* 1 9 0 7 0 2 0 1 8 2 0 1 0 0 1 0 0 *

PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

For the Year Ended December 31, 2018

OF THE CONDITION AND AFFAIRS OF

THE STANDARD FIRE INSURANCE COMPANY

NAIC Group Code 3548 3548 NAIC Company Code 19070 Employer's ID Number 06-6033509
(Current Period) (Prior Period)

Organized under the Laws of Connecticut, State of Domicile or Port of Entry Connecticut, Country of Domicile US

INCORPORATED/ORGANIZED, JULY 6, 1905 COMMENCED BUSINESS, MARCH 26, 1910

Statutory Home Office: **One Tower Square, Hartford, CT, US 06183**
Main Administrative Office: **One Tower Square, Hartford, CT, US 06183 (860) 277-0111**
Mail Address: **One Tower Square, Hartford, CT, US 06183**
Primary Location of Books and Records: **One Tower Square, Hartford, CT, US 06183 (860) 277-0111**
Internet Website Address: **www.travelers.com**
Statutory Statement Contact: **Michael J. Doody (860) 277-3966**
Annual.Statement.Contact@travelers.com (844) 816-9447
(E-Mail Address) (Fax Number)

OFFICERS

Name	Title	Name	Title
1. # NICHOLAS SEMINARA	President	# CHRISTINE KUCERA KALLA	Executive Vice President, General Counsel & Chief Ethics & Compliance Officer
2. # JAY STEVEN BENET	Vice Chairman	# MOJGAN MEHDIAN LEFEBVRE	Executive Vice President & Chief Information Officer, Enterprise Operations and eBusiness
3. WILLIAM HERBERT HEYMAN	Vice Chairman & Chief Investment Officer	DOUGLAS KEITH BELL	Senior Vice President, Accounting Policy
4. AVROHOM YAAKOV KESS	Vice Chairman & Chief Legal Officer	# DOUGLAS KENNETH RUSSELL	Senior Vice President, Treasurer & Corporate Controller
5. ANDY FRANCIS BESSETTE	Executive Vice President & Chief Administrative Officer	SCOTT WILLIAM RYNDA	Senior Vice President, Corporate Tax
6. # DANIEL STEPHEN FREY	Executive Vice President & Chief Financial Officer	# JULIE MARIE JOYCE	Vice President & Chief Corporate Actuary
7. BRUCE RICHARD JONES	Executive Vice President, Enterprise Risk Management & Chief Risk Officer	WENDY CONSTANCE SKJERVEN	Vice President, Corporate Secretary & Group General Counsel

DIRECTORS

# DANIEL STEPHEN FREY	# CHRISTINE KUCERA KALLA	GREGORY CHESHIRE TOCZYDLOWSKI
WILLIAM HERBERT HEYMAN	# NICHOLAS SEMINARA	

STATE OF CONNECTICUT
COUNTY OF HARTFORD } ss:

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

Nicholas Seminara	Wendy C. Skjerven	Douglas K. Russell
President	Secretary	Controller

Subscribed and sworn to before me this

22nd day of January, 2019

Notary Public

My Commission Expires September 30, 2022

SANDRA M. BACHMAN NOTARY PUBLIC CONNECTICUT

a. Is this an original filing? Yes ☒ No ☐
b. If no: 1. State the amendment number
2. Date filed
3. Number of pages attached

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	2,461,829,108	0	2,461,829,108	2,197,515,182
2. Stocks (Schedule D):				
2.1 Preferred stocks	0	0	0	0
2.2 Common stocks	501,520,067	1,112,187	500,407,880	505,136,502
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	0	0	0	0
3.2 Other than first liens	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $.....0 encumbrances)	0	0	0	0
4.2 Properties held for the production of income (less $.....0 encumbrances)	0	0	0	0
4.3 Properties held for sale (less $.....0 encumbrances)	0	0	0	0
5. Cash ($.....0, Schedule E-Part 1), cash equivalents ($.....0, Schedule E-Part 2) and short-term investments ($.....134,288,143, Schedule DA)	134,288,143	0	134,288,143	196,526,269
6. Contract loans (including $.....0 premium notes)	0	0	0	0
7. Derivatives (Schedule DB)	0	0	0	0
8. Other invested assets (Schedule BA)	238,847,211	18,895,537	219,951,674	296,002,454
9. Receivables for securities	58,124	0	58,124	0
10. Securities lending reinvested collateral assets (Schedule DL)	40,897,972	0	40,897,972	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	3,377,440,625	20,007,724	3,357,432,900	3,195,180,407
13. Title plants less $.....0 charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	22,967,211	0	22,967,211	21,242,755
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	75,751,625	8,226,906	67,524,719	62,216,337
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....6,266,506 earned but unbilled premiums)	244,990,512	1,296,438	243,694,074	234,104,388
15.3 Accrued retrospective premiums ($.....0) and contracts subject to redetermination ($.....0)	4,490,077	456,449	4,033,628	4,175,544
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	150,335,907	0	150,335,907	141,046,535
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0	0
18.2 Net deferred tax asset	49,565,591	9,894,981	39,670,610	44,618,802
19. Guaranty funds receivable or on deposit	1,028,984	0	1,028,984	1,002,618
20. Electronic data processing equipment and software	11,842,033	0	11,842,033	10,801,854
21. Furniture and equipment, including health care delivery assets ($.....0)	205,192	205,192	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates	16,237,946	0	16,237,946	32,275,041
24. Health care ($.....0) and other amounts receivable	0	0	0	0
25. Aggregate write-ins for other-than-invested assets	20,737,486	322,358	20,415,128	19,699,562
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	3,975,593,190	40,410,049	3,935,183,141	3,766,363,844
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28. TOTAL (Lines 26 and 27)	3,975,593,190	40,410,049	3,935,183,141	3,766,363,844

DETAILS OF WRITE-INS

1101.	0	0	0	0
1102.	0	0	0	0
1103.	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Other assets	10,052,617	0	10,052,617	10,034,779
2502. Equities and deposits in pools and associations	4,403,769	0	4,403,769	4,157,228
2503. Amounts receivable under high deductible policies	3,207,431	322,358	2,885,072	2,380,078
2598. Summary of remaining write-ins for Line 25 from overflow page	3,073,669	0	3,073,669	3,127,477
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	20,737,486	322,358	20,415,128	19,699,562

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Losses (Part 2A, Line 35, Column 8)	1,518,937,876	1,469,385,087
2.	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	68,953,784	64,391,173
3.	Loss adjustment expenses (Part 2A, Line 35, Column 9)	348,569,397	341,615,519
4.	Commissions payable, contingent commissions and other similar charges	36,555,018	34,071,600
5.	Other expenses (excluding taxes, licenses and fees)	29,683,395	30,031,575
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	15,667,231	16,657,217
7.1	Current federal and foreign income taxes (including $.....(61,983,778) on realized capital gains (losses))	1,839,923	1,848,154
7.2	Net deferred tax liability	0	0
8.	Borrowed money $.....0 and interest thereon $.....0	0	0
9.	Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of $.....1,358,768,310 and including warranty reserves of $.....0 and accrued accident and health experience rating refunds including $.....0 for medical loss ratio rebate per the Public Health Service Act)	528,756,559	502,389,869
10.	Advance premium	0	0
11.	Dividends declared and unpaid:		
	11.1 Stockholders	0	0
	11.2 Policyholders	2,970,535	2,757,517
12.	Ceded reinsurance premiums payable (net of ceding commissions)	116,018,817	105,696,063
13.	Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)	0	0
14.	Amounts withheld or retained by company for account of others	2,033,413	2,632,298
15.	Remittances and items not allocated	234,935	181,791
16.	Provision for reinsurance (including $.....0 certified) (Schedule F, Part 3, Column 78)	0	0
17.	Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18.	Drafts outstanding	0	0
19.	Payable to parent, subsidiaries and affiliates	0	0
20.	Derivatives	0	0
21.	Payable for securities	4,975,025	8,000,000
22.	Payable for securities lending	40,897,972	0
23.	Liability for amounts held under uninsured plans	0	0
24.	Capital notes $.....0 and interest thereon $.....0	0	0
25.	Aggregate write-ins for liabilities	(2,395,716)	(2,773,593)
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	2,713,698,163	2,576,884,269
27.	Protected cell liabilities	0	0
28.	Total liabilities (Lines 26 and 27)	2,713,698,163	2,576,884,269
29.	Aggregate write-ins for special surplus funds	2,497,051	2,875,544
30.	Common capital stock	5,000,000	5,000,000
31.	Preferred capital stock	0	0
32.	Aggregate write-ins for other-than-special surplus funds	0	0
33.	Surplus notes	0	0
34.	Gross paid in and contributed surplus	623,472,070	623,472,070
35.	Unassigned funds (surplus)	590,515,857	558,131,961
36.	Less treasury stock, at cost:		
	36.1 .....0.000 shares common (value included in Line 30 $.....0)	0	0
	36.2 .....0.000 shares preferred (value included in Line 31 $.....0)	0	0
37.	Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	1,221,484,978	1,189,479,575
38.	TOTAL (Page 2, Line 28, Col. 3)	3,935,183,141	3,766,363,844

DETAILS OF WRITE-INS

2501.	Retroactive reinsurance reserve assumed	57,147	58,267
2502.	Retroactive reinsurance reserve ceded	(2,452,863)	(2,831,860)
2503.		0	0
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0
2599.	Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	(2,395,716)	(2,773,593)
2901.	Special surplus from retroactive reinsurance	2,497,051	2,875,544
2902.		0	0
2903.		0	0
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0
2999.	Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	2,497,051	2,875,544
3201.		0	0
3202.		0	0
3203.		0	0
3298.	Summary of remaining write-ins for Line 32 from overflow page	0	0
3299.	Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

		1 Current Year	2 Prior Year
	UNDERWRITING INCOME		
1.	Premiums earned (Part 1, Line 35, Column 4)	1,139,471,786	1,083,067,589
	DEDUCTIONS:		
2.	Losses incurred (Part 2, Line 35, Column 7)	669,953,734	629,712,479
3.	Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	120,307,147	123,196,693
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2)	334,552,840	323,475,468
5.	Aggregate write-ins for underwriting deductions	0	0
6.	Total underwriting deductions (Lines 2 through 5)	1,124,813,721	1,076,384,639
7.	Net income of protected cells	0	0
8.	Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	14,658,065	6,682,949
	INVESTMENT INCOME		
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	176,409,440	145,851,668
10.	Net realized capital gains (losses) less capital gains tax of $.....5,169,151 (Exhibit of Capital Gains (Losses))	(5,228,662)	(63,801)
11.	Net investment gain (loss) (Lines 9 + 10)	171,180,777	145,787,866
	OTHER INCOME		
12.	Net gain (loss) from agents' or premium balances charged off (amount recovered $.....409,761 amount charged off $.....2,882,573)	(2,472,811)	(1,923,779)
13.	Finance and service charges not included in premiums	3,916,213	3,691,296
14.	Aggregate write-ins for miscellaneous income	(64,641)	(1,885,452)
15.	Total other income (Lines 12 through 14)	1,378,760	(117,935)
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	187,217,603	152,352,880
17.	Dividends to policyholders	2,246,259	2,196,357
18.	Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	184,971,344	150,156,523
19.	Federal and foreign income taxes incurred	17,767,485	24,727,250
20.	Net income (Line 18 minus Line 19) (to Line 22)	167,203,858	125,429,273
	CAPITAL AND SURPLUS ACCOUNT		
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	1,189,479,575	1,201,821,702
22.	Net income (from Line 20)	167,203,858	125,429,273
23.	Net transfers (to) from Protected Cell accounts	0	0
24.	Change in net unrealized capital gains or (losses) less capital gains tax of $.....(1,267,873)	(23,529,739)	(10,031,215)
25.	Change in net unrealized foreign exchange capital gain (loss)	(2,069)	0
26.	Change in net deferred income tax	907,550	(31,892,835)
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3)	(7,574,197)	15,152,649
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	0	0
29.	Change in surplus notes	0	0
30.	Surplus (contributed to) withdrawn from Protected Cells	0	0
31.	Cumulative effect of changes in accounting principles	0	0
32.	Capital changes:		
	32.1 Paid in	0	0
	32.2 Transferred from surplus (Stock Dividend)	0	0
	32.3 Transferred to surplus	0	0
33.	Surplus adjustments:		
	33.1 Paid in	0	0
	33.2 Transferred to capital (Stock Dividend)	0	0
	33.3. Transferred from capital	0	0
34.	Net remittances from or (to) Home Office	0	0
35.	Dividends to stockholders	(105,000,000)	(111,000,000)
36.	Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)	0	0
37.	Aggregate write-ins for gains and losses in surplus	0	0
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37)	32,005,403	(12,342,128)
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	1,221,484,978	1,189,479,575
	DETAILS OF WRITE-INS		
0501.		0	0
0502.		0	0
0503.		0	0
0598.	Summary of remaining write-ins for Line 5 from overflow page	0	0
0599.	Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0
1401.	Profit and loss, miscellaneous	214,977	(1,642,783)
1402.	Other assets tri-party/tax credit bond income	61,782	67,334
1403.	Fines and penalties of regulatory authorities	(22,982)	(8,982)
1498.	Summary of remaining write-ins for Line 14 from overflow page	(318,417)	(301,022)
1499.	Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	(64,641)	(1,885,452)
3701.		0	0
3702.		0	0
3703.		0	0
3798.	Summary of remaining write-ins for Line 37 from overflow page	0	0
3799.	Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0

CASH FLOW

		1 Current Year	2 Prior Year
	CASH FROM OPERATIONS		
1.	Premiums collected net of reinsurance	1,161,322,113	1,097,876,019
2.	Net investment income	183,838,496	156,881,064
3.	Miscellaneous income	1,378,760	(117,935)
4.	Total (Lines 1 through 3)	1,346,539,369	1,254,639,148
5.	Benefit and loss related payments	625,127,707	580,254,618
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7.	Commissions, expenses paid and aggregate write-ins for deductions	446,412,379	438,701,673
8.	Dividends paid to policyholders	2,033,241	1,998,727
9.	Federal and foreign income taxes paid (recovered) net of $.....(470,260) tax on capital gains (losses)	22,944,868	26,254,669
10.	Total (Lines 5 through 9)	1,096,518,195	1,047,209,686
11.	Net cash from operations (Line 4 minus Line 10)	250,021,174	207,429,462
	CASH FROM INVESTMENTS		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	368,205,799	402,007,826
	12.2 Stocks	0	1,052
	12.3 Mortgage loans	0	0
	12.4 Real estate	0	0
	12.5 Other invested assets	63,810,198	27,469,540
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
	12.7 Miscellaneous proceeds	0	0
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	432,015,997	429,478,417
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	643,373,799	461,642,232
	13.2 Stocks	0	0
	13.3 Mortgage loans	0	0
	13.4 Real estate	0	0
	13.5 Other invested assets	6,547,171	13,441,018
	13.6 Miscellaneous applications	43,981,071	3,237,909
	13.7 Total investments acquired (Lines 13.1 to 13.6)	693,902,041	478,321,158
14.	Net increase (decrease) in contract loans and premium notes	0	0
15.	Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14)	(261,886,044)	(48,842,741)
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes	0	0
	16.2 Capital and paid in surplus, less treasury stock	0	0
	16.3 Borrowed funds	0	0
	16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
	16.5 Dividends to stockholders	105,000,000	111,000,000
	16.6 Other cash provided (applied)	54,626,744	363,671
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(50,373,256)	(110,636,329)
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(62,238,126)	47,950,392
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	196,526,269	148,575,877
	19.2 End of year (Line 18 plus Line 19.1)	134,288,143	196,526,269

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

20.0001	Exchange of bonds	62,529,821	3,048,440
20.0002	Other assets tri-party/tax credit bonds	376,362	338,958
20.0003	Income payment received in securities	57	330,943

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

	Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	25,797,950	11,488,856	12,187,534	25,099,271
2.	Allied lines	27,130,136	12,395,558	13,076,384	26,449,311
3.	Farmowners multiple peril	9,629,255	4,473,097	4,673,645	9,428,707
4.	Homeowners multiple peril	178,629,704	89,629,242	95,460,851	172,798,096
5.	Commercial multiple peril	157,324,181	68,556,374	71,175,934	154,704,621
6.	Mortgage guaranty	0	0	0	0
8.	Ocean marine	10,626,972	4,390,488	4,549,948	10,467,513
9.	Inland marine	33,599,190	15,030,575	15,746,374	32,883,391
10.	Financial guaranty	0	0	0	0
11.1	Medical professional liability - occurrence	0	(8)	(24)	16
11.2	Medical professional liability - claims-made	(178)	0	0	(178)
12.	Earthquake	4,599,461	2,652,949	2,626,691	4,625,719
13.	Group accident and health	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0
15.	Other accident and health	0	0	0	0
16.	Workers' compensation	188,160,874	70,852,678	68,028,129	190,985,424
17.1	Other liability - occurrence	101,824,621	40,418,646	42,984,537	99,258,730
17.2	Other liability - claims-made	27,548,788	15,277,097	15,821,047	27,004,838
17.3	Excess workers' compensation	728,328	296,543	226,050	798,821
18.1	Products liability - occurrence	6,777,311	2,663,144	2,637,251	6,803,203
18.2	Products liability - claims-made	1,207,378	538,537	543,795	1,202,120
19.1, 19.2	Private passenger auto liability	154,867,792	60,763,178	65,771,351	149,859,619
19.3, 19.4	Commercial auto liability	95,433,620	37,571,898	42,446,214	90,559,304
21.	Auto physical damage	125,241,437	49,261,261	53,445,812	121,056,885
22.	Aircraft (all perils)	(726)	0	0	(726)
23.	Fidelity	2,411,989	1,627,660	1,709,084	2,330,566
24.	Surety	173,121	138,250	89,754	221,616
26.	Burglary and theft	399,718	192,935	225,261	367,392
27.	Boiler and machinery	9,913,273	4,768,750	4,578,527	10,103,497
28.	Credit	44	225	237	31
29.	International	271,572	220	185	271,607
30.	Warranty	0	0	0	0
31.	Reinsurance - nonproportional assumed property	1,506,529	605,285	697,046	1,414,767
32.	Reinsurance - nonproportional assumed liability	665,485	436,336	414,030	687,790
33.	Reinsurance - nonproportional assumed financial lines	77,534	48,755	48,921	77,369
34.	Aggregate write-ins for other lines of business	12,467	0	0	12,467
35.	TOTALS	1,164,557,825	494,078,527	519,164,566	1,139,471,786
	DETAILS OF WRITE-INS				
3401.	Tribal workers' compensation	12,467	0	0	12,467
3402.		0	0	0	0
3403.		0	0	0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	12,467	0	0	12,467

