
13.06	FIRST FLORIDIAN AUTO & HOME INS CO	$ 164,387,099	0.2 %
13.07	GOLDENTREE ASSET MANAGEMENT	$ 124,660,299	0.2 %
13.08	BLACKSTONE GROUP	$ 90,574,167	0.1 %
13.09	TINDY FOREIGN INC	$ 88,802,941	0.1 %
13.10	CONSTITUTION STATE SERVICE LLC	$ 76,553,819	0.1 %
13.11	K1 CAPITAL ADVISORS	$ 71,117,936	0.1 %

14. Amounts and percentages of the reporting entity's total admitted assets held in nonaffiliated, privately placed equities:

14.01 Are assets held in nonaffiliated, privately placed equities less than 2.5% of the reporting entity's total admitted assets? Yes [ ] No [X]

If response to 14.01 above is yes, responses are not required for 14.02 through 14.05.

		1	2	3
14.02	Aggregate statement value of investments held in nonaffiliated, privately placed equities	$ 2,910,468,301	3.6 %	
	Largest three investments held in nonaffiliated, privately placed equities:			
14.03	GOLDENTREE ASSET MANAGEMENT	$ 124,660,299	0.2 %	
14.04	BLACKSTONE GROUP	$ 90,574,167	0.1 %	
14.05	K1 CAPITAL ADVISORS	$ 71,117,936	0.1 %	

Ten Largest Fund Managers

	1 Fund Manager	2 Total Invested	3 Diversified	4 Non-Diversified
14.06		$ 0	$ 0	$ 0
14.07		$ 0	$ 0	$ 0
14.08		$ 0	$ 0	$ 0
14.09		$ 0	$ 0	$ 0
14.10		$ 0	$ 0	$ 0
14.11		$ 0	$ 0	$ 0
14.12		$ 0	$ 0	$ 0
14.13		$ 0	$ 0	$ 0
14.14		$ 0	$ 0	$ 0
14.15		$ 0	$ 0	$ 0

15. Amounts and percentages of the reporting entity's total admitted assets held in general partnership interests:

15.01 Are assets held in general partnership interests less than 2.5% of the reporting entity's total admitted assets? Yes [X] No [ ]

If response to 15.01 above is yes, responses are not required for the remainder of Interrogatory 15.

	1	2	3
15.02	Aggregate statement value of investments held in general partnership interests	$ 0	0.0 %
	Largest three investments in general partnership interests:		
15.03		$ 0	0.0 %
15.04		$ 0	0.0 %
15.05		$ 0	0.0 %

16. Amounts and percentages of the reporting entity's total admitted assets held in mortgage loans:

16.01 Are mortgage loans reported in Schedule B less than 2.5% of the reporting entity's total admitted assets? Yes [X] No [ ]

If response to 16.01 above is yes, responses are not required for the remainder of Interrogatory 16 and Interrogatory 17.

	1 Type (Residential, Commercial, Agricultural)	2	3
16.02		$ 0	0.0 %
16.03		$ 0	0.0 %
16.04		$ 0	0.0 %
16.05		$ 0	0.0 %
16.06		$ 0	0.0 %
16.07		$ 0	0.0 %
16.08		$ 0	0.0 %
16.09		$ 0	0.0 %
16.10		$ 0	0.0 %
16.11		$ 0	0.0 %

Amount and percentage of the reporting entity's total admitted assets held in the following categories of mortgage loans:

		Loans	
16.12	Construction loans	$ 0	0.0 %
16.13	Mortgage loans over 90 days past due	$ 0	0.0 %
16.14	Mortgage loans in the process of foreclosure	$ 0	0.0 %
16.15	Mortgage loans foreclosed	$ 0	0.0 %
16.16	Restructured mortgage loans	$ 0	0.0 %

17. Aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:

Loan-to-Value	Residential		Commercial		Agricultural	
	1	2	3	4	5	6
17.01 above 95%	$ 0	0.0 %	$ 0	0.0 %	$ 0	0.0 %
17.02 91% to 95%	$ 0	0.0 %	$ 0	0.0 %	$ 0	0.0 %
17.03 81% to 90%	$ 0	0.0 %	$ 0	0.0 %	$ 0	0.0 %
17.04 71% to 80%	$ 0	0.0 %	$ 0	0.0 %	$ 0	0.0 %
17.05 below 70%	$ 0	0.0 %	$ 0	0.0 %	$ 0	0.0 %

18. Amounts and percentages of the reporting entity's total admitted assets held in each of the five largest investments in real estate:

18.01 Are assets held in real estate reported less than 2.5% of the reporting entity's total admitted assets? Yes [X] No [ ]

If response to 18.01 above is yes, responses are not required for the remainder of Interrogatory 18.

Largest five investments in any one parcel or group of contiguous parcels of real estate:

	Description	2	3
18.02		$ 0	0.0 %
18.03		$ 0	0.0 %
18.04		$ 0	0.0 %
18.05		$ 0	0.0 %
18.06		$ 0	0.0 %

19. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments held in mezzanine real estate loans.

19.01 Are assets held in investments held in mezzanine real estate loans less than 2.5% of the reporting entity's admitted assets? Yes [X] No [ ]

If response to 19.01 is yes, responses are not required for the remainder of Interrogatory 19.

	1	2	3
19.02	Aggregate statement value of investments held in mezzanine real estate loans	$ 0	0.0 %
	Largest three investments held in mezzanine real estate loans:		
19.03		$ 0	0.0 %
19.04		$ 0	0.0 %
19.05		$ 0	0.0 %

20. Amounts and percentages of the reporting entity's total admitted assets subject to the following types of agreements:

		At Year-End		At End of Each Quarter		
				1st Qtr	2nd Qtr	3rd Qtr
		1	2	3	4	5
20.01	Securities lending agreements (do not include assets held as collateral for such transactions)	$ 129,343,825	0.2 %	$ 340,943,609	$ 269,625,339	$ 171,825,671
20.02	Repurchase agreements	$ 0	0.0 %	$ 0	$ 0	$ 0
20.03	Reverse repurchase agreements	$ 0	0.0 %	$ 0	$ 0	$ 0
20.04	Dollar repurchase agreements	$ 0	0.0 %	$ 0	$ 0	$ 0
20.05	Dollar reverse repurchase agreements	$ 0	0.0 %	$ 0	$ 0	$ 0

21. Amounts and percentages of the reporting entity's total admitted assets for warrants not attached to other financial instruments, options, caps and floors:

		Owned		Written	
		1	2	3	4
21.01	Hedging	$ 0	0.0 %	$ 0	0.0 %
21.02	Income generation	$ 0	0.0 %	$ 0	0.0 %
21.03	Other	$ 0	0.0 %	$ 0	0.0 %

22. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for collars, swaps, and forwards:

		At Year-End		At End of Each Quarter		
				1st Qtr	2nd Qtr	3rd Qtr
		1	2	3	4	5
22.01	Hedging	$ 0	0.0 %	$ 0	$ 0	$ 0
22.02	Income generation	$ 0	0.0 %	$ 0	$ 0	$ 0
22.03	Replications	$ 0	0.0 %	$ 0	$ 0	$ 0
22.04	Other	$ 0	0.0 %	$ 0	$ 0	$ 0

23. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for futures contracts:

		At Year-End		At End of Each Quarter		
				1st Qtr	2nd Qtr	3rd Qtr
		1	2	3	4	5
23.01	Hedging	$ 0	0.0 %	$ 0	$ 0	$ 0
23.02	Income generation	$ 0	0.0 %	$ 0	$ 0	$ 0
23.03	Replications	$ 0	0.0 %	$ 0	$ 0	$ 0
23.04	Other	$ 0	0.0 %	$ 0	$ 0	$ 0

PROPERTY AND CASUALTY INTERROGATORIES RELATING TO REINSURANCE

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 [X]	No [ ]
2.	If yes, indicate the number of reinsurance contracts containing such provisions.	5	
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 [X]	No [ ]
4.	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]
5.	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 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. This disclosure is limited to reinsurance contracts with written premium cessions or loss and loss expense reserve cessions described in this paragraph that meet the criteria of paragraph 95.a or paragraph 95.b of SSAP No. 62R, *Property and Casualty Reinsurance*, to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member. (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]
6.	Except for transactions meeting the requirements of paragraph 36 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]