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

	Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire	12,054,763	133,255	(484)	0	12,187,534
2.	Allied lines	12,887,502	189,172	(290)	0	13,076,384
3.	Farmowners multiple peril	4,711,631	(37,985)	0	0	4,673,645
4.	Homeowners multiple peril	95,460,851	0	0	0	95,460,851
5.	Commercial multiple peril	72,020,541	(49,625)	(794,983)	0	71,175,934
6.	Mortgage guaranty	0	0	0	0	0
8.	Ocean marine	4,686,726	124,462	(261,239)	0	4,549,948
9.	Inland marine	13,542,744	2,290,941	(87,311)	0	15,746,374
10.	Financial guaranty	0	0	0	0	0
11.1	Medical professional liability - occurrence	(24)	0	0	0	(24)
11.2	Medical professional liability - claims-made	0	0	0	0	0
12.	Earthquake	2,549,321	77,369	0	0	2,626,691
13.	Group accident and health	0	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0	0
15.	Other accident and health	0	0	0	0	0
16.	Workers' compensation	75,443,271	(18,162)	(4,083,349)	(3,313,632)	68,028,129
17.1	Other liability - occurrence	44,662,443	(1,010,253)	(915,951)	248,298	42,984,537
17.2	Other liability - claims-made	12,458,569	3,363,602	(1,124)	0	15,821,047
17.3	Excess workers' compensation	226,195	0	(145)	0	226,050
18.1	Products liability - occurrence	2,757,229	990	(123,323)	2,355	2,637,251
18.2	Products liability - claims-made	554,657	(12,556)	1,694	0	543,795
19.1, 19.2	Private passenger auto liability	65,771,351	0	0	0	65,771,351
19.3, 19.4	Commercial auto liability	42,644,841	63,882	0	(262,509)	42,446,214
21.	Auto physical damage	53,441,956	3,856	0	0	53,445,812
22.	Aircraft (all perils)	0	0	0	0	0
23.	Fidelity	910,133	798,951	0	0	1,709,084
24.	Surety	23,642	66,113	0	0	89,754
26.	Burglary and theft	155,724	69,537	0	0	225,261
27.	Boiler and machinery	4,027,199	551,327	0	0	4,578,527
28.	Credit	237	0	0	0	237
29.	International	185	0	0	0	185
30.	Warranty	0	0	0	0	0
31.	Reinsurance - nonproportional assumed property	689,323	7,723	0	0	697,046
32.	Reinsurance - nonproportional assumed liability	404,428	9,603	0	0	414,030
33.	Reinsurance - nonproportional assumed financial lines	48,921	0	0	0	48,921
34.	Aggregate write-ins for other lines of business	0	0	0	0	0
35.	TOTALS	522,134,357	6,622,202	(6,266,506)	(3,325,488)	519,164,566
36.	Accrued retrospective premiums based on experience					3,325,488
37.	Earned but unbilled premiums					6,266,506
38.	Balance (sum of Lines 35 through 37)					528,756,559

DETAILS OF WRITE-INS

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

(a) State here basis of computation used in each case: Daily pro rata; pools and associations as submitted.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

	Line of Business	1 Direct Business (a)	Reinsurance Assumed 2 From Affiliates	Reinsurance Assumed 3 From Non-Affiliates	Reinsurance Ceded 4 To Affiliates	Reinsurance Ceded 5 To Non-Affiliates	6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
1.	Fire	16,637,932	25,797,950	2,232,607	18,870,539	0	25,797,950
2.	Allied lines	17,731,792	27,130,136	8,585,206	26,316,998	0	27,130,136
3.	Farmowners multiple peril	0	9,629,255	0	0	0	9,629,255
4.	Homeowners multiple peril	339,933,458	178,629,704	1,399,709	341,333,167	0	178,629,704
5.	Commercial multiple peril	25,187	157,324,181	0	25,187	0	157,324,181
6.	Mortgage guaranty	0	0	0	0	0	0
8.	Ocean marine	32,236,428	10,626,972	0	32,236,428	0	10,626,972
9.	Inland marine	10,888,521	33,599,190	0	10,888,521	0	33,599,190
10.	Financial guaranty	0	0	0	0	0	0
11.1	Medical professional liability - occurrence	0	0	0	0	0	0
11.2	Medical professional liability - claims-made	0	(178)	0	0	0	(178)
12.	Earthquake	2,739,419	4,599,461	0	2,739,419	0	4,599,461
13.	Group accident and health	0	0	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0	0	0
15.	Other accident and health	0	0	0	0	0	0
16.	Workers' compensation	152,467,025	188,160,874	0	152,467,025	0	188,160,874
17.1	Other liability - occurrence	18,012,823	101,824,621	21,125	18,033,948	0	101,824,621
17.2	Other liability - claims-made	0	27,548,788	0	0	0	27,548,788
17.3	Excess workers' compensation	0	728,328	0	0	0	728,328
18.1	Products liability - occurrence	0	6,777,311	0	0	0	6,777,311
18.2	Products liability - claims-made	0	1,207,378	0	0	0	1,207,378
19.1, 19.2	Private passenger auto liability	1,142,569,428	154,867,792	326,425,962	1,468,995,390	0	154,867,792
19.3, 19.4	Commercial auto liability	0	95,433,620	0	0	0	95,433,620
21.	Auto physical damage	679,411,896	125,241,437	240,306,516	919,718,413	0	125,241,437
22.	Aircraft (all perils)	0	(726)	0	0	0	(726)
23.	Fidelity	0	2,411,989	0	0	0	2,411,989
24.	Surety	7,833	173,121	0	7,833	0	173,121
26.	Burglary and theft	11,703	399,718	15,287	26,990	0	399,718
27.	Boiler and machinery	0	9,913,273	0	0	0	9,913,273
28.	Credit	0	44	0	0	0	44
29.	International	0	271,572	0	0	0	271,572
30.	Warranty	0	0	0	0	0	0
31.	Reinsurance - nonproportional assumed property	XXX	1,506,529	0	0	0	1,506,529
32.	Reinsurance - nonproportional assumed liability	XXX	665,485	0	0	0	665,485
33.	Reinsurance - nonproportional assumed financial lines	XXX	77,534	0	0	0	77,534
34.	Aggregate write-ins for other lines of business	0	12,467	0	0	0	12,467
35.	TOTALS	2,412,673,445	1,164,557,825	578,986,412	2,991,659,857	0	1,164,557,825

DETAILS OF WRITE-INS

3401.	Tribal workers' compensation	0	12,467	0	0	0	12,467
3402.		0	0	0	0	0	0
3403.		0	0	0	0	0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	12,467	0	0	0	12,467

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [ ] No [X]

If yes: 1. The amount of such installment premiums $.....0.

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis $.....0.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

	Line of Business	Losses Paid Less Salvage 1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)	5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire	7,716,638	21,295,568	8,831,111	20,181,094	13,497,970	15,436,059	18,243,006	72.7
2.	Allied lines	19,365,128	21,615,878	26,186,182	14,794,824	10,463,981	10,477,008	14,781,797	55.9
3.	Farmowners multiple peril	0	6,392,380	0	6,392,380	3,760,133	4,618,637	5,533,876	58.7
4.	Homeowners multiple peril	179,885,664	110,706,098	180,180,178	110,411,584	62,353,194	51,285,880	121,478,899	70.3
5.	Commercial multiple peril	370,374	78,511,995	370,374	78,511,995	130,814,939	127,368,999	81,957,936	53.0
6.	Mortgage guaranty	0	0	0	0	0	0	0	0.0
8.	Ocean marine	17,540,755	5,642,128	17,540,755	5,642,128	7,223,634	8,691,417	4,174,345	39.9
9.	Inland marine	2,935,296	15,723,358	2,935,296	15,723,358	10,905,160	11,346,586	15,281,932	46.5
10.	Financial guaranty	0	0	0	0	0	0	0	0.0
11.1	Medical professional liability - occurrence	0	2,768	0	2,768	317,554	231,241	89,080	558,148.4
11.2	Medical professional liability - claims-made	0	19,204	0	19,204	1,731,230	1,534,147	216,288	(121,435.1)
12.	Earthquake	0	0	0	0	370,239	16,220	354,019	7.7
13.	Group accident and health	0	0	0	0	0	0	0	0.0
14.	Credit accident and health (group and individual)	0	0	0	0	0	0	0	0.0
15.	Other accident and health	0	0	0	0	0	0	0	0.0
16.	Workers' compensation	84,626,716	87,715,584	84,629,679	87,712,622	680,830,789	676,362,703	92,180,707	48.3
17.1	Other liability - occurrence	6,935,018	48,554,580	6,941,368	48,548,230	190,733,123	176,697,110	62,584,243	63.1
17.2	Other liability - claims-made	0	13,316,114	0	13,316,114	66,527,414	69,551,324	10,292,204	38.1
17.3	Excess workers' compensation	0	1,094,944	0	1,094,944	31,141,471	29,634,003	2,602,412	325.8
18.1	Products liability - occurrence	124,289	3,975,783	124,289	3,975,783	30,670,674	29,753,840	4,892,617	71.9
18.2	Products liability - claims-made	0	35,674	0	35,674	1,994,959	1,864,881	165,751	13.8
19.1, 19.2	Private passenger auto liability	592,365,160	260,503,250	767,791,761	85,076,650	117,046,719	112,540,504	89,582,865	59.8
19.3, 19.4	Commercial auto liability	0	50,401,808	0	50,401,808	117,882,565	99,517,180	68,767,193	75.9
21.	Auto physical damage	425,888,994	205,772,174	559,377,320	72,283,847	11,869,454	9,914,712	74,238,589	61.3
22.	Aircraft (all perils)	0	18,633	0	18,633	362,217	367,198	13,652	(1,880.5)
23.	Fidelity	0	573,570	0	573,570	2,317,861	2,443,254	448,177	19.2
24.	Surety	0	108,863	0	108,863	1,764,098	1,954,510	(81,550)	(36.8)
26.	Burglary and theft	490	56,706	2,608	54,588	327,079	294,434	87,234	23.7
27.	Boiler and machinery	0	2,867,870	0	2,867,870	2,715,255	2,468,792	3,114,333	30.8
28.	Credit	0	(276)	0	(276)	239,021	238,745	0	0.0
29.	International	0	4,432	0	4,432	561,062	342,195	223,299	82.2
30.	Warranty	0	0	0	0	0	0	0	0.0
31.	Reinsurance - nonproportional assumed property	XXX	290,108	0	290,108	2,046,249	2,450,274	(113,917)	(8.1)
32.	Reinsurance - nonproportional assumed liability	XXX	2,337,601	0	2,337,601	17,739,780	21,121,269	(1,043,888)	(151.8)
33.	Reinsurance - nonproportional assumed financial lines	XXX	0	0	0	459,941	614,989	(155,048)	(200.4)
34.	Aggregate write-ins for other lines of business	0	20,551	0	20,551	270,112	246,978	43,684	350.4
35.	TOTALS	1,337,754,521	937,557,344	1,654,910,919	620,400,946	1,518,937,876	1,469,385,087	669,953,735	58.8
	DETAILS OF WRITE-INS								
3401.	Tribal workers' compensation	0	20,551	0	20,551	270,112	246,978	43,684	350.4
3402.		0	0	0	0	0	0	0	0.0
3403.		0	0	0	0	0	0	0	0.0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	XXX	
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	20,551	0	20,551	270,112	246,978	43,684	350.4

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

	Line of Business	Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7		
		Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire	2,400,011	11,186,471	2,588,932	10,997,550	4,866,802	2,617,740	4,984,122	13,497,970	1,276,880
2.	Allied lines	7,484,364	8,671,300	7,683,926	8,471,737	2,687,802	5,345,277	6,040,836	10,463,981	1,726,866
3.	Farmowners multiple peril	0	2,583,502	0	2,583,502	0	1,176,631	0	3,760,133	817,606
4.	Homeowners multiple peril	38,806,601	30,136,774	38,971,742	29,971,633	54,796,545	32,412,747	54,827,730	62,353,194	10,302,600
5.	Commercial multiple peril	639,518	70,442,026	639,518	70,442,026	654,978	60,372,913	654,978	130,814,939	48,153,550
6.	Mortgage guaranty	0	0	0	0	0	0	0	0	0
8.	Ocean marine	6,928,717	4,515,783	6,928,717	4,515,783	838,437	2,707,851	838,437	7,223,634	2,457,942
9.	Inland marine	145,833	9,489,911	145,833	9,489,911	828,092	1,415,249	828,092	10,905,160	931,789
10.	Financial guaranty	0	0	0	0	0	0	0	0	0
11.1	Medical professional liability - occurrence	0	48,322	0	48,322	0	269,232	0	317,554	179,430
11.2	Medical professional liability - claims-made	0	1,102,855	0	1,102,855	0	628,375	0	1,731,230	260,575
12.	Earthquake	0	4,840	0	4,840	0	365,399	0	370,239	31,158
13.	Group accident and health	0	0	0	0	0	0	0	(a) 0	0
14.	Credit accident and health (group and individual)	0	0	0	0	0	0	0	0	0
15.	Other accident and health	0	0	0	0	0	0	0	(a) 0	0
16.	Workers' compensation	292,711,458	334,632,493	292,762,458	334,581,493	221,437,201	346,249,295	221,437,201	680,830,789	111,760,627
17.1	Other liability - occurrence	7,375,600	52,592,340	7,393,603	52,574,337	25,910,013	138,179,791	25,931,017	190,733,123	71,115,001
17.2	Other liability - claims-made	0	21,801,539	0	21,801,539	(33)	44,725,875	(33)	66,527,414	18,237,806
17.3	Excess workers' compensation	0	12,009,408	0	12,009,408	9,565	19,132,064	9,565	31,141,471	2,480,048
18.1	Products liability - occurrence	1,776,738	7,111,835	1,776,738	7,111,835	2,978,085	23,558,839	2,978,085	30,670,674	32,670,240
18.2	Products liability - claims-made	0	386,071	0	386,071	1,898	1,608,888	1,898	1,994,959	1,309,907
19.1, 19.2	Private passenger auto liability	395,997,700	140,123,037	475,176,326	60,944,411	386,175,087	56,102,309	386,175,087	117,046,719	21,384,295
19.3, 19.4	Commercial auto liability	0	58,453,299	0	58,453,299	1,917	59,429,266	1,917	117,882,565	15,320,693
21.	Auto physical damage	13,842,052	8,732,849	19,229,242	3,345,659	(6,628,610)	8,523,795	(6,628,610)	11,869,454	5,344,901
22.	Aircraft (all perils)	0	207,757	0	207,757	315	154,460	315	362,217	194,503
23.	Fidelity	0	183,436	0	183,436	(29)	2,134,425	(29)	2,317,861	604,003
24.	Surety	0	1,185,627	0	1,185,627	4,098	578,471	4,098	1,764,098	295,658
26.	Burglary and theft	83	130,786	500	130,368	63	197,228	580	327,079	84,826
27.	Boiler and machinery	0	1,640,091	0	1,640,091	0	1,075,163	0	2,715,255	391,714
28.	Credit	0	59,549	0	59,549	0	179,472	0	239,021	8,816
29.	International	0	185,695	0	185,695	0	375,367	0	561,062	37,672
30.	Warranty	0	0	0	0	0	0	0	0	0
31.	Reinsurance - nonproportional assumed property	XXX	1,307,076	0	1,307,076	XXX	739,173	0	2,046,249	188,167
32.	Reinsurance - nonproportional assumed liability	XXX	10,568,610	0	10,568,610	XXX	7,171,170	0	17,739,780	874,967
33.	Reinsurance - nonproportional assumed financial lines	XXX	116,330	0	116,330	XXX	343,611	0	459,941	36,509
34.	Aggregate write-ins for other lines of business	0	6,099	0	6,099	0	264,013	0	270,112	90,648
35.	TOTALS	768,108,674	789,615,711	853,297,536	704,426,849	694,562,227	818,034,086	698,085,287	1,518,937,876	348,569,397
	DETAILS OF WRITE-INS									
3401.	Tribal workers' compensation	0	6,099	0	6,099	0	264,013	0	270,112	90,648
3402.		0	0	0	0	0	0	0	0	0
3403.		0	0	0	0	0	0	0	0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	6,099	0	6,099	0	264,013	0	270,112	90,648

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	72,111,034	0	0	72,111,034
1.2 Reinsurance assumed	66,552,148	0	0	66,552,148
1.3 Reinsurance ceded	80,620,859	0	0	80,620,859
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	58,042,323	0	0	58,042,323
2. Commission and brokerage:				
2.1 Direct, excluding contingent	0	289,676,315	0	289,676,315
2.2 Reinsurance assumed, excluding contingent	0	234,940,413	0	234,940,413
2.3 Reinsurance ceded, excluding contingent	0	370,020,113	0	370,020,113
2.4 Contingent - direct	0	33,314,658	0	33,314,658
2.5 Contingent - reinsurance assumed	0	10,508,076	0	10,508,076
2.6 Contingent - reinsurance ceded	0	33,314,658	0	33,314,658
2.7 Policy and membership fees	0	0	0	0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	165,104,691	0	165,104,691
3. Allowances to manager and agents	0	126,847	0	126,847
4. Advertising	5,537	3,595,938	9	3,601,484
5. Boards, bureaus and associations	270,104	3,838,065	705	4,108,874
6. Surveys and underwriting reports	26	4,112,998	0	4,113,024
7. Audit of assureds' records	0	0	0	0
8. Salary and related items:				
8.1 Salaries	39,030,916	71,528,006	1,345,742	111,904,664
8.2 Payroll taxes	2,795,427	4,662,920	50,724	7,509,071
9. Employee relations and welfare	6,652,530	9,987,769	110,336	16,750,635
10. Insurance	4,539,587	762,898	1,285	5,303,770
11. Directors' fees	0	0	0	0
12. Travel and travel items	1,809,969	3,040,263	18,132	4,868,364
13. Rent and rent items	1,880,382	4,423,652	47,378	6,351,412
14. Equipment	330,570	1,626,895	3,131	1,960,596
15. Cost or depreciation of EDP equipment and software	696,196	16,367,596	32,868	17,096,660
16. Printing and stationery	83,363	301,964	2,647	387,974
17. Postage, telephone and telegraph, exchange and express	330,701	4,796,873	8,440	5,136,014
18. Legal and auditing	1,462,463	1,160,881	66,922	2,690,266
19. Totals (Lines 3 to 18)	59,887,771	130,333,565	1,688,319	191,909,655
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of $.....167,337	0	28,569,973	0	28,569,973
20.2 Insurance department licenses and fees	0	2,216,335	0	2,216,335
20.3 Gross guaranty association assessments	0	18,024	0	18,024
20.4 All other (excluding federal and foreign income and real estate)	0	626,079	0	626,079
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	0	31,430,410	0	31,430,410
21. Real estate expenses	0	0	10,535	10,535
22. Real estate taxes	0	0	0	0
23. Reimbursements by uninsured plans	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses	2,377,053	7,684,174	200,599	10,261,826
25. Total expenses incurred	120,307,147	334,552,840	1,899,453	(a) 456,759,440
26. Less unpaid expenses - current year	348,569,397	81,290,183	615,461	430,475,041
27. Add unpaid expenses - prior year	341,615,519	80,146,449	613,943	422,375,911
28. Amounts receivable relating to uninsured plans, prior year	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year	0	0	0	0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	113,353,270	333,409,106	1,897,935	448,660,311
DETAILS OF WRITE-INS				
2401. Miscellaneous expenses	3,058,324	17,583,234	200,599	20,842,157
2402. Service reimbursements	(447,097)	(4,087,954)	0	(4,535,052)
2403. Cost of computer software developed for internal use	(234,174)	(5,811,105)	0	(6,045,280)
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	2,377,053	7,684,174	200,599	10,261,826

(a) Includes management fees of $.....0 to affiliates and $.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. government bonds	(a) 1,675,064	1,902,202
1.1	Bonds exempt from U.S. tax	(a) 31,694,313	31,585,798
1.2	Other bonds (unaffiliated)	(a) 40,840,154	42,485,236
1.3	Bonds of affiliates	(a) 0	0
2.1	Preferred stocks (unaffiliated)	(b) 0	0
2.11	Preferred stocks of affiliates	(b) 0	0
2.2	Common stocks (unaffiliated)	0	0
2.21	Common stocks of affiliates	46,000,000	46,000,000
3.	Mortgage loans	(c) 0	0
4.	Real estate	(d) 0	0
5.	Contract loans	0	0
6.	Cash, cash equivalents and short-term investments	(e) 2,588,963	2,588,963
7.	Derivative instruments	(f) 0	0
8.	Other invested assets	51,998,916	51,959,667
9.	Aggregate write-ins for investment income	1,787,027	1,787,027
10.	Total gross investment income	176,584,436	178,308,893
11.	Investment expenses		(g) 1,899,453
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 0
13.	Interest expense		(h) 0
14.	Depreciation on real estate and other invested assets		(i) 0
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		1,899,453
17.	Net investment income (Line 10 minus Line 16)		176,409,439
	DETAILS OF WRITE-INS		
0901.	Property and wind plans	1,717,591	1,717,591
0902.	Securities lending income	45,946	45,946
0903.	Miscellaneous income	23,490	23,490
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	1,787,027	1,787,027
1501.			0
1502.			0
1503.			0
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

(a) Includes $.....1,541,011 accrual of discount less $.....10,287,331 amortization of premium and less $.....1,971,688 paid for accrued interest on purchases.
(b) Includes $.....0 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued dividends on purchases.
(c) Includes $.....0 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued interest on purchases.
(d) Includes $.....0 for company's occupancy of its own buildings; and excludes $.....0 interest on encumbrances.
(e) Includes $.....0 accrual of discount less $.....0 amortization of premium and less $.....0 paid for accrued interest on purchases.
(f) Includes $.....0 accrual of discount less $.....0 amortization of premium.
(g) Includes $.....0 investment expenses and $.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes $.....0 interest on surplus notes and $.....0 interest on capital notes.
(i) Includes $.....0 depreciation on real estate and $.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. government bonds	0	0	0	0	0
1.1	Bonds exempt from U.S. tax	489,380	(55,140)	434,240	0	0
1.2	Other bonds (unaffiliated)	(288,675)	0	(288,675)	(2,253,374)	0
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	0	0	0	0	0
2.21	Common stocks of affiliates	0	0	0	(4,329,520)	0
3.	Mortgage loans	0	0	0	0	0
4.	Real estate	0	0	0	0	0
5.	Contract loans	0	0	0	0	0
6.	Cash, cash equivalents and short-term investments	0	0	0	0	0
7.	Derivative instruments	0	0	0	0	0
8.	Other invested assets	(68,593)	(136,483)	(205,076)	(18,214,717)	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	132,112	(191,623)	(59,511)	(24,797,612)	0
	DETAILS OF WRITE-INS					
0901.		0	0	0	0	0
0902.		0	0	0	0	0
0903.		0	0	0	0	0
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	1,112,187	713,085	(399,102)
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB)	0	0	0
8. Other invested assets (Schedule BA)	18,895,537	18,933,309	37,771
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL)	0	0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	20,007,724	19,646,394	(361,331)
13. Title plants (for Title insurers only)	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	8,226,906	8,298,299	71,393
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	1,296,438	1,269,682	(26,756)
15.3 Accrued retrospective premiums and contracts subject to redetermination	456,449	330,914	(125,535)
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset	9,894,981	2,771,366	(7,123,615)
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software	0	0	0
21. Furniture and equipment, including health care delivery assets	205,192	254,127	48,934
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0
24. Health care and other amounts receivable	0	0	0
25. Aggregate write-ins for other-than-invested assets	322,358	265,071	(57,288)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	40,410,049	32,835,852	(7,574,197)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
28. TOTALS (Lines 26 and 27)	40,410,049	32,835,852	(7,574,197)

DETAILS OF WRITE-INS

1101.	0	0	0
1102.	0	0	0
1103.	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501. Amounts receivable under high deductible policies	322,358	264,576	(57,782)
2502. Other assets nonadmitted	0	495	495
2503.	0	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	322,358	265,071	(57,288)

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN

A. Accounting Practices:

The Standard Fire Insurance Company (the Company) prepares its statutory financial statements in conformity with the accounting practices prescribed or permitted by the State of Connecticut. The State of Connecticut requires that insurance companies domiciled in Connecticut prepare their statutory basis financial statements in accordance with the National Association of Insurance Commissioners (NAIC) *Accounting Practices and Procedures Manual*, subject to any deviations prescribed or permitted by the Connecticut Insurance Commissioner. The Company does not apply any statutory accounting practices that would be considered a permitted practice in its financial statements.

Net Income	SSAP #	F/S Page	F/S Line #	2018	2017
1. The Standard Fire Insurance Company state basis	XXX	XXX	XXX	$ 167,203,858	$ 125,429,273
2. State Prescribed Practices that are an increase/(decrease) from NAIC SAP				—	—
3. State Permitted Practices that are an increase/(decrease) from NAIC SAP				—	—
4. NAIC SAP (1-2-3=4)	XXX	XXX	XXX	$ 167,203,858	$ 125,429,273
Surplus					
5. The Standard Fire Insurance Company state basis	XXX	XXX	XXX	$ 1,221,484,978	$ 1,189,479,575
6. State Prescribed Practices that are an increase/(decrease) from NAIC SAP				—	—
7. State Permitted Practices that are an increase/(decrease) from NAIC SAP				—	—
8. NAIC SAP (5-6-7=8)	XXX	XXX	XXX	$ 1,221,484,978	$ 1,189,479,575

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

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of 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. Accounting Policy:

Certain assets designated as nonadmitted 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). The costs of acquiring both new and renewal insurance business are charged to income as incurred. Premiums are recognized as revenues pro rata over the policy period. Unearned premium reserves represent the unexpired portion of policy premiums, net of reinsurance. Reserves for losses, loss adjustment expenses (LAE) and unearned premiums ceded to reinsurers have been reported as reductions of the related reserves. Amounts recoverable from reinsurers are estimated in a manner consistent with the loss liability associated with the reinsured business. A liability is established for unsecured, unauthorized reinsurance and overdue authorized reinsurance recoverables.

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.

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

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, excluding those investments classified as cash equivalents.

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

For a discussion of the valuation basis and adjustment methodology for loan-backed securities, see Note 5D.

Common stock investments in subsidiaries are based on the net worth of the entity, determined in accordance with statutory accounting valuation methods. Dividends received from subsidiaries are recorded as net investment income and undistributed net income is recorded as net unrealized capital gains or (losses).

The Company'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 Company has investments in limited partnerships that generate certain state tax credits which are used to offset state premium taxes. These investments are amortized as the tax credits are utilized. See Note 5K for additional detail.

The Company 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 Company also takes into account estimated recoveries, reinsurance, salvage and subrogation. The loss and LAE reserves are reviewed regularly by qualified actuaries employed by the Company. The Company 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 Company 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 Company's net income in such period. For a discussion of loss and LAE reserving methodology related to asbestos and environmental reserves, see Note 33.

The Company has not modified its accounting policy regarding the capitalization of fixed assets from the prior period.

D. Going Concern:

Not applicable.

NOTES TO FINANCIAL STATEMENTS

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

The Company had no material changes in accounting principles or material corrections of errors during 2018.

3. BUSINESS COMBINATIONS AND GOODWILL

Not applicable.

4. DISCONTINUED OPERATIONS

Not applicable.

5. INVESTMENTS

A. Mortgage Loans, including Mezzanine Real Estate Loans:

Not applicable.

B. Debt Restructuring:

Not applicable.

C. Reverse Mortgages:

Not applicable.

D. Loan-Backed Securities:

1. The Company applies the retrospective method of revaluing loan-backed securities. The Company'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 Company 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.

   When unit prices published by the Securities Valuation Office (SVO) are not available, the Company uses a nationally recognized pricing service, as well as broker quotes in determining the fair value of its loan-backed securities.

2. The Company had no loan-backed or structured securities with other-than-temporary-impairments recognized in 2018.

3. Not applicable.

4. The gross unrealized investment losses and related fair value for impaired securities for which an other-than-temporary impairment has not been recognized as a realized loss were as follows:

   a. The aggregate amount of unrealized losses:

1. Less than 12 Months	$	808,977
2. 12 Months or Longer	$	177,961

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

1. Less than 12 Months	$	36,052,050
2. 12 Months or Longer	$	6,365,820

5. The Company 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 Company 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 Company 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. Dollar Repurchase Agreements and/or Securities Lending Transactions:

1. The Company requires collateral equal to at least 102% of the market value of the loaned security plus accrued interest. The Company 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.

2. Not applicable.

3. Not applicable.

4. Not applicable.

5. Collateral Reinvestment

   Aggregate Cash Collateral Reinvested

Securities Lending	Amortized Cost	Fair Value
30 Days or Less	$ 40,897,972	$ 40,897,972

NOTES TO FINANCIAL STATEMENTS

6. Not applicable.

7. Not applicable.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing:

Not applicable.

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing:

Not applicable.

H. Repurchase Agreements Transactions Accounted for as a Sale:

Not applicable.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale:

Not applicable.

J. Real Estate:

Not applicable.

K. Low-Income Housing Tax Credits (LIHTC):

The Company has investments in certain state sponsored LIHTC properties. The state sponsored LIHTC property investments primarily generate premium tax credits which allow the Company to offset premium taxes in Georgia and are projected to be available through 2021. At December 31, 2018, the Company had no unfunded commitments related to LIHTC investments.

During the years ended December 31, 2018 and 2017, $203,878 and $205,452, respectively, of tax benefits related to LIHTC were recognized. The balance of the investments in LIHTC at December 31, 2018 and 2017 was $317,999 and $453,545, respectively.

Management of the Company is not aware of any of the LIHTC investments and related properties being the subject of any state regulatory reviews.

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

L. Restricted Assets:

1. Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted							Current Year			
	Current Year					6	7	8	9	Percentage	
	1 Total General Account (G/A)	2 G/A Supporting Protected Cell Account Activity (a)	3 Total Protected Cell Account Restricted Assets	4 Protected Cell Account Assets Supporting G/A Activity (b)	5 Total (1 plus 3)	Total From Prior Year	Increase / (Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	10 Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	11 Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	—%	—%
b. Collateral held under security lending agreements	40,897,972	—	—	—	40,897,972	—	40,897,972	—	40,897,972	1.0%	1.0%
c. Subject to repurchase agreements	—	—	—	—	—	—	—	—	—	—%	—%
d. Subject to reverse repurchase agreements	—	—	—	—	—	—	—	—	—	—%	—%
e. Subject to dollar repurchase agreements	—	—	—	—	—	—	—	—	—	—%	—%
f. Subject to dollar reverse repurchase agreements	—	—	—	—	—	—	—	—	—	—%	—%
g. Placed under option contracts	—	—	—	—	—	—	—	—	—	—%	—%
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	—	—	—	—	—	—	—	—	—	—%	—%
i. FHLB capital stock	—	—	—	—	—	—	—	—	—	—%	—%
j. On deposit with states	168,978,941	—	—	—	168,978,941	170,704,638	(1,725,697)	—	168,978,941	4.3%	4.3%
k. On deposit with other regulatory bodies	6,728,280	—	—	—	6,728,280	6,925,150	(196,870)	—	6,728,280	0.2%	0.2%
l. Pledged as collateral to FHLB (including assets backing funding agreements)	—	—	—	—	—	—	—	—	—	—%	—%
m. Pledged as collateral not captured in other categories	—	—	—	—	—	—	—	—	—	—%	—%
n. Other restricted assets	—	—	—	—	—	—	—	—	—	—%	—%
o. Total Restricted Assets	$ 216,605,193	$ —	$ —	$ —	$ 216,605,193	$ 177,629,788	$ 38,975,405	$ —	$ 216,605,193	5.4%	5.5%

(a) Subset of Column 1
(b) Subset of Column 3
(c) Column 5 divided by Asset Page, Column 1, Line 28
(d) Column 9 divided by Asset Page, Column 3, Line 28

2. Not applicable.

3. Not applicable.

NOTES TO FINANCIAL STATEMENTS

4. Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

Collateral Assets	1 Book/Adjusted Carrying Value (BACV)	2 Fair Value	3 % of BACV to Total Assets (Admitted and Nonadmitted) *	4 % of BACV to Total Admitted Assets **
a. Cash, Cash Equivalents, and Short-Term Investments	$ 40,897,972	$ 40,897,972	1.0%	1.0%
b. Schedule D, Part 1	—	—	—%	—%
c. Schedule D, Part 2, Section 1	—	—	—%	—%
d. Schedule D, Part 2, Section 2	—	—	—%	—%
e. Schedule B	—	—	—%	—%
f. Schedule A	—	—	—%	—%
g. Schedule BA, Part 1	—	—	—%	—%
h. Schedule DL, Part 1	—	—	—%	—%
i. Other	—	—	—%	—%
j. Total Collateral Assets	$ 40,897,972	$ 40,897,972	1.0%	1.0%

* Column 1 divided by Asset Page, Line 26 (Column 1)

** Column 1 divided by Asset Page, Line 26 (Column 3)

	1 Amount	2 % of Liability to Total Liabilities *
k. Recognized Obligation to Return Collateral Asset	$ 40,897,972	1.5%

* Column 1 divided by Liability Page, Line 26 (Column 1)

M. Working Capital Finance Investments:

Not applicable.

N. Offsetting and Netting of Assets and Liabilities:

Not applicable.

O. Structured Notes:

Not applicable.

P. 5GI Securities:

Investment	Number of 5GI Securities		Aggregate BACV		Aggregate Fair Value	
	Current Year	Prior Year	Current Year	Prior Year	Current Year	Prior Year
(1) Bonds - AC	4	6	$ 1,512,983	$ 2,464,264	$ 1,547,919	$ 2,524,508
(2) Bonds - FV	1	23	4,925,200	28,155,438	4,925,200	28,155,438
(3) LB&SS - AC	—	—	—	—	—	—
(4) LB&SS - FV	—	—	—	—	—	—
(5) Preferred Stock - AC	—	—	—	—	—	—
(6) Preferred Stock - FV	—	—	—	—	—	—
(7) Total	5	29	$ 6,438,183	$ 30,619,702	$ 6,473,119	$ 30,679,946

AC - Amortized Cost FV - Fair Value

Q. Short Sales:

Not applicable.

R. Prepayment Penalty and Acceleration Fees:

	General Account	Protected Cell
1. Number of CUSIPs	15	—
2. Aggregate Amount of Investment Income	$ 1,327,550	$ —

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

A. Not applicable.

B. Joint ventures, partnerships, and limited liability companies are recorded on a lag basis with changes in the Company'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 Company 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 Company concluded that some of the aforementioned assets, as a result of deteriorating economic conditions, had other-than-temporary impairments and recorded a realized loss of $136,483 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 loss of the same amount.

NOTES TO FINANCIAL STATEMENTS

7. INVESTMENT INCOME

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

B. At December 31, 2018, the Company had no accrued investment income over 90 days past due.

8. DERIVATIVE INSTRUMENTS

Not applicable.