TRAVELERS COMBINED POOL

TRV CONSOLIDATED FEDERAL INCOME TAX RETURN FILING: LIST OF INCLUDED COMPANIES

Companies included with The Travelers Companies, Inc. (TRV) in the December 31, 2020 consolidated federal income tax return filing:

Company Name	EIN	Company Name	EIN
American Equity Insurance Company	86-0703220	The Travelers Casualty Company	41-1435765
American Equity Specialty Insurance Company	86-0868106	The Travelers Home and Marine Insurance Company	35-1838079
BMR Sports Properties, Inc.	52-1852190	The Travelers Indemnity Company	06-0566050
Camperdown Corporation	41-1762781	The Travelers Indemnity Company of America	58-6020487
Discover Property & Casualty Insurance Company	36-2999370	The Travelers Indemnity Company of Connecticut	06-0336212
Discover Specialty Insurance Company	52-1925132	The Travelers Lloyds Insurance Company	76-0002592
English Turn Fidelity Realty, Inc.	52-1466734	TINDY Foreign, Inc.	20-4403403
English Turn Realty Management, Inc.	52-1715225	TPC Investments, Inc.	06-1534005
Farmington Casualty Company	06-1067463	TravCo Insurance Company	35-1838077
Fidelity and Guaranty Insurance Company	42-1091525	Travelers (Bermuda) Limited	98-0190863
Fidelity and Guaranty Insurance Underwriters, Inc.	52-0616768	Travelers Casualty and Surety Company	06-6033504
First Floridian Auto and Home Insurance Company	59-3372141	Travelers Casualty and Surety Company of America	06-0907370
Gulf Underwriters Insurance Company	56-1371361	Travelers Casualty Company of Connecticut	06-1286266
Laurel Village Fidelity Realty, Inc.	52-1551225	Travelers Casualty Insurance Company of America	06-0876835
Northbrook Holdings, Inc.	51-0375653	Travelers Commercial Casualty Company	95-3634110
Northfield Insurance Company	41-0983992	Travelers Commercial Insurance Company	06-1286268
Northland Casualty Company	94-6051964	Travelers Constitution State Insurance Company	41-1435766
Northland Insurance Company	41-6009967	Travelers Distribution Alliance, Inc.	62-1657094
Select Insurance Company	75-6013697	Travelers Excess and Surplus Lines Company	06-1203698
Simply Business Holdings, Inc.	37-1839380	Travelers Global, Inc.	47-2215437
Simply Business, Inc.	30-0956205	Travelers Insurance Group Holdings Inc.	06-1445591
SPC Insurance Agency, Inc.	41-1888760	Travelers Lloyds Management Company	20-4312440
St. Paul Fire and Marine Insurance Company	41-0406690	Travelers Lloyds of Texas Insurance Company	75-1732040
St. Paul Guardian Insurance Company	41-0963301	Travelers MGA, Inc.	75-2676034
St. Paul Mercury Insurance Company	41-0881659	Travelers Personal Insurance Company	36-3703200
St. Paul Protective Insurance Company	36-2542404	Travelers Personal Security Insurance Company	06-1286264
St. Paul Surplus Lines Insurance Company	41-1230819	Travelers Property Casualty Company of America	36-2719165
TCI Global Services, Inc.	52-1965525	Travelers Property Casualty Corp.	06-1008174
The Automobile Insurance Company of Hartford, Connecticut	06-0848755	Travelers Property Casualty Insurance Company	06-1286274
The Charter Oak Fire Insurance Company	06-0291290	Travelers Texas MGA, Inc.	27-4469564
The Phoenix Insurance Company	06-0303275	United States Fidelity and Guaranty Company	52-0515280
The Standard Fire Insurance Company	06-6033509	USF&G Retail Associates GP, Inc.	52-1704255
		Yonkers Financing Corp.	20-3033027