9. INCOME TAXES

A. The components of the net deferred tax asset/(liability) at December 31 are as follows:

		December 31, 2018		
	Ordinary	Capital	Total
1. a. Gross deferred tax assets	$ 56,733,890	$ 7,431,597	$ 64,165,487
b. Statutory valuation allowance adjustment	—	—	—
c. Adjusted gross deferred tax assets	56,733,890	7,431,597	64,165,487
d. Deferred tax assets nonadmitted	5,118,986	4,775,995	9,894,981
e. Subtotal net admitted deferred tax assets	51,614,904	2,655,602	54,270,506
f. Deferred tax liabilities	12,528,997	2,070,899	14,599,896
g. Net admitted deferred tax asset/(liability)	$ 39,085,907	$ 584,703	$ 39,670,610

	December 31, 2017		
	Ordinary	Capital	Total
a. Gross deferred tax assets	$ 72,833,483	$ 6,072,129	$ 78,905,612
b. Statutory valuation allowance adjustment	—	—	—
c. Adjusted gross deferred tax assets	72,833,483	6,072,129	78,905,612
d. Deferred tax assets nonadmitted	—	2,771,366	2,771,366
e. Subtotal net admitted deferred tax assets	72,833,483	3,300,763	76,134,246
f. Deferred tax liabilities	28,636,997	2,878,447	31,515,444
g. Net admitted deferred tax asset/(liability)	$ 44,196,486	$ 422,316	$ 44,618,802

	Change		
	Ordinary	Capital	Total
a. Gross deferred tax assets	$ (16,099,593)	$ 1,359,468	$ (14,740,125)
b. Statutory valuation allowance adjustment	—	—	—
c. Adjusted gross deferred tax assets	(16,099,593)	1,359,468	(14,740,125)
d. Deferred tax assets nonadmitted	5,118,986	2,004,629	7,123,615
e. Subtotal net admitted deferred tax assets	(21,218,579)	(645,161)	(21,863,740)
f. Deferred tax liabilities	(16,108,000)	(807,548)	(16,915,548)
g. Net admitted deferred tax asset/(liability)	$ (5,110,579)	$ 162,387	$ (4,948,192)

2. Admission Calculation Components SSAP No. 101:

	December 31, 2018		
	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks.	$ 27,457,094	$ 584,703	$ 28,041,797
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)	11,628,813	—	11,628,813
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date.	11,628,813	—	11,628,813
2. Adjusted gross deferred tax assets allowed per limitation threshold.	xxxx	xxxx	175,495,850

NOTES TO FINANCIAL STATEMENTS

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.	12,528,997	2,070,899	14,599,896
d. Deferred tax assets admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	51,614,904	2,655,602	54,270,506
Deferred tax liabilities netted against deferred tax assets	12,528,997	2,070,899	14,599,896
Total	$ 39,085,907	$ 584,703	$ 39,670,610

December 31, 2017

	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks.	$ 43,192,032	$ 422,316	$ 43,614,348
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)	5,559,525	—	5,559,525
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date.	5,559,525	—	5,559,525
2. Adjusted gross deferred tax assets allowed per limitation threshold.	xxxx	xxxx	170,108,838
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.	24,081,926	2,878,447	26,960,373
d. Deferred tax assets admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	72,833,483	3,300,763	76,134,246
Deferred tax liabilities netted against deferred tax assets	28,636,997	2,878,447	31,515,444
Total	$ 44,196,486	$ 422,316	$ 44,618,802

Change

	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks.	$ (15,734,938)	$ 162,387	$ (15,572,551)
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)	6,069,288	—	6,069,288
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date.	6,069,288	—	6,069,288
2. Adjusted gross deferred tax assets allowed per limitation threshold.	xxxx	xxxx	5,387,012
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.	(11,552,929)	(807,548)	(12,360,477)
d. Deferred tax assets admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	(21,218,579)	(645,161)	(21,863,740)
Deferred tax liabilities netted against deferred tax assets	(16,108,000)	(807,548)	(16,915,548)
Total	$ (5,110,579)	$ 162,387	$ (4,948,192)

	2018	2017
3. a. Ratio percentage used to determine recovery period and threshold limitation amount.	468%	471%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above.	$ 1,169,972,335	$ 1,134,058,919

NOTES TO FINANCIAL STATEMENTS

4. Impact of Tax-Planning Strategies:

	December 31, 2018	
	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 9A1(c).	$ 56,733,890	$ 7,431,597
2. Percentage of adjusted gross deferred tax assets by tax character attributable to the impact of tax-planning strategies.	—%	—%
3. Net admitted adjusted gross deferred tax assets amounts from Note 9A1(e).	$ 51,614,904	$ 2,655,602
4. Percentage of net admitted adjusted gross deferred tax assets by tax character attributable to the impact of tax-planning strategies.	—%	—%

	December 31, 2017	
	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 9A1(c).	$ 72,833,483	$ 6,072,129
2. Percentage of adjusted gross deferred tax assets by tax character attributable to the impact of tax-planning strategies.	—%	—%
3. Net admitted adjusted gross deferred tax assets amounts from Note 9A1(e).	$ 72,833,483	$ 3,300,763
4. Percentage of net admitted adjusted gross deferred tax assets by tax character attributable to the impact of tax-planning strategies.	—%	—%

	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 9A1(c).	$ (16,099,593)	$ 1,359,468
2. Percentage of adjusted gross deferred tax assets by tax character attributable to the impact of tax-planning strategies.	—%	—%
3. Net admitted adjusted gross deferred tax assets amounts from Note 9A1(e).	$ (21,218,579)	$ (645,161)
4. Percentage of net admitted adjusted gross deferred tax assets by tax character attributable to the impact of tax-planning strategies.	—%	—%

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

B. Deferred tax liabilities not recognized for the following amounts:

Not applicable.

C. The provisions for incurred tax on earnings are as follows:

	December 31, 2018	December 31, 2017	Change
1. Current Income Tax:			
Federal	$ 17,707,850	$ 24,660,531	$ (6,952,681)
Foreign	59,635	66,719	(7,084)
Subtotal	17,767,485	24,727,250	(6,959,765)
Federal income taxes on net capital gains	5,169,151	97,559	5,071,592
Federal and foreign income taxes incurred	$ 22,936,636	$ 24,824,809	$ (1,888,173)

NOTES TO FINANCIAL STATEMENTS

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

	December 31, 2018	December 31, 2017	Change
Ordinary:			
Discounting of unpaid losses	$ 26,244,734	$ 43,420,597	$ (17,175,863)
Unearned premium reserve	22,207,774	21,100,373	1,107,401
Nonadmitted assets	6,131,514	6,110,324	21,190
Other	2,149,868	2,202,189	(52,321)
Total ordinary deferred tax assets	$ 56,733,890	$ 72,833,483	$ (16,099,593)
Statutory valuation allowance adjustment	—	—	—
Nonadmitted deferred tax assets	5,118,986	—	5,118,986
Admitted ordinary deferred tax assets	$ 51,614,904	$ 72,833,483	$ (21,218,579)
Capital:			
Investments	$ 7,431,597	$ 6,072,129	$ 1,359,468
Total capital deferred tax assets	$ 7,431,597	$ 6,072,129	$ 1,359,468
Statutory valuation allowance adjustment	—	—	—
Nonadmitted deferred tax assets	4,775,995	2,771,366	2,004,629
Admitted capital deferred tax assets	$ 2,655,602	$ 3,300,763	$ (645,161)
Total admitted deferred tax assets	$ 54,270,506	$ 76,134,246	$ (21,863,740)

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

	December 31, 2018	December 31, 2017	Change
Ordinary:			
Investments	$ 2,648,908	$ 289,372	$ 2,359,536
Loss and LAE reserve discounting (transition rule)	7,377,213	26,360,429	(18,983,216)
Fixed assets	2,301,770	1,805,017	496,753
Other	201,106	182,179	18,927
Total ordinary deferred tax liabilities	$ 12,528,997	$ 28,636,997	$ (16,108,000)
Capital:			
Investments	$ 2,070,899	$ 2,878,447	$ (807,548)
Total capital deferred tax liabilities	$ 2,070,899	$ 2,878,447	$ (807,548)
Total deferred tax liabilities	$ 14,599,896	$ 31,515,444	$ (16,915,548)
4. Net admitted deferred tax asset/(liability)	$ 39,670,610	$ 44,618,802	$ (4,948,192)

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. During the fourth quarter of 2017, the Company recorded provisional amounts for the tax imposed on partnership investments, as well as the amount due under the transition rule relating to the change in discounting of incurred losses, based on information available at December 31, 2017. The Company also made minor adjustments to the provisional amount for taxes related to partnership investments based upon the latest available information associated with those investments (Form K-1's) that were received in 2018.

   In November 2018, the U.S. Treasury issued proposed regulations which would establish the interest rate and discounting methodology to be used in determining the tax discount on loss and loss adjustment reserves under the Tax Cuts and Jobs Act of 2017. The proposed regulations significantly reduce the gross deferred tax assets and liabilities related to the transition rule for discounting of reserves and reduced the estimated additional tax payments associated with the transition rule over the eight years beginning in 2018 as discussed above.

   The Company estimated the amounts payable related to the transition rules for discounting of loss reserves using the regulations proposed by the U.S. Treasury during 2018. These amounts are subject to change once the final regulations are issued, which is expected to occur in 2019.

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

NOTES TO FINANCIAL STATEMENTS

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

	December 31, 2018	December 31, 2017	Change
Total deferred tax assets	$ 64,165,487	$ 78,905,612	$ (14,740,125)
Total deferred tax liabilities	14,599,896	31,515,444	(16,915,548)
Net deferred tax asset/(liability)	$ 49,565,591	$ 47,390,168	2,175,423
Tax effect of unrealized gains (losses)			(1,267,873)
Change in net deferred income tax			$ 907,550

D. 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:

Rate Reconciliation:

	December 31, 2018
Pretax net income (loss)	$ 190,140,495
Taxes at statutory rate	39,929,504
Increase (decrease) attributable to:	
Nontaxable investment income	(21,134,219)
Limited liability company	4,204,726
Other	(970,925)
	$ 22,029,086
Federal and foreign taxes incurred	$ 22,936,636
Change in net deferred taxes	(907,550)
Total statutory income tax	$ 22,029,086
Effective tax rate	11.6%

E. 1. The Company has no net operating loss carry-forward 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:

2018 Total	$ 24,109,930
2017 Total	22,035,275
2016 Capital Gains	10,851,553

3. The Company has no protective tax deposits with the Internal Revenue Service (IRS) under Section 6603 of the IRS Code.

F. 1. The Company is included in a consolidated federal income tax return with its ultimate parent company, The Travelers Companies, Inc. (TRV). A list of the entities included with the Company in a consolidated federal income tax return filing is attached.

2. The Company is a 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 IRS levies upon a member's assets for unpaid taxes in excess of the amount specifically allocated to a member.

In the event that the consolidated group develops an Alternative Minimum Tax (AMT), each company with an AMT on a separate company basis will be allocated a portion of the consolidated AMT. Settlement of the AMT will be made in the same manner and timing as the regular federal income tax. For 2017, the consolidated group is not in an AMT position. For 2018 and forward, the Tax Cuts and Jobs Act of 2017 repealed the AMT.

G. The Company 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.

H. Repatriation Transition Tax (RTT):

Not applicable.

I. The Company does not have an AMT credit.

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

A-C. In October 2018, the Company received a $36.2 million return of capital from its wholly-owned subsidiary, Oregon Evergreen Investor I, LLC.

Schedule Y - Part 2 summarizes the net flow of funds among affiliates for various types of transactions between affiliates. Regulatory prior approval and/or prior notification has been provided for any transaction requiring such action.

The following are general business arrangements that result in or are used for transactions with affiliates in the normal course of business:

NOTES TO FINANCIAL STATEMENTS

(1) The principal banking functions for the property-casualty operations of TRV and some or all of its affiliated property-casualty insurance companies are handled by The Travelers Indemnity Company (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 in Schedule DA. At December 31, 2018 and 2017, the TRVMMLP totaled $4.14 billion and $5.20 billion, respectively.

D. (1) At December 31, 2018 and 2017, the Company had $16,237,946 and $32,275,041 receivable from affiliates, respectively. Substantially all of the accounts between and among the Company and its affiliates are settled at least monthly through the TRVMMLP or in cash.

(2) The Company participates in an intercompany reinsurance pooling agreement as described in Note 26. The following represents the unsettled balances resulting from affiliated reinsurance that are reported in the respective balance sheet accounts:

	December 31, 2018	December 31, 2017
Amounts recoverable from reinsurers	$ 150,335,907	$ 141,046,535
Reinsurance payable on paid losses and LAE	68,953,784	64,391,173
Ceded reinsurance premiums payable	106,187,571	96,421,391

These balances were settled net through the intercompany settlement process during January 2019 and January 2018, respectively.

E. The Company has not provided any guarantees for the benefit of an affiliate which would result in a material contingent exposure for the Company or any affiliated insurer's assets or liabilities.

F. Material management or service contracts and cost sharing arrangements, involving the Company or any affiliate, other than cost allocation arrangements, are as follows:

Type of Contract and Description	Servicing Company	Other Party
Amended and Restated Expense Allocation	The Travelers Indemnity Company	Travelers P&C[1]
Reinsurance Allocation	The Travelers Indemnity Company	Travelers P&C[1]

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

G. All of the issued and outstanding common stock of the Company is owned by Travelers Insurance Group Holdings Inc. (TIGHI), an indirect subsidiary of TRV, a publicly traded insurance holding company, the organization of which is shown in Schedule Y - Part 1.

H. Not applicable.

I. Not applicable.

J. Not applicable.

K. Not applicable.

L. Not applicable.

M. 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):

SCA Entity	Percentage of SCA Ownership	12/31/2018 Gross Amount	12/31/2018 Admitted Amount	12/31/2018 Nonadmitted Amount
a. SSAP No. 97 8a Entities				
Total SSAP No. 97 8a Entities	XXX	$ —	$ —	$ —
b. SSAP No. 97 8b(ii) Entities				
Travelers Texas MGA, Inc.	100.00%	$ 1,112,187	$ —	$ 1,112,187
Total SSAP No. 97 8b(ii) Entities	XXX	$ 1,112,187	$ —	$ 1,112,187
c. SSAP No. 97 8b(iii) Entities				
Total SSAP No. 97 8b(iii) Entities	XXX	$ —	$ —	$ —
d. SSAP No. 97 8b(iv) Entities				
Total SSAP No. 97 8b(iv) Entities	XXX	$ —	$ —	$ —
e. Total SSAP No. 97 8b Entities (except 8b(i) entities)	XXX	$ 1,112,187	$ —	$ 1,112,187
f. Aggregate Total	XXX	$ 1,112,187	$ —	$ 1,112,187

NOTES TO FINANCIAL STATEMENTS

2. NAIC filing response information:

SCA Entity	Type of NAIC Filing	Date of Filing to the NAIC	12/31/2017 NAIC Valuation Amount	NAIC Response Received Y/N	NAIC Disallowed Entities Valuation Method, Resubmission Required Y/N	Code
a. SSAP No. 97 8a Entities						
Total SSAP No. 97 8a Entities	XXX	XXX	$ —	XXX	XXX	XXX
b. SSAP No. 97 8b(ii) Entities						
Travelers Texas MGA, Inc.						
Total SSAP No. 97 8b(ii) Entities	XXX	XXX	$ —	XXX	XXX	XXX
c. SSAP No. 97 8b(iii) Entities						
Total SSAP No. 97 8b(iii) Entities	XXX	XXX	$ —	XXX	XXX	XXX
d. SSAP No. 97 8b(iv) Entities						
Total SSAP No. 97 8b(iv) Entities	XXX	XXX	$ —	XXX	XXX	XXX
e. Total SSAP No. 97 8b Entities (except 8b(i) entities)	XXX	XXX	$ —	XXX	XXX	XXX
f. Aggregate Total	XXX	XXX	$ —	XXX	XXX	XXX

N. Not applicable.

O. Not applicable.

11. DEBT

Not applicable.

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

A-D. Defined Benefit Plans:

Not applicable.

E. Defined Contribution Plans:

Not applicable.

F. Multiemployer Plans:

Not applicable.

G. Consolidated/Holding Company Plans:

1. Employee Retirement Plans:

The Company 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 Company and its property-casualty affiliates. In addition the Company participates in nonqualified defined benefit pension plans sponsored by TRV which cover certain highly-compensated employees of the Company and its property-casualty affiliates. The Company has no legal obligation for benefits under these plans. The Company 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 Company's allocated share of the pension expense was $3,805,887 and $4,066,182 for 2018 and 2017, respectively.

2. Postretirement Benefit Plan:

The Company participates in a postretirement health and life insurance benefit plan sponsored by TRV for employees of the Company and its property-casualty affiliates that satisfy certain age and service requirements and for certain retirees. The Company has no legal obligation for benefits under this plan. The Company 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 Company's allocated share of the postretirement benefit expense was $107,338 and $112,025 for 2018 and 2017, respectively.

3. 401(k) Savings Plan:

The Company participates in a 401(k) savings plan sponsored by TRV for substantially all employees of the Company and its property-casualty affiliates. The Company has no legal obligation for benefits under this plan. The Company 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 Company's allocated share of the 401(k) savings plan expense was $4,940,168 and $4,960,256 for 2018 and 2017, respectively.

H. Postemployment Benefits and Compensated Absences:

Not applicable.

NOTES TO FINANCIAL STATEMENTS

I. Impact of Medicare Modernization Act on Postretirement Benefits:

Not applicable.

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

The Company has 20,000 shares of common capital stock authorized, issued and outstanding with a par value of $250 per share.

The Company paid ordinary dividends of $89 million and extraordinary dividends of $16 million for a total of $105 million in 2018, to its parent company, TIGHI. In 2017, the Company paid ordinary dividends of $111 million to TIGHI.

Dividends to the shareholder and the proportion of the profits of the Company that may be paid to the shareholder is not limited by charter. The maximum amount of dividends which can be paid by the Company to the shareholder without prior approval of the Insurance Commissioner of the State of Connecticut is subject to restrictions relating to statutory surplus or net income. The maximum amount of dividends to the shareholder that can be made during 2019 without prior approval is $167,203,858.

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

The change in the balance of special surplus from retroactive reinsurance is a result of ongoing activity occurring in 2018. See Note 23F for additional detail.

Unassigned funds have been increased by cumulative net unrealized gains of $321,810,982.

14. LIABILITIES, CONTINGENCIES AND ASSESSMENTS

A. Contingent Commitments:

At December 31, 2018, the Company had commitments to fund investments of $26.5 million.

B. Assessments:

1. The Company has accrued liabilities of $10.5 million for guaranty fund and other insurance-related assessments and related recoverables of $1.2 million at December 31, 2018. 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.

2. a. Assets recognized from paid and accrued premium tax offsets December 31, 2017	$	1,002,618
b. Decreases current year:		
Premium tax offset charged off		—
Premium tax offset applied		286,164
Premium tax offset refund		—
c. Increases current year:		
Premium tax offset accrued		312,530
d. Assets recognized from paid and accrued premium tax offsets December 31, 2018	$	1,028,984

3. Not applicable.

C. Gain Contingencies:

Not applicable.

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

The Company paid the following amounts in the reporting period to settle claims related extra contractual obligations (ECO) or bad faith claims stemming from lawsuits:

	Direct
Claims related ECO and bad faith losses paid during the reporting period	$455,167

Number of claims where amounts were paid to settle claims related ECO or bad faith claims resulting from lawsuits during the reporting period:

0-25 Claims
X

Claim count information provided herein is disclosed on a per claim basis.

E. Product Warranties:

Not applicable.

F. Joint and Several Liabilities:

Not applicable.

G. All Other Contingencies:

The Company has purchased annuities from life insurance companies to fund structured settlements. For a discussion of the Company's contingent liabilities for structured settlements, see Note 27.

NOTES TO FINANCIAL STATEMENTS

In the ordinary course of business, the Company is a defendant or codefendant in various litigation matters. Although there can be no assurances, as of December 31, 2018, the Company believes, based on information currently available, that the ultimate resolution of these legal proceedings would not be likely to have a material adverse effect on its net income, financial condition or liquidity.

For a discussion of contingencies related to asbestos and environmental reserves, see Note 33.

15. LEASES

Not applicable.

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

The Company has unfunded commitments to private equity limited partnerships and/or real estate partnerships in which it invests. The off-balance-sheet risk of these financial instruments was $26.5 million at December 31, 2018.

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

A. Transfers of Receivables Reported as Sales:

Not applicable.

B. Transfer and Servicing of Financial Assets:

The Company 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 Company has the right to access the collateral only in the event that the institution borrowing the Company's securities is in default under the lending agreement. The loaned securities remain a recorded asset of the Company. The Company 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. See Schedule D – Part 1 for identification and description of securities on loan.

C. Wash Sales:

Not applicable.

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

Not applicable.

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

The Company did not have any direct premiums written through managing general agents (as defined in Appendix A-225 of the NAIC *Accounting Practices and Procedures Manual*) or third party administrators.

20. FAIR VALUE MEASUREMENTS

The Company'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 Company'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 Company 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 Company's own assumptions about the inputs that market participants would use.

A. 1. Securities measured and reported at fair value as of December 31, 2018:

Description	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
Bonds					
Industrial and miscellaneous	$ —	$ 17,801,504	$ —	$ —	$ 17,801,504
Bank loans	—	21,268,872	45,775,724	—	67,044,596
Total bonds	—	39,070,376	45,775,724	—	84,846,100
Total securities at fair value	$ —	$ 39,070,376	$ 45,775,724	$ —	$ 84,846,100

There were no significant transfers between Level 1 and Level 2 during the year.

NOTES TO FINANCIAL STATEMENTS

2. Securities measured and reported at fair value using significant unobservable inputs (Level 3):

Description	Beginning Balance at 1/1/2018	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 12/31/2018
Bonds	$43,360,574	$69,141,305	$(80,797,714)	$ (371,518)	$ 925,550	$26,876,476	$12,381,455	$(3,799,998)	$(21,940,406)	$45,775,724

During the year, market fluctuations caused Level 3 bonds to change from being held at cost to being held at fair value, resulting in transfers in as shown above.

During the year, market fluctuations caused Level 3 bonds to change from being held at fair value to being held at cost, resulting in transfers out as shown above.

During the year, the Company disposed of its Level 3 preferred stock, measured and reported in the previous year at its fair value of zero.

3. Policy on transfers into and out of Level 3:

Market fluctuations cause securities to change from being held at cost to fair value or vice versa. In addition, securities transfer between levels based on the availability of observable market data. The Company recognizes these transfers at the end of the period.

4. Level 2 and Level 3 valuation techniques:

The fair values of bonds are determined by the Company in accordance with NAIC guidelines. These securities are generally priced by the SVO or by a third party organization.

5. Not applicable.

B. Not applicable.

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:

(At December 31, 2018)

Description	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Short-term bonds	$ 134,288,143	$ 134,288,143	$ 19,091,083	$ 115,197,060	$ —	$ —	$ —
Long-term bonds	2,451,704,168	2,461,829,108	64,509,187	2,300,442,857	86,752,124	—	—

(At December 31, 2017)

Description	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Short-term bonds	$ 196,526,269	$ 196,526,269	$ 45,556,900	$ 150,969,369	$ —	$ —	$ —
Long-term bonds	2,244,143,113	2,197,515,182	84,472,522	2,081,114,306	78,556,285	—	—
Preferred stock	—	—	—	—	—	—	—

D. Not applicable.

E. Not applicable.

21. OTHER ITEMS

A. Unusual or Infrequent Items:

Not applicable.

B. Troubled Debt Restructuring – Debtors:

Not applicable.

C. Other Disclosures:

The Company elected to use rounding in reporting amounts in this statement.

2018 Schedule P:

The 2008 and prior “Total Net Losses and Expenses Unpaid” (Schedule P - Part 1, Column 24, Line 1) is separately reported to accident year as follows (in thousands):

	Accident Years									
Schedule P	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999 & Prior
Part 1A	$ 22	$ 22	$ 19	$ 4	$ 4	$ 7	$ 18	$ 7	$ 2	$ 188
Part 1B	28	39	16	16	9	4	4	4	3	9,896
Part 1C	293	289	135	310	208	320	74	101	161	1,885
Part 1D	18,269	16,120	14,045	12,095	14,421	12,899	11,982	14,341	13,383	133,747
Part 1E	1,876	2,468	1,721	462	468	410	467	399	398	12,605
Part 1F - Section 1	—	—	—	12	27	112	96	10	61	180
Part 1F - Section 2	4	561	(1)	32	30	68	71	96	176	880
Part 1G	98	22	54	5	49	114	70	129	222	1,997

NOTES TO FINANCIAL STATEMENTS

	Accident Years									
Schedule P	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999 & Prior
Part 1H - Section 1	3,777	1,379	2,123	1,348	1,251	1,927	2,086	3,151	2,724	81,487
Part 1H - Section 2	1,065	675	1,294	159	336	1,335	906	1,662	72	4,984
Part 1R - Section 1	925	369	674	701	432	741	572	626	542	35,072
Part 1R - Section 2	(10)	7	182	29	23	18	27	41	3	526

The following loss and/or LAE reserves have been assumed / (ceded) under retroactive reinsurance agreements. They are reported here by line of business and accident year to facilitate loss discounting under Internal Revenue Code Section 846 (in thousands):

	2002	2001	2000	1999	1998	1997
Commercial auto	$ (1)	$ —	$ —	$ —	$ —	$ —
Workers' compensation	(163)	(152)	(29)	(1,545)	—	(48)
Commercial multiple peril	—	—	—	—	—	—
Medical professional liability - claims-made	—	—	—	—	—	—
Special liability	—	—	—	—	—	—
Other liability - occurrence	(95)	—	—	—	—	—
Other liability - claims-made	—	(294)	—	—	—	—
Special property	—	—	—	—	—	—
Other	—	—	—	—	—	—
Reinsurance A	(29)	—	—	—	—	—
Reinsurance B	(71)	—	—	—	—	—

D. Business Interruption Insurance Recoveries:

Not applicable.

E. State Transferable and Non-transferable Tax Credits:

1. Description of State Transferable and Non-transferable Tax Credits

Description of State Transferable and Non-transferable Tax Credits	State	Carrying Value	Unused Amount
Enhanced Capital Tennessee Tax Credit	TN	$ 399,622	$ 397,618
Advantage Capital 2017 State TC Series A-4	NE	224,982	227,892
Advantage Capital 2013 State TC Series E	NE	146,973	145,974
Advantage Capital 2017 State TC Series B-4	NE	105,355	105,760

2. These credits are utilized per a set schedule as outlined in the respective purchase agreement.

3. Not applicable.

4. State Tax Credits Admitted and Nonadmitted:

	Total Admitted	Total Nonadmitted
Transferable	$ 876,932	$ —
Non-transferable	—	—

F. Subprime Mortgage Related Risk Exposure:

The Company defines subprime mortgage-backed securities as investments which generally contain a majority of loans to borrowers that exhibit one or more of the following characteristics at the time of issuance:

- Low FICO scores,
- Above prime interest rates,
- High loan-to-value ratios,
- High debt-to-income ratios,
- Low loan documentation (e.g. limited or no verification of income and assets), or
- Other characteristics that are inconsistent with conventional underwriting standards employed by government sponsored mortgage entities.

In addition, because of their high loan-to-value ratios, the Company has categorized second-lien mortgage-backed securities as subprime, regardless of the credit characteristics of the borrower on the underlying mortgage.

The Company reviews the credit characteristics of the loans that back these mortgage-backed securities when making the determination to categorize them as subprime exposure. Since the primary purpose of the investment portfolio is to fund future claim payments, the Company employs a conservative investment philosophy. In applying this philosophy to structured securities, including subprime mortgage-backed securities, the Company favors the purchase of senior credit tranches over junior or leveraged credit tranches.

Overall exposure to subprime mortgage-backed securities is sufficiently small in that the Company would likely have other securities available for liquidity needs. The Company utilizes discounted cash flow valuation analysis in its regular, ongoing review of its existing subprime mortgage portfolio, as well as in its analysis of subprime mortgage-backed bonds for purchase. Based upon the credit performance of mortgages within each securitization, the Company projects voluntary prepayments, defaults and loss severity to estimate any expected losses.

NOTES TO FINANCIAL STATEMENTS

Direct exposure through other investments:

	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other-Than-Temporary Impairment Losses Recognized
Residential mortgage-backed securities	$ 696,977	$ 690,946	$ 714,441	$ 22,391

G. Insurance-Linked Securities (ILS) Contracts:

Not applicable.

22. EVENTS SUBSEQUENT

On January 28, 2019, the New York Senate and Assembly passed a bill known as the Child Victims Act (CVA). The New York Governor signed the bill into law on February 14th.

Under prior New York law, a claimant had 5 years from the date of abuse to file a civil action, or if the claimant was a minor at the time of the abuse, before the claimant reached the age of 23. Civil actions against defendants other than the perpetrator (e.g., churches, schools, employers or enablers of the perpetrator) were limited to a 3-year statute of limitations from the date of abuse to file a civil action against those entities, or if the claimant was a minor at the time of the abuse, the civil action was required to be filed before the claimant reached age 21.

Under CVA, claimants asserting childhood sexual molestation may file a civil claim any time prior to the date the claimant reaches the age of 55. Additionally, the new law includes a “reviver” component that allows claimants of any age who allege they were abused as a minor to file a civil claim in court that was time barred under the prior New York law against any allegedly culpable person or entity during a one year “reviver” window that begins six months after CVA takes effect.

The Company is currently evaluating the potential impact of the new law and the likelihood of claims being brought against the Company’s policyholders and does not currently have an estimate of the possible loss or range of losses.

The Company had no additional material subsequent events through February 21, 2019.

23. REINSURANCE

A. Unsecured Reinsurance Recoverables:

1. Affiliated Company Recoverables:

The Company participates in the TRV Reinsurance Pool and/or other reinsurance programs with affiliates and takes credit for reinsurance ceded directly and indirectly to these companies. The unsecured aggregate recoverables for ceded losses, LAE and unearned premiums at December 31, 2018, in connection with reinsurance agreements among affiliated insurers, were as follows:

Reinsurance balances ceded to pool participants and recoverable by The Travelers Indemnity Company (06-0566050):

Company	F.E.I.N	Amount
St. Paul Fire and Marine Insurance Company	41-0406690	$ 12,627,722,108
Travelers Casualty and Surety Company	06-6033504	10,373,037,611
The Phoenix Insurance Company	06-0303275	2,547,177,049
The Standard Fire Insurance Company	06-6033509	2,465,592,895
United States Fidelity and Guaranty Company	52-0515280	2,248,159,473
Travelers Casualty Insurance Company of America	06-0876835	1,390,736,648
Farmington Casualty Company	06-1067463	753,920,590
The Travelers Indemnity Company of Connecticut	06-0336212	700,540,284
The Automobile Insurance Company of Hartford, Connecticut	06-0848755	697,799,191
The Charter Oak Fire Insurance Company	06-0291290	648,166,110
Northland Insurance Company	41-6009967	621,500,908
St. Paul Surplus Lines Insurance Company	41-1230819	448,221,373
The Travelers Indemnity Company of America	58-6020487	394,728,252
St. Paul Protective Insurance Company	36-2542404	295,499,329
Northfield Insurance Company	41-0983992	264,858,078
Travelers Commercial Casualty Company	95-3634110	239,399,895
Travelers Casualty Company of Connecticut	06-1286266	239,390,953
Travelers Commercial Insurance Company	06-1286268	239,390,953
St. Paul Mercury Insurance Company	41-0881659	203,736,979
Travelers Property Casualty Company of America	36-2719165	201,465,871
Travelers Property Casualty Insurance Company	06-1286274	152,802,732
Travelers Constitution State Insurance Company	41-1435766	147,709,307
The Travelers Casualty Company	41-1435765	147,709,307
Travelers Personal Insurance Company	36-3703200	137,522,456
Travelers Excess and Surplus Lines Company	06-1203698	137,522,456
The Travelers Home and Marine Insurance Company	35-1838079	137,522,456
TravCo Insurance Company	35-1838077	137,522,456
Travelers Personal Security Insurance Company	06-1286264	137,522,456
Discover Property & Casualty Insurance Company	36-2999370	71,478,908
Discover Specialty Insurance Company	52-1925132	71,307,931
Northland Casualty Company	94-6051964	71,307,931

NOTES TO FINANCIAL STATEMENTS

Company	F.E.I.N	Amount
Fidelity and Guaranty Insurance Underwriters, Inc.	52-0616768	51,038,697
St. Paul Guardian Insurance Company	41-0963301	50,934,233
American Equity Specialty Insurance Company	86-0868106	50,934,233
Total		$ 39,103,880,109

Reinsurance balances assumed by The Travelers Indemnity Company and recoverable by the following pool participants:

Company	F.E.I.N	Amount
Travelers Property Casualty Company of America	36-2719165	$ 12,961,021,024
The Charter Oak Fire Insurance Company	06-0291290	3,391,327,732
The Standard Fire Insurance Company	06-6033509	3,318,474,875
The Travelers Indemnity Company of America	58-6020487	3,295,489,774
The Travelers Indemnity Company of Connecticut	06-0336212	3,137,170,281
Travelers Casualty and Surety Company	06-6033504	2,917,001,176
St. Paul Fire and Marine Insurance Company	41-0406690	2,877,993,901
The Phoenix Insurance Company	06-0303275	2,706,105,072
The Travelers Home and Marine Insurance Company	35-1838079	2,240,630,773
Travelers Casualty Insurance Company of America	06-0876835	1,981,452,686
United States Fidelity and Guaranty Company	52-0515280	1,437,864,433
Travelers Commercial Insurance Company	06-1286268	1,185,650,765
Travelers Property Casualty Insurance Company	06-1286274	792,146,811
Northland Insurance Company	41-6009967	702,167,378
Farmington Casualty Company	06-1067463	700,222,545
The Automobile Insurance Company of Hartford, Connecticut	06-0848755	632,570,226
St. Paul Mercury Insurance Company	41-0881659	559,816,863
Travelers Personal Insurance Company	36-3703200	407,533,810
Travelers Excess and Surplus Lines Company	06-1203698	356,753,431
Fidelity and Guaranty Insurance Underwriters, Inc.	52-0616768	350,627,364
St. Paul Protective Insurance Company	36-2542404	326,302,048
TravCo Insurance Company	35-1838077	309,082,044
Northfield Insurance Company	41-0983992	272,725,358
Travelers Personal Security Insurance Company	06-1286264	229,531,868
Discover Property & Casualty Insurance Company	36-2999370	162,422,827
St. Paul Surplus Lines Insurance Company	41-1230819	154,097,912
St. Paul Guardian Insurance Company	41-0963301	96,047,229
Travelers Commercial Casualty Company	95-3634110	77,828,557
Travelers Casualty Company of Connecticut	06-1286266	67,587,885
Northland Casualty Company	94-6051964	11,273,775
The Travelers Casualty Company	41-1435765	4,975,158
Travelers Constitution State Insurance Company	41-1435766	2,438,720
Discover Specialty Insurance Company	52-1925132	2,116,366
Total		$ 47,668,450,667

2. Unaffiliated Company Recoverables:

   Not applicable.

B. Reinsurance Recoverable in Dispute:

   Not applicable.

C. Reinsurance Assumed and Ceded:

1.

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
Affiliates	$ 528,756,559	$ 58,853,525	$ 1,358,768,310	$ 151,238,416	$ (830,011,751)	$ (92,384,891)
All Other	263,226,137	29,298,523	—	—	263,226,137	29,298,523
Total	$ 791,982,696	$ 88,152,048	$ 1,358,768,310	$ 151,238,416	$ (566,785,614)	$ (63,086,368)

Direct Unearned Premium Reserve $ 1,095,542,173

NOTES TO FINANCIAL STATEMENTS

2. Accruals for contingent, sliding scale adjustment and other profit sharing commissions, net of reinsurance assumed and ceded, amounted to $10,787,559 at December 31, 2018. This balance represents the Company's 4.84% pro rata share of the net amount of the TRV Reinsurance Pool (see Note 26):

	Direct	Assumed	Ceded	Net
a. Contingent Commission	$ 33,398,437	$ 10,787,559	$ 33,398,437	$ 10,787,559
b. Sliding Scale Adjustments	—	—	—	—
c. Other Profit Commission Arrangements	—	—	—	—
d. Total	$ 33,398,437	$ 10,787,559	$ 33,398,437	$ 10,787,559

D. Uncollectible Reinsurance:

Not applicable.

E. Commutation of Ceded Reinsurance:

Not applicable.

F. Retroactive Reinsurance:

	Assumed	Ceded
a. Reserves Transferred:		
(1) Initial Reserves	$ 454,960	$ 8,970,099
(2) Adjustments - Prior Year(s)	(193,600)	7,058,091
(3) Adjustments - Current Year	—	(278,888)
(4) Current Total	$ 261,360	$ 15,749,302
b. Consideration Paid or Received:		
(1) Initial Consideration	$ 506,026	$ 9,150,518
(2) Adjustments - Prior Year(s)	—	674,335
(3) Adjustments - Current Year	—	—
(4) Current Total	$ 506,026	$ 9,824,853
c. Paid Losses Reimbursed or Recovered:		
(1) Prior Year(s)	$ 203,093	$ 13,196,330
(2) Current Year	1,120	100,109
(3) Current Total	$ 204,213	$ 13,296,439
d. Special Surplus From Retroactive Reinsurance:		
(1) Initial Surplus Gain or Loss	$ 51,066	$ (180,419)
(2) Adjustments - Prior Year(s)	193,600	6,383,756
(3) Adjustments - Current Year	—	(278,888)
(4) Current Year Restricted Surplus	244,666	2,252,384
(5) Cumulative Total Transferred to Unassigned Funds	$ —	$ 3,672,065

e. Other insurers included in the above transactions:

Company	Assumed	Ceded
Munich Reinsurance America, Inc. (10227)	$ 261,360	$ —
Renaissance Reinsurance U.S. Inc. (10357)	—	4,387,802
XL Reinsurance America Inc. (20583)	—	3,518,739
TIG Insurance Company (25534)	—	3,507,683
Swiss Reinsurance America Corporation (25364)	—	864,919
Westport Insurance Corporation (39845)	—	746,163
Commercial Risk Reinsurance Co. Ltd. (AA-3190433)	—	648,560
Excalibur Reinsurance Corp. (39675)	—	456,924
Various	—	1,618,512
Total	$ 261,360	$ 15,749,302

f. Paid Loss/LAE Recoverable:

1. Authorized Reinsurers

Company	Total Paid Loss/LAE Recoverable	Amount Over 90 Days Past Due
Renaissance Reinsurance U.S. Inc. (10357)	$ 833	$ —
XL Reinsurance America Inc. (20583)	19,847	—
Westport Insurance Corporation (39845)	(206)	—
Various	4,140	—
Total	$ 24,614	$ —

NOTES TO FINANCIAL STATEMENTS

G. Reinsurance Accounted for as a Deposit:

Not applicable.

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

Not applicable.

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation:

Not applicable.

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation:

Not applicable.

24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

A. Accrued retrospective premiums (Page 2, Line 15.3) 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. The amount shown in Part E below is the Company's proportionate share of the accrued retrospective premiums of the TRV Reinsurance Pool (see Note 26).

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

C. See Schedule P - Part 7A.

D. Not applicable.

E. Calculation of nonadmitted retrospective premium:

1.	Total accrued retrospective premium	$ 4,490,077
2.	Unsecured amount	1,690,295
3.	Less: Nonadmitted amount	377,775
4.	Less: Nonadmitted for any person for whom agents' balances or uncollected premiums are nonadmitted	78,674
5.	Admitted amount (1) - (3) - (4)	$ 4,033,628

F. Not applicable.

25. CHANGES IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

In 2018, the prior year-end total loss and LAE reserves developed favorably by $19,589,000, resulting from better than expected loss and defense and cost containment (DCC) experience across multiple Schedule P lines, primarily workers' compensation, other liability - claims-made, special property, and private passenger auto liability. Multiple other lines also contributed to the total favorable development. This favorable development was partially offset by funding of asbestos and environmental reserves, primarily in the other liability - occurrence and products liability - occurrence lines and by unfavorable development in the commercial auto liability line. Lower estimates for adjusting and other expenses also contributed to the total favorable development.

The improvement in workers' compensation was driven by better than expected loss experience for multiple accident years. The improvement in other liability - claims-made was driven primarily by better than expected loss experience for accident years 2015 and prior. The improvement in special property and private passenger auto liability was driven primarily by better than expected loss experience for recent accident years. Additional favorable loss and DCC development was spread across multiple lines and accident years and not concentrated in any particular line or accident year. Unfavorable development in the other liability - occurrence and products liability - occurrence lines was driven primarily by asbestos and environmental funding in "Prior" accident years. Higher than expected loss experience in commercial auto liability was primarily for recent accident years.

The improvement in adjusting and other expense reserves was driven primarily by the favorable underlying loss and DCC experience as well as the allocation of adjusting and other expense reserves by year.

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.

26. INTERCOMPANY POOLING ARRANGEMENTS

The Company is a participant in the TRV Reinsurance Pool, an intercompany pooling arrangement. The lead company of the TRV Reinsurance Pool is Indemnity. Under the terms of the arrangement, the property-casualty underwriting risks for substantially all lines of business of the intercompany pool participants are reinsured with Indemnity. The pool of net underwriting risks remaining after reinsurance is transacted with third parties by Indemnity is then retroceded to the pool participants based on pool participation 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 pool participants.

The names, NAIC company codes and intercompany pool percentages of the companies participating in the TRV Reinsurance Pool are as follows:

TRV Reinsurance Pool Participant	NAIC Company Code	Pool Participation %
St. Paul Fire and Marine Insurance Company	24767	24.79
The Travelers Indemnity Company	25658	23.29
Travelers Casualty and Surety Company	19038	20.36
The Phoenix Insurance Company	25623	5.00

NOTES TO FINANCIAL STATEMENTS

TRV Reinsurance Pool Participant	NAIC Company Code	Pool Participation %
The Standard Fire Insurance Company	19070	4.84
United States Fidelity and Guaranty Company	25887	4.41
Travelers Casualty Insurance Company of America	19046	2.73
Farmington Casualty Company	41483	1.48
The Automobile Insurance Company of Hartford, Connecticut	19062	1.37
The Travelers Indemnity Company of Connecticut	25682	1.37
The Charter Oak Fire Insurance Company	25615	1.27
Northland Insurance Company	24015	1.22
St. Paul Surplus Lines Insurance Company	30481	0.88
The Travelers Indemnity Company of America	25666	0.77
St. Paul Protective Insurance Company	19224	0.58
Northfield Insurance Company	27987	0.52
Travelers Casualty Company of Connecticut	36170	0.47
Travelers Commercial Casualty Company	40282	0.47
Travelers Commercial Insurance Company	36137	0.47
St. Paul Mercury Insurance Company	24791	0.40
Travelers Property Casualty Company of America	25674	0.36
Travelers Property Casualty Insurance Company	36161	0.30
The Travelers Casualty Company	41769	0.29
Travelers Constitution State Insurance Company	41750	0.29
TravCo Insurance Company	28188	0.27
Travelers Excess and Surplus Lines Company	29696	0.27
The Travelers Home and Marine Insurance Company	27998	0.27
Travelers Personal Insurance Company	38130	0.27
Travelers Personal Security Insurance Company	36145	0.27
Discover Property & Casualty Insurance Company	36463	0.14
Discover Specialty Insurance Company	10213	0.14
Northland Casualty Company	24031	0.14
American Equity Specialty Insurance Company	10819	0.10
Fidelity and Guaranty Insurance Underwriters, Inc.	25879	0.10
St. Paul Guardian Insurance Company	24775	0.10

All of the above TRV Reinsurance Pool companies are party to reinsurance agreements with non-affiliated reinsurers covering business subject to the pooling agreement and have contractual rights of direct recovery from the non-affiliated reinsurers under the terms of such reinsurance agreements.

As of December 31, 2018, the Company had a net payable of $24,805,447 to affiliates as a result of its intercompany reinsurance transactions which settled in January 2019.

27. STRUCTURED SETTLEMENTS

The Company has purchased annuities from life insurance companies, under which the claimant is the payee and the Company 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 Company would be required to make such payments if and to the extent the purchased annuities are not covered by state guaranty associations.

The following data represents the Company's proportionate share of structured settlement annuities purchased by members of the TRV Reinsurance Pool (see Note 26):

A.

Loss Reserves Eliminated by Annuities	Unrecorded Loss Contingencies
$131,101,844	$131,101,844

B.

Life Insurance Company and Location	Licensed in Company's State of Domicile	Statement Value of Annuities
Fidelity & Guaranty Life Insurance Company, Baltimore, MD	Yes	$ 37,295,494
Brighthouse Life Insurance Company, Charlotte, NC	Yes	12,880,555
All other companies		80,925,795

28. HEALTH CARE RECEIVABLES

Not applicable.

29. PARTICIPATING POLICIES

Not applicable.

NOTES TO FINANCIAL STATEMENTS

30. PREMIUM DEFICIENCY RESERVES

1.	Liability carried for premium deficiency reserves	$0
2.	Date of the most recent evaluation of this liability	December 31, 2018
3.	Was anticipated investment income utilized in the calculation?	Yes

31. HIGH DEDUCTIBLES

A. Reserve Credit Recorded on Unpaid Claims and Amount Billed and Recoverable on Paid Claims for High Deductibles:

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	$ 470,852,325	$ 229,488,022	$ 2,374,213	$ 231,862,235
19.3, 19.4	Commercial auto liability	49,060,378	30,617,182	237,699	30,854,881
21	Auto physical damage	503,191	341,689	2,438	344,127
17.1, 17.2	Other liability	57,340,044	16,388,559	277,814	16,666,373
18.1, 18.2	Products liability	24,140,307	5,667,292	116,961	5,784,253
5	Commercial multiple peril	483,080	13,611	2,341	15,952
	Total	$ 602,379,325	$ 282,516,355	$ 3,011,466	$ 285,527,821

2. Unsecured amounts of high deductibles:

a.	Total high deductibles and billed recoverables on paid claims	$ 285,527,821
b.	Collateral on balance sheet	$ 42,115,243
c.	Collateral off balance sheet	$ 235,236,263
d.	Total unsecured deductibles and billed recoverables on paid claims	$ 8,176,315
e.	Percentage unsecured	2.86%

3. High deductible recoverable amounts on paid claims:

a.	Amount of overdue nonadmitted (either due to aging or collateral)	$ 322,358
b.	Amount over 90 days overdue admitted	$ 202,946
c.	Total overdue (a+b)	$ 525,304

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

Counterparty Ranking	Top Ten Unsecured High Deductibles Amounts
Counterparty 1	$ 2,826,030
Counterparty 2	2,320,326
Counterparty 3	1,753,895
Counterparty 4	1,637,158
Counterparty 5	1,542,983
Counterparty 6	1,220,488
Counterparty 7	1,159,088
Counterparty 8	1,089,930
Counterparty 9	855,335
Counterparty 10	728,089

B. Unsecured High Deductible Recoverables for Individual Obligors Part of a Group under the Same Management or Control which are Greater than 1% of Capital and Surplus:

Not applicable.

32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES

A. The Company 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 Company's own evaluation of the ultimate payout and a 5% discount rate.

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, as included in Schedule P, 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 2009 – 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

NOTES TO FINANCIAL STATEMENTS

Fatal Cases: New York Mandated Mortality & Remarriage Table – NY
United States Life Tables Total Female 2009 – MN **
United States Life Tables Total Female 2011 – MA **
United States Life Tables Total Female 1999 – MA(USL) *
* and the 1980 Railroad Retirement Board Remarriage Table
United States Life Tables Total Female 2007 – all other states **
** 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 1983 Individual Annuity Mortality table adjusted for impairment and future mortality improvement.

The Company 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 Company's assessment of facts and circumstances currently known and, using Company 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 Company has established for these claims reflects these multiple estimation methods, payment patterns and a discount rate of 5%. 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, 2018 liabilities of the Company included $102,855,381 and $6,893,623 of such discounted liabilities related to workers' compensation and other liability - occurrence reserves, respectively. The amount of discount for case and IBNR reserves at December 31, 2018 is as follows:

Tabular Discount

		Tabular Discount Included in Schedule P, Part 1 *	
	Schedule P Lines of Business	Case	IBNR
1.	Workers' compensation	$ 14,111,214	$ 30,128,498
2.	Other liability - occurrence	599,144	7,826,135
3.	Total	$ 14,710,358	$ 37,954,633

* Excludes medical loss reserves and all loss adjustment expense reserves

In 2018, the accretion of discount reported as part of losses incurred in the Statement of Income totaled $2,391,607

B. Non-tabular reserves have not been discounted.

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

33. ASBESTOS/ENVIRONMENTAL RESERVES

The following represents the Company's allocable share of the pooled property-casualty business of the TRV Reinsurance Pool, based on its pro rata participation percentage of 4.84%.

A. Does the Company have on the books or has it ever written an insured for which you have identified a potential for the existence of a liability due to asbestos losses? Yes (X) No ( )

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

Because each policyholder presents different liability and coverage issues, the Company generally reviews the exposure presented by each policyholder at least annually. Among the factors which the Company may consider in the course of this review are: available insurance coverage, including the role of any umbrella or excess insurance the Company 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 Company 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 Company, but which could result in settlements for larger amounts than originally anticipated. Although the Company 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 Company will continue to pursue settlement opportunities.

The Company's quarterly asbestos reserve reviews include an analysis of exposure and claim payment patterns by policyholder category, as well as recent settlements, policyholder bankruptcies, judicial rulings and legislative actions. The Company also analyzes developing payment patterns among policyholders as well as projected reinsurance billings and recoveries. In addition, the Company 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 Company's evaluations have not resulted in a reliable method to determine a meaningful average asbestos defense or indemnity payment.

In January 2015, pursuant to an order issued by a federal bankruptcy court, Travelers Property Casualty Corp. (TPC) made a payment in the amount of $579 million for the settlement of litigation that had commenced in 2001 and 2002 related to the handling and settlement of asbestos claims and the alleged violation of purported common law duties to third parties. The payment was comprised of the $502 million settlement amount, plus pre-judgment and post-judgment interest totaling $77 million. The Company's allocable share of the 2015 payment of the settlement amount resulted in a $24.3 million direct payment and a $23.1 million net payment for asbestos.

On January 29, 2009, TPC and PPG Industries, Inc. (PPG), along with approximately 30 other insurers of PPG, agreed in principle to settle asbestos-related coverage litigation under insurance policies issued to PPG (the Agreement). The Agreement was incorporated into the Modified Third Amended Plan of Reorganization (Amended Plan) proposed as part of the Pittsburgh Corning Corp. (which is 50% owned by PPG) bankruptcy proceeding. On April 27, 2016, the Amended Plan became effective and all the remaining conditions of the

NOTES TO FINANCIAL STATEMENTS

Agreement were satisfied. TPC fully satisfied its obligation under the Agreement by making a discounted payment in the second quarter of 2016. The payment totaled $524 million, of which $518 million was related to asbestos reserves. The Company's allocable share of the 2016 payments resulted in a $25.1 million direct payment and a $22.2 million net payment for asbestos.

1. Direct Basis - Asbestos:	2014	2015	2016	2017	2018
a. Beginning reserves:	$ 115,218,033	$ 112,484,936	$ 87,661,390	$ 63,165,020	$ 65,431,460
b. Incurred losses and LAE:	12,231,116	14,597,440	13,953,914	15,071,760	15,536,400
c. Calendar year payments for losses and LAE:	14,964,213	39,420,986	38,450,284	12,805,320	12,175,269
d. Ending reserves:	$ 112,484,936	$ 87,661,390	$ 63,165,020	$ 65,431,460	$ 68,792,591

2. Assumed Reinsurance Basis - Asbestos:	2014	2015	2016	2017	2018
a. Beginning reserves:	$ 10,430,409	$ 9,014,498	$ 8,013,857	$ 9,500,520	$ 8,464,275
b. Incurred losses and LAE:	256,084	358,160	3,208,920	1,355,200	987,360
c. Calendar year payments for losses and LAE:	1,671,995	1,358,801	1,722,257	2,391,445	986,726
d. Ending reserves:	$ 9,014,498	$ 8,013,857	$ 9,500,520	$ 8,464,275	$ 8,464,909

3. Net of Ceded Reinsurance Basis - Asbestos:	2014	2015	2016	2017	2018
a. Beginning reserves:	$ 113,238,117	$ 113,589,280	$ 86,999,925	$ 63,651,578	$ 61,458,516
b. Incurred losses and LAE:	12,100,000	10,648,000	10,870,640	10,860,960	10,812,560
c. Calendar year payments for losses and LAE:	11,748,837	37,237,355	34,218,987	13,054,022	10,826,072
d. Ending reserves:	$ 113,589,280	$ 86,999,925	$ 63,651,578	$ 61,458,516	$ 61,445,004

B. Bulk and IBNR loss and LAE reserves at December 31, 2018 included in Part A above:

1. Direct Basis:	$ 49,346,145
2. Assumed Reinsurance Basis:	$ 3,416,921
3. Net of Ceded Reinsurance Basis:	$ 40,339,894

C. Case, bulk and IBNR LAE reserves at December 31, 2018 included in Part A above:

1. Direct Basis:	$ 36,298,297
2. Assumed Reinsurance Basis:	$ 517,756
3. Net of Ceded Reinsurance Basis:	$ 31,142,763

D. Does the Company have on the books or has it ever written an insured for which you have identified a potential for the existence of a liability due to environmental losses? Yes (X) No ( )

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

The resolution of environmental exposures by the Company generally occurs through settlements with policyholders as opposed to claimants. Generally, the Company strives to extinguish any obligations it may have under any policy issued to the policyholder for past, present and future environmental liabilities and extinguish any pending coverage litigation dispute with the policyholder. This form of settlement is commonly referred to as a "buy-back" of policies for future environmental liability. In addition, many of the agreements have also extinguished any insurance obligation which the Company may have for other claims, including, but not limited to, asbestos and other cumulative injury claims. The Company and its policyholders may also agree to settlements which only extinguish any liability arising from known specified sites or claims. In many instances, these agreements also include indemnities and hold harmless provisions to protect the Company. The Company's general purpose in executing these agreements is to reduce the Company's potential environmental exposure and eliminate the risks presented by coverage litigation with the policyholder and related costs.

In establishing environmental reserves, the Company evaluates the exposure presented by each policyholder and the anticipated cost of resolution, if any. In the course of this analysis, the Company generally considers the probable liability, available coverage and relevant judicial interpretations. In addition, the Company 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 Company and the policyholder, including the role of any umbrella or excess insurance the Company 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. Conventional actuarial methods are not used to estimate these reserves.

The majority of the net environmental reserve is carried in a bulk reserve and includes unresolved environmental claims, incurred but not reported environmental claims and the anticipated cost of coverage litigation disputes relating to these claims. The bulk reserve the Company carries is established and adjusted based upon the aggregate volume of in-process environmental claims and the Company's experience in resolving those claims. The balance of the net environmental reserve consists of case reserves.

1. Direct Basis - Environmental:	2014	2015	2016	2017	2018
a. Beginning reserves:	$ 13,235,355	$ 13,296,098	$ 14,757,141	$ 15,976,386	$ 15,619,578
b. Incurred losses and LAE:	4,394,720	3,913,140	4,201,120	3,387,780	3,216,029
c. Calendar year payments for losses and LAE:	4,333,977	2,452,097	2,981,875	3,744,588	3,917,102
d. Ending reserves:	$ 13,296,098	$ 14,757,141	$ 15,976,386	$ 15,619,578	$ 14,918,505

2. Assumed Reinsurance Basis - Environmental:	2014	2015	2016	2017	2018
a. Beginning reserves:	$ 3,102,142	$ 2,985,236	$ 2,746,737	$ 2,547,889	$ 2,008,061
b. Incurred losses and LAE:	154,880	7,260	9,680	193,600	220,220
c. Calendar year payments for losses and LAE:	271,786	245,759	208,528	733,428	235,684
d. Ending reserves:	$ 2,985,236	$ 2,746,737	$ 2,547,889	$ 2,008,061	$ 1,992,597

NOTES TO FINANCIAL STATEMENTS

3. Net of Ceded Reinsurance Basis - Environmental:	2014	2015	2016	2017	2018
a. Beginning reserves:	$ 15,926,404	$ 16,066,420	$ 16,900,385	$ 17,967,337	$ 17,070,874
b. Incurred losses and LAE:	4,210,800	3,484,800	3,968,800	3,145,780	2,661,849
c. Calendar year payments for losses and LAE:	4,070,784	2,650,835	2,901,848	4,042,243	3,871,840
d. Ending reserves:	$ 16,066,420	$ 16,900,385	$ 17,967,337	$ 17,070,874	$ 15,860,883

E. Bulk and IBNR loss and LAE reserves at December 31, 2018 included in Part D above:

1. Direct Basis:	$ 14,819,362
2. Assumed Reinsurance Basis:	$ 1,115,403
3. Net of Ceded Reinsurance Basis:	$ 14,986,521

F. Case, bulk and IBNR LAE reserves at December 31, 2018 included in Part D above:

1. Direct Basis:	$ 5,269,698
2. Assumed Reinsurance Basis:	$ 3,342
3. Net of Ceded Reinsurance Basis:	$ 4,906,954

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 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 Company 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 Company's current insurance reserves. In addition, the Company'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 Company's operating results in future periods.

34. SUBSCRIBER SAVINGS ACCOUNTS

Not applicable.

35. MULTIPLE PERIL CROP INSURANCE

Not applicable.

36. FINANCIAL GUARANTY INSURANCE

Not applicable.

NOTES TO FINANCIAL STATEMENTS

Attachment to the 2018 Annual Statement – Notes to Financial Statements, Note 9 – Part F:
Names of the companies included with TRV in the December 31, 2018, consolidated Federal income tax return filing

The Travelers Companies, Inc. (TRV) & Subsidiaries

Company Name	EIN
American Equity Insurance Company	86-0703220
American Equity Specialty Insurance Company	86-0868106
BMR Sports Properties, Inc.	52-1852190
Camperdown Corporation	41-1762781
Discover Property & Casualty Insurance Company	36-2999370
Discover Specialty Insurance Company	52-1925132
English Turn Fidelity Realty, Inc.	52-1466734
English Turn Realty Management, Inc.	52-1715225
Farmington Casualty Company	06-1067463
Fidelity and Guaranty Insurance Company	42-1091525
Fidelity and Guaranty Insurance Underwriters, Inc.	52-0616768
First Floridian Auto and Home Insurance Company	59-3372141
Gulf Underwriters Insurance Company	56-1371361
Jupiter Holdings, Inc.	41-1769846
Laurel Village Fidelity Realty, Inc.	52-1551225
Northbrook Holdings, Inc.	51-0375653
Northfield Insurance Company	41-0983992
Northland Casualty Company	94-6051964
Northland Insurance Company	41-6009967
Select Insurance Company	75-6013697
Simply Business Holdings, Inc.	37-1839380
Simply Business, Inc.	30-0956205
SPC Insurance Agency, Inc.	41-1888760
St. Paul Fire and Marine Insurance Company	41-0406690
St. Paul Guardian Insurance Company	41-0963301
St. Paul Mercury Insurance Company	41-0881659
St. Paul Protective Insurance Company	36-2542404
St. Paul Surplus Lines Insurance Company	41-1230819
TCI Global Services, Inc.	52-1965525
The Automobile Insurance Company of Hartford, Connecticut	06-0848755
The Charter Oak Fire Insurance Company	06-0291290
The Phoenix Insurance Company	06-0303275
The Standard Fire Insurance Company	06-6033509
The Travelers Casualty Company	41-1435765
The Travelers Home and Marine Insurance Company	35-1838079
The Travelers Indemnity Company	06-0566050
The Travelers Indemnity Company of America	58-6020487
The Travelers Indemnity Company of Connecticut	06-0336212
The Travelers Lloyds Insurance Company	76-0002592
TINDY Foreign, Inc.	20-4403403
TPC Investments, Inc.	06-1534005
TravCo Insurance Company	35-1838077
Travelers (Bermuda) Limited	98-0190863
Travelers Casualty and Surety Company	06-6033504
Travelers Casualty and Surety Company of America	06-0907370
Travelers Casualty Company of Connecticut	06-1286266
Travelers Casualty Insurance Company of America	06-0876835
Travelers Commercial Casualty Company	95-3634110
Travelers Commercial Insurance Company	06-1286268
Travelers Constitution State Insurance Company	41-1435766
Travelers Distribution Alliance, Inc.	62-1657094
Travelers Excess and Surplus Lines Company	06-1203698
Travelers Global, Inc.	47-2215437
Travelers Insurance Group Holdings Inc.	06-1445591
Travelers Lloyds Management Company	20-4312440
Travelers Lloyds of Texas Insurance Company	75-1732040
Travelers MGA, Inc.	75-2676034
Travelers Personal Insurance Company	36-3703200
Travelers Personal Security Insurance Company	06-1286264
Travelers Property Casualty Company of America	36-2719165
Travelers Property Casualty Corp.	06-1008174
Travelers Property Casualty Insurance Company	06-1286274
Travelers Texas MGA, Inc.	27-4469564
United States Fidelity and Guaranty Company	52-0515280
USF&G Retail Associates GP, Inc.	52-1704255
Yonkers Financing Corporation	20-3033027

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? If yes, complete Schedule Y, Parts 1, 1A and 2. Yes [X] No [ ]

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [ ] N/A [ ]

1.3 State regulating? Connecticut

1.4 Is the reporting entity publicly traded or a member of publicly traded group? Yes [X] No [ ]

1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. 86312

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]

2.2 If yes, date of change:

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2014

3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2014

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 04/26/2016

3.4 By what department or departments?
Connecticut

3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [ ] No [ ] N/A [X]

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ ] No [ ] N/A [X]

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes [X] No [ ]

4.12 renewals? Yes [X] No [ ]

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes [ ] No [X]

4.22 renewals? Yes [ ] No [X]

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]

If the answer is YES, complete and file the merger history data file with the NAIC.

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

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
	0	

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

6.2 If yes, give full information:

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

7.2 If yes,

7.21 State the percentage of foreign control 0.0%

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

1 Nationality	2 Type of Entity

8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes [ ] No [X]

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [X]

8.4 If the response to 8.3 is yes, please provide below the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
KPMG LLP, One Financial Plaza, 755 Main St., Hartford, CT 06103

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [X]

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

10.3 Has the insurer been granted any exemptions related to other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [ ] N/A [ ]

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

10.6 If the response to 10.5 is no or n/a, please explain:

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Julie M. Joyce, FCAS, MAAA (Vice President and Chief Corporate Actuary), 385 Washington Street, St. Paul, MN 55102

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [X] No [ ]

12.11 Name of real estate holding company Standard Fire Properties, LLC

12.12 Number of parcels involved 2

12.13 Total book/adjusted carrying value $ 0

12.2 If yes, provide explanation
Standard Fire Properties, LLC - Holds ground leases

13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

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

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

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

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

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.

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

14.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [ ] No [X]

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
0			$ 0

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinator committee thereof? Yes [X] No [ ]

17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No [ ]

18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No [ ]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers $ 0

20.12 To stockholders not officers $ 0

20.13 Trustees, supreme or grand (Fraternal only) $ 0

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers $ 0

20.22 To stockholders not officers 0

20.23 Trustees, supreme or grand (Fraternal only) 0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting in the statement? Yes [ ] No [X]

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

21.21 Rented from others $ 0

21.22 Borrowed from others $ 0

21.23 Leased from others $ 0

21.24 Other $ 0

22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [ ] No [X]

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment $ 0

22.22 Amount paid as expenses $ 0

22.23 Other amounts paid $ 0

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No [ ]

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 0

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

INVESTMENT

24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)? Yes [X] No [ ]

24.02 If no, give full and complete information, relating thereto:

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).
This company is a party to a security lending agreement. See Note 17.

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

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $ 40,897,972

24.06 If answer to 24.04 is no, report amount of collateral for other programs $ 0

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

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

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

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

24.101	Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	$ 40,897,972
24.102	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	$ 40,897,972
24.103	Total payable for securities lending reported on the liability page:	$ 40,897,972

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.) Yes [X] No [ ]

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

25.21	Subject to repurchase agreements	$ 0
25.22	Subject to reverse repurchase agreements	$ 0
25.23	Subject to dollar repurchase agreements	$ 0
25.24	Subject to reverse dollar repurchase agreements	$ 0
25.25	Placed under option agreements	$ 0
25.26	Letter stock or securities restricted as sale – excluding FHLB Capital Stock	$ 0
25.27	FHLB Capital Stock	$ 0
25.28	On deposit with states	$ 168,978,941
25.29	On deposit with other regulatory bodies	$ 6,728,280
25.30	Pledged as collateral – excluding collateral pledged to an FHLB	$ 0
25.31	Pledged as collateral to FHLB – including assets backing funding agreements	$ 0
25.32	Other	$ 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		$ 0

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

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

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [ ] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year: $ 0

28. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [X] No [ ]

28.01 For agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
JPMorgan Chase	270 Park Avenue, New York, NY 10017-2070

28.02 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
N/A		

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [ ] No [X]

28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

28.05 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["…that have access to the investment accounts", "… handle securities"].

1 Name of Firm or Individual	2 Affiliation
The Travelers Indemnity Company	A

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets? Yes [ ] No [X]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [ ] No [X]

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
	The Travelers Indemnity Company		Not a registered investment advisor	DS

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D-Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes [ ] No [X]

29.2 If yes, complete the following schedule:

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

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
		$ 0	

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

		1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	$ 2,596,117,251	$ 2,585,992,312	$ (10,124,939)
30.2	Preferred Stocks	$ 0	$ 0	$ 0
30.3	Totals	$ 2,596,117,251	$ 2,585,992,312	$ (10,124,939)

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

Fair values of bonds are based on prices published in the NAIC Valuations of Securities. If this unit price is not available, the fair value is based upon quoted market prices or dealer quotes, or if prices are unavailable, based on valuation determined, in good faith, by The Travelers Companies, Inc.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No [ ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [ ] No [X]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

The pricing sources used are nationally recognized brokers with knowledge of the securities they're pricing. These securities are also reported as level 3 in the fair value hierarchy as disclosed in Note 20.

32.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? Yes [X] No [ ]

32.2 If no, list exceptions:

33. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designation 5GI security:

a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
b. Issuer or obligor is current on all contracted interest and principal payments.
c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities? Yes [X] No [ ]

34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

a. The security was purchased prior to January 1, 2018.
b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities? Yes [ ] No [X]

OTHER

35.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? $ 2,320,117

35.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
INSURANCE SERVICES OFFICE, INC	$ 1,181,563

36.1 Amount of payments for legal expenses, if any? $ 3,553,008

36.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

1 Name	2 Amount Paid
	$ 0

37.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $ 110,393

37.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
	$ 0

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?		Yes [ ] No [X]
1.2	If yes, indicate premium earned on U.S. business only.		$ 0
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?		$ 0
	1.31 Reason for excluding:		
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.		$ 0
1.5	Indicate total incurred claims on all Medicare Supplement insurance.		$ 0
1.6	Individual policies:		
	Most current three years:		
	1.61 Total premium earned		$ 0
	1.62 Total incurred claims		$ 0
	1.63 Number of covered lives		0
	All years prior to most current three years:		
	1.64 Total premium earned		$ 0
	1.65 Total incurred claims		$ 0
	1.66 Number of covered lives		0
1.7	Group policies:		
	Most current three years:		
	1.71 Total premium earned		$ 0
	1.72 Total incurred claims		$ 0
	1.73 Number of covered lives		0
	All years prior to most current three years:		
	1.74 Total premium earned		$ 0
	1.75 Total incurred claims		$ 0
	1.76 Number of covered lives		0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	$ 0	$ 0
2.2	Premium Denominator	$ 1,139,471,786	$ 1,083,067,589
2.3	Premium Ratio (2.1/2.2)	0.0%	0.0%
2.4	Reserve Numerator	$ 0	$ 0
2.5	Reserve Denominator	$ 2,465,217,616	$ 2,377,781,648
2.6	Reserve Ratio (2.4/2.5)	0.0%	0.0%

3.1	Does the reporting entity issue both participating and non-participating policies?		Yes [X] No [ ]
3.2	If yes, state the amount of calendar year premiums written on:		
	3.21 Participating policies		$ 13,533,693
	3.22 Non-participating policies		$ 1,151,024,132
4.	FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:		
4.1	Does the reporting entity issue assessable policies?		Yes [ ] No [ ]
4.2	Does the reporting entity issue non-assessable policies?		Yes [ ] No [ ]
4.3	If assessable policies are issued, what is the extent of the contingent liability of the policyholders?		0.0%
4.4	Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.		$ 0
5.	FOR RECIPROCAL EXCHANGES ONLY:		
5.1	Does the exchange appoint local agents?		Yes [ ] No [ ]
5.2	If yes, is the commission paid:		
	5.21 Out of Attorney's-in-fact compensation		Yes [ ] No [ ] N/A [ ]
	5.22 As a direct expense of the exchange		Yes [ ] No [ ] N/A [ ]
5.3	What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?		
5.4	Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?		Yes [ ] No [ ]
5.5	If yes, give full information:		

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?

The Company's risk managemnt practices include active monitoring of insured employee local-based concentrations. Although the Company currently has no significant workers' compensation treaty reinsurance, the Company reviews available treaty reinsurance coverages periodically and makes purchase decisions as it deems appropriate. Facultative reinsurance purchases are also made as deemed appropriate.

6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:

The Company uses various analyses and methods, including proprietary and third-party computer modeling processes, to make underwriting and reinsurance decisions designed to manage its exposure to catastrophic events. The Company's hurricane loss estimates for U.S. exposures include property exposures, property residual market exposures and an adjustment for certain non-property exposures. The Company's loss estimates are based on the Company's catastrophe risk model estimates and include loss from the hurricane hazards of wind and storm surge. The Company's loss estimates for earthquakes reflect U.S. exposures and include property exposures and workers' compensation exposures. The Company's loss estimates for terrorism reflect U.S. exposures and include property exposures and workers' compensation exposures. The Company also develops conventional attack loss estimates for combined property and workers' compensation exposures for comparison and adherence with aggregate enterprise guidelines. To best assess risk, the Company conducts site engineering analyses on buildings with large exposures. Property exposures are analyzed to determine locations of concentration. Spanning the U.S., this includes California, Florida, New Madrid, the Northeast, the Gulf States and the Mid-Atlantic States.

6.3 What provision has this reporting entity made (such as catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

The Company purchases both excess of loss and proportional reinsurance to protect itself from an excessive catastrophe loss.

6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [ ] No [X]

6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss:
The Company's all region aggregate catastrophe treaty does not contain a reinstatement provision but does allow for recoveries under multiple event loss scenarios. The Company's northeast region catastrophe treaty applies per occurrence and provides for one reinstatement. Additionally, the Company buys property catastrophe cat bonds for designated perils covering the northeast region. Those bonds apply per occurrence but do not have a reinstatement provision. The Company believes that its reinsurance programs along with the Company's surplus are adequate to cover its exposures in a catastrophic event.

7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes [X] No [ ]

7.2 If yes, indicate the number of reinsurance contracts containing such provisions. 6

7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [X] No [ ]

8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes [ ] No [X]

8.2 If yes, give full information

9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:

(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;

(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;

(c) Aggregate stop loss reinsurance coverage;

(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;

(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or

(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity? Yes [ ] No [X]

9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:

(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or

(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes [ ] No [X]

9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:

(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;

(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and

(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4 Except for transactions meeting the requirements of paragraph 31 of *SSAP No. 62R, Property and Casualty Reinsurance*, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:

(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or

(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [ ] No [X]

9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.

9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:

(a) The entity does not utilize reinsurance; or, Yes [ ] No [X]

(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [ ] No [X]

(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [X] No [ ]

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [ ] N/A [ ]

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

11.2 If yes, give full information

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

12.11	Unpaid losses	$ 3,612,813
12.12	Unpaid underwriting expenses (including loss adjustment expenses)	$ 637,555

12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds? $ 8,814,856

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

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

12.41 From 0.0%

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

	12.42 To	0.0%
12.5	Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?	Yes [X] No [ ]
12.6	If yes, state the amount thereof at December 31 of current year:	
	12.61 Letters of Credit	$ 265,654,795
	12.62 Collateral and other funds	$ 96,489,185
13.1	Largest net aggregate amount insured in any one risk (excluding workers' compensation):	$ 1,742,400
13.2	Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?	Yes [ ] No [X]
13.3	State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.	2
14.1	Is the reporting entity a cedant in a multiple cedant reinsurance contract?	Yes [X] No [ ]
14.2	If yes, please describe the method of allocating and recording reinsurance among the cedants: Per the Company's Reinsurance Allocation Agreement and Pooling Agreement.	
14.3	If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?	Yes [ ] No [X]
14.4	If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?	Yes [X] No [ ]
14.5	If the answer to 14.4 is no, please explain:	
15.1	Has the reporting entity guaranteed any financed premium accounts?	Yes [ ] No [X]
15.2	If yes, give full information	
16.1	Does the reporting entity write any warranty business?	Yes [ ] No [X]

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

		1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11	Home	$ 0	$ 0	$ 0	$ 0	$ 0
16.12	Products	$ 0	$ 0	$ 0	$ 0	$ 0
16.13	Automobile	$ 0	$ 0	$ 0	$ 0	$ 0
16.14	Other*	$ 0	$ 0	$ 0	$ 0	$ 0

* Disclose type of coverage:

17.1	Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F-Part 3 that is exempt from the statutory provision for unauthorized reinsurance?	Yes [ ] No [X]
	Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from the statutory provision for unauthorized reinsurance. Provide the following information for this exemption:	
17.11	Gross amount of unauthorized reinsurance in Schedule F-Part 3 exempt from the statutory provision for unauthorized reinsurance	$ 0
17.12	Unfunded portion of Interrogatory 17.11	$ 0
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11	$ 0
17.14	Case reserves portion of Interrogatory 17.11	$ 0
17.15	Incurred but not reported portion of Interrogatory 17.11	$ 0
17.16	Unearned premium portion of Interrogatory 17.11	$ 0
17.17	Contingent commission portion of Interrogatory 17.11	$ 0
18.1	Do you act as a custodian for health savings accounts?	Yes [ ] No [X]
18.2	If yes, please provide the amount of custodial funds held as of the reporting date.	$ 0
18.3	Do you act as an administrator for health savings accounts?	Yes [ ] No [X]
18.4	If yes, please provide the balance of the funds administered as of the reporting date.	$ 0
19.	Is the reporting entity licensed or charted, registered, qualified, eligible, or writing business in at least 2 states?	Yes [X] No [ ]
19.1	If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity?	Yes [ ] No [ ]

FIVE-YEAR HISTORICAL DATA

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

		1 2018	2 2017	3 2016	4 2015	5 2014
	Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	2,216,044,897	2,054,704,637	1,803,377,910	1,438,334,475	1,103,810,848
2.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	1,195,328,771	1,100,569,901	950,694,512	734,662,264	550,072,988
3.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	739,717,441	742,985,670	763,248,630	797,556,436	855,242,132
4.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	2,877,025	2,720,012	2,845,345	3,291,118	1,582,951
5.	Nonproportional reinsurance lines (Lines 31, 32 & 33)	2,249,548	2,086,639	2,426,067	2,693,750	3,014,251
6.	Total (Line 35)	4,156,217,682	3,903,066,859	3,522,592,465	2,976,538,043	2,513,723,170
	Net Premiums Written (Page 8, Part 1B, Col. 6)					
7.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	576,548,533	549,859,687	522,033,136	494,490,394	474,568,411
8.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	216,767,892	203,076,118	190,621,297	175,212,704	168,769,081
9.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	366,122,659	347,435,802	335,803,224	330,038,474	329,237,588
10.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	2,869,192	2,619,331	2,843,518	3,290,378	1,581,961
11.	Nonproportional reinsurance lines (Lines 31, 32 & 33)	2,249,548	2,086,639	2,426,067	2,693,750	3,014,251
12.	Total (Line 35)	1,164,557,825	1,105,077,578	1,053,727,243	1,005,725,700	977,171,291
	Statement of Income (Page 4)					
13.	Net underwriting gain (loss) (Line 8)	14,658,065	6,682,949	61,165,551	103,564,436	88,368,999
14.	Net investment gain (loss) (Line 11)	171,180,777	145,787,866	184,229,947	162,946,796	180,239,877
15.	Total other income (Line 15)	1,378,760	(117,935)	240,688	414,685	17,821,528
16.	Dividends to policyholders (Line 17)	2,246,259	2,196,357	2,085,136	1,664,146	1,522,935
17.	Federal and foreign income taxes incurred (Line 19)	17,767,485	24,727,250	41,161,790	60,416,460	56,751,989
18.	Net income (Line 20)	167,203,858	125,429,273	202,389,260	204,845,311	228,155,481
	Balance Sheet Lines (Pages 2 and 3)					
19.	Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	3,935,183,141	3,766,363,844	3,679,128,192	3,583,924,589	3,627,132,137
20.	Premiums and considerations (Page 2, Col. 3):					
	20.1 In course of collection (Line 15.1)	67,524,719	62,216,337	59,539,164	59,520,658	57,426,329
	20.2 Deferred and not yet due (Line 15.2)	243,694,074	234,104,388	221,461,024	207,465,245	199,299,615
	20.3 Accrued retrospective premiums (Line 15.3)	4,033,628	4,175,544	3,093,969	3,872,190	4,059,088
21.	Total liabilities excluding protected cell business (Page 3, Line 26)	2,713,698,163	2,576,884,269	2,477,306,490	2,398,381,180	2,411,960,075
22.	Losses (Page 3, Line 1)	1,518,937,876	1,469,385,087	1,415,616,384	1,401,881,722	1,412,561,206
23.	Loss adjustment expenses (Page 3, Line 3)	348,569,397	341,615,519	333,016,199	323,055,032	343,946,222
24.	Unearned premiums (Page 3, Line 9)	528,756,559	502,389,869	479,120,323	457,925,236	441,634,042
25.	Capital paid up (Page 3, Lines 30 & 31)	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
26.	Surplus as regards policyholders (Page 3, Line 37)	1,221,484,978	1,189,479,575	1,201,821,702	1,185,543,409	1,215,172,062
	Cash Flow (Page 5)					
27.	Net cash from operations (Line 11)	250,021,174	207,429,462	238,837,710	192,570,187	263,349,016
	Risk-Based Capital Analysis					
28.	Total adjusted capital	1,221,484,978	1,189,479,575	1,201,821,702	1,185,543,409	1,215,172,062
29.	Authorized control level risk-based capital	252,287,746	243,197,084	221,166,295	215,396,209	215,448,457
	Percentage Distribution of Cash, Cash Equivalents and Invested Assets					
	(Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30.	Bonds (Line 1)	73.3	68.8	68.8	70.7	71.2
31.	Stocks (Lines 2.1 & 2.2)	14.9	15.8	16.6	17.3	16.7
32.	Mortgage loans on real estate (Lines 3.1 & 3.2)	0.0	0.0	0.0	0.0	0.0
33.	Real estate (Lines 4.1, 4.2 & 4.3)	0.0	0.0	0.0	0.0	0.0
34.	Cash, cash equivalents and short-term investments (Line 5)	4.0	6.2	4.8	1.8	2.7
35.	Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36.	Derivatives (Line 7)	0.0	0.0	0.0	0.0	0.0
37.	Other invested assets (Line 8)	6.6	9.3	9.9	10.3	9.4
38	Receivables for securities (Line 9)	0.0	0.0	0.0	0.0	0.0
39.	Securities lending reinvested collateral assets (Line 10)	1.2	0.0	0.0	0.0	0.1
40.	Aggregate write-ins for invested assets (Line 11)	0.0	0.0	0.0	0.0	0.0
41.	Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
	Investments in Parent, Subsidiaries and Affiliates					
42.	Affiliated bonds (Sch. D, Summary, Line 12, Col. 1)	0	0	0	0	0
43.	Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)	0	0	0	0	0
44.	Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	501,520,067	505,849,587	518,854,654	529,289,359	523,463,117
45.	Affiliated short-term investments					
	(subtotals included in Schedule DA, Verification, Column 5, Line 10)	0	0	0	0	0
46.	Affiliated mortgage loans on real estate	0	0	0	0	0
47.	All other affiliated	3,723,410	47,749,438	49,221,536	49,239,516	51,100,427
48.	Total of above lines 42 to 47	505,243,477	553,599,025	568,076,190	578,528,875	574,563,544
49.	Total investment in parent included in Lines 42 to 47 above	0	0	0	0	0
50.	Percentage of investments in parent, subsidiaries and affiliates to surplus					
	as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	41.4	46.5	47.3	48.8	47.3

FIVE-YEAR HISTORICAL DATA

(Continued)

		1 2018	2 2017	3 2016	4 2015	5 2014
	Capital and Surplus Accounts (Page 4)					
51.	Net unrealized capital gains (losses) (Line 24)	(23,529,739)	(10,031,215)	(6,995,488)	12,304,387	20,573,436
52.	Dividends to stockholders (Line 35)	(105,000,000)	(111,000,000)	(184,000,000)	(250,000,000)	(266,800,000)
53.	Change in surplus as regards policyholders for the year (Line 38)	32,005,403	(12,342,128)	16,278,293	(29,628,653)	(19,608,888)
	Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	1,149,670,891	1,052,229,562	836,294,717	635,798,394	506,718,670
55.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	720,370,228	783,370,705	619,343,842	422,538,997	322,473,060
56.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	401,935,897	341,279,243	312,022,371	332,085,935	342,515,306
57.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	707,140	1,204,375	2,121,919	1,921,249	3,143,130
58.	Nonproportional reinsurance lines (Lines 31, 32 & 33)	2,627,709	4,727,350	2,567,161	3,520,246	5,865,699
59.	Total (Line 35)	2,275,311,865	2,182,811,236	1,772,350,010	1,395,864,821	1,180,715,865
	Net Losses Paid (Page 9, Part 2, Col. 4)					
60.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	290,183,795	279,079,381	274,082,387	251,654,515	237,675,702
61.	Property lines (Lines 1, 2, 9, 12, 21 & 26)	123,037,712	119,382,947	97,376,605	83,648,277	84,403,929
62.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	203,844,590	171,549,723	144,062,140	136,093,073	140,785,702
63.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	707,140	1,204,375	2,121,919	1,921,249	3,143,130
64.	Nonproportional reinsurance lines (Lines 31, 32 & 33)	2,627,709	4,727,350	2,567,161	3,520,246	5,865,699
65.	Total (Line 35)	620,400,946	575,943,776	520,210,213	476,837,361	471,874,161
	Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66.	Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67.	Losses incurred (Line 2)	58.8	58.1	51.7	47.1	46.2
68.	Loss expenses incurred (Line 3)	10.6	11.4	11.7	11.7	14.3
69.	Other underwriting expenses incurred (Line 4)	29.4	29.9	30.7	30.8	30.4
70.	Net underwriting gain (loss) (Line 8)	1.3	0.6	5.9	10.5	9.1
	Other Percentages					
71.	Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	28.6	29.3	30.1	30.3	28.2
72.	Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	69.4	69.5	63.4	58.7	60.5
73.	Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35, divided by Page 3, Line 37, Col. 1 x 100.0)	95.3	92.9	87.7	84.8	80.4
	One Year Loss Development ($000 omitted)					
74.	Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	(13,784)	(24,073)	(21,330)	(32,097)	(53,783)
75.	Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year-end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100)	(1.2)	(2.0)	(1.8)	(2.6)	(4.4)
	Two Year Loss Development ($000 omitted)					
76.	Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12)	(39,340)	(40,187)	(53,892)	(77,051)	(73,993)
77.	Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior-year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)	(3.3)	(3.4)	(4.4)	(6.2)	(7.0)

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

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

($000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
				Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported-Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
1. Prior	XXX	XXX	XXX	36,914	8,143	12,954	1,333	4,581	41	(582)	44,931	XXX
2. 2009	987,307	79,134	908,173	470,059	31,439	41,846	2,345	50,689	617	26,321	528,194	XXX
3. 2010	979,747	71,272	908,474	521,178	29,747	46,022	2,157	51,502	471	27,403	586,327	XXX
4. 2011	1,014,450	69,426	945,024	632,402	41,136	48,649	2,639	53,193	500	29,589	689,970	XXX
5. 2012	1,040,832	76,432	964,399	610,445	94,298	48,180	4,780	54,719	839	28,248	613,427	XXX
6. 2013	1,051,877	82,515	969,362	459,235	27,846	42,809	1,736	51,062	1,277	24,392	522,247	XXX
7. 2014	1,050,538	77,641	972,897	448,429	29,964	42,112	2,373	49,154	1,205	23,451	506,153	XXX
8. 2015	1,065,503	70,621	994,882	428,994	24,350	33,348	1,470	49,588	963	22,737	485,147	XXX
9. 2016	1,101,390	67,161	1,034,229	417,360	19,643	23,470	1,059	51,747	181	24,944	471,694	XXX
10. 2017	1,143,789	60,722	1,083,067	444,688	24,437	15,509	724	51,871	93	27,460	486,814	XXX
11. 2018	1,199,380	59,909	1,139,472	296,545	7,803	6,625	200	43,586	69	16,507	338,684	XXX
12. Totals	XXX	XXX	XXX	4,766,251	338,806	361,525	20,816	511,691	6,256	250,470	5,273,588	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22		Total Net Losses and Expenses Unpaid	Number of Claims Outstanding-Direct and Assumed
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Anticipated		
1. Prior	295,964	88,581	207,116	39,494	29,003	2,920	56,945	8,189	29,063	26	845	478,880	XXX
2. 2009	12,461	1,268	13,293	1,231	1,082	30	1,980	(196)	689	(1)	270	27,171	XXX
3. 2010	16,470	2,172	16,777	830	1,530	38	2,785	142	857	3	357	35,235	XXX
4. 2011	18,106	1,244	19,100	1,071	1,810	(36)	3,914	55	1,045	(1)	569	41,643	XXX
5. 2012	25,638	2,388	27,308	3,120	2,426	70	7,248	95	1,385	13	786	58,318	XXX
6. 2013	31,569	3,581	30,257	4,578	3,108	136	10,971	114	2,303	2	1,036	69,796	XXX
7. 2014	39,162	5,213	35,625	3,310	4,393	321	12,495	259	3,260	30	1,868	85,803	XXX
8. 2015	51,054	5,287	57,166	5,902	6,290	190	11,690	259	5,271	22	2,999	119,811	XXX
9. 2016	84,061	8,812	85,580	6,685	9,500	233	19,395	199	9,020	50	5,086	191,577	XXX
10. 2017	121,362	17,457	146,141	9,786	10,833	352	26,997	314	11,015	41	8,422	288,399	XXX
11. 2018	162,223	17,639	267,609	15,456	11,383	446	39,331	683	24,616	63	20,880	470,874	XXX
12. Totals	858,071	153,644	905,973	91,462	81,358	4,700	193,750	10,114	88,524	249	43,119	1,867,507	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense	Inter-Company Pooling Participation Percentage	35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	375,005	103,876
2. 2009	592,099	36,733	555,366	60.0	46.4	61.2	0	0	4.84	23,255	3,917
3. 2010	657,121	35,560	621,561	67.1	49.9	68.4	0	0	4.84	30,245	4,989
4. 2011	778,221	46,607	731,613	76.7	67.1	77.4	0	0	4.84	34,892	6,751
5. 2012	777,349	105,604	671,745	74.7	138.2	69.7	0	0	4.84	47,438	10,880
6. 2013	631,314	39,271	592,043	60.0	47.6	61.1	0	0	4.84	53,667	16,129
7. 2014	634,631	42,674	591,956	60.4	55.0	60.8	0	0	4.84	66,265	19,538
8. 2015	643,401	38,443	604,958	60.4	54.4	60.8	0	0	4.84	97,031	22,780
9. 2016	700,133	36,862	663,271	63.6	54.9	64.1	0	0	4.84	154,144	37,433
10. 2017	828,417	53,205	775,212	72.4	87.6	71.6	0	0	4.84	240,260	48,139
11. 2018	851,917	42,360	809,558	71.0	70.7	71.0	0	0	4.84	396,736	74,137
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	1,518,938	348,569

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End ($000 omitted)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	One Year	Two Year
1. Prior	1,411,890	1,368,853	1,334,072	1,304,182	1,288,245	1,253,521	1,246,253	1,240,911	1,246,313	1,249,759	3,446	8,848
2. 2009	531,003	527,757	526,296	522,127	517,523	515,367	513,995	510,103	507,620	506,172	(1,448)	(3,931)
3. 2010	XXX	565,329	584,327	582,233	578,707	576,947	575,906	575,003	572,433	571,469	(964)	(3,534)
4. 2011	XXX	XXX	688,771	695,622	696,896	692,472	691,066	685,338	681,819	679,974	(1,846)	(5,364)
5. 2012	XXX	XXX	XXX	635,943	635,407	628,166	622,362	621,150	619,915	618,624	(1,291)	(2,525)
6. 2013	XXX	XXX	XXX	XXX	559,353	555,983	549,441	547,022	545,252	542,173	(3,079)	(4,849)
7. 2014	XXX	XXX	XXX	XXX	XXX	562,539	553,623	551,260	545,327	543,083	(2,244)	(8,177)
8. 2015	XXX	XXX	XXX	XXX	XXX	XXX	561,071	561,509	554,805	553,514	(1,291)	(7,995)
9. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	617,306	612,063	605,495	(6,568)	(11,811)
10. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	713,902	715,404	1,502	XXX
11. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	744,611	XXX	XXX
12. Totals											(13,784)	(39,340)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End ($000 omitted)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		
1. Prior	000	205,193	339,727	437,623	509,524	570,118	620,430	686,522	730,228	770,620	XXX	XXX
2. 2009	206,759	318,082	375,426	414,492	440,721	454,952	465,695	471,558	475,387	478,122	XXX	XXX
3. 2010	XXX	232,031	356,551	420,926	466,090	495,758	513,808	524,692	531,131	535,295	XXX	XXX
4. 2011	XXX	XXX	318,033	458,213	525,695	570,904	602,399	620,046	630,432	637,277	XXX	XXX
5. 2012	XXX	XXX	XXX	262,013	396,728	457,035	503,670	532,009	550,125	559,547	XXX	XXX
6. 2013	XXX	XXX	XXX	XXX	212,315	321,661	382,594	425,126	454,542	472,463	XXX	XXX
7. 2014	XXX	XXX	XXX	XXX	XXX	213,050	320,119	381,645	428,429	458,204	XXX	XXX
8. 2015	XXX	XXX	XXX	XXX	XXX	XXX	210,158	324,732	389,362	436,522	XXX	XXX
9. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	228,566	353,943	420,128	XXX	XXX
10. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	282,122	435,037	XXX	XXX
11. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	295,167	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End ($000 omitted)									
	1	2	3	4	5	6	7	8	9	10
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
1. Prior	803,842	652,322	543,324	468,697	421,060	355,140	320,482	270,336	249,322	233,801
2. 2009	212,835	123,441	87,545	60,771	43,900	34,038	27,888	21,947	18,205	15,639
3. 2010	XXX	206,085	129,832	84,978	57,831	41,305	32,587	26,636	22,417	20,154
4. 2011	XXX	XXX	225,871	132,950	91,800	62,320	46,082	34,444	27,073	23,747
5. 2012	XXX	XXX	XXX	233,180	139,513	91,114	62,615	49,130	39,495	33,277
6. 2013	XXX	XXX	XXX	XXX	221,032	136,962	90,433	66,087	51,899	38,409
7. 2014	XXX	XXX	XXX	XXX	XXX	233,794	137,817	94,356	62,543	46,652
8. 2015	XXX	XXX	XXX	XXX	XXX	XXX	229,830	140,031	92,335	64,709
9. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	253,793	151,007	100,260
10. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	281,769	165,556
11. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	293,896

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status (a)	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken: 2 Direct Premiums Written	3 Direct Premiums Earned	4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
1. Alabama AL	L	59,223,694	55,534,376	6,182	32,485,737	33,822,400	31,469,873	469,657	0
2. Alaska AK	L	0	0	0	10,334	(22,649)	394,138	0	0
3. Arizona AZ	L	7,739,434	7,790,189	2,100	3,562,850	2,782,791	18,746,562	19,317	0
4. Arkansas AR	L	4,058,952	4,219,449	33	1,342,799	(1,274,508)	5,725,409	17,286	0
5. California CA	L	23,716,930	22,877,342	0	24,101,755	15,000,939	48,209,528	280,634	0
6. Colorado CO	L	165,960,730	151,299,043	2,716	100,638,243	109,245,921	62,321,569	839,400	0
7. Connecticut CT	L	172,485,451	178,652,058	54,925	110,327,876	107,377,505	139,055,097	1,560,704	0
8. Delaware DE	L	3,988,762	4,001,078	45	2,516,437	1,764,543	4,903,623	16,521	0
9. District of Columbia DC	L	25,930,152	25,843,804	7	11,561,466	13,288,559	13,667,133	183,196	0
10. Florida FL	L	344,302,296	336,061,676	18,989	193,041,292	214,114,577	173,754,232	1,645,215	0
11. Georgia GA	L	13,125,260	13,419,546	11,215	5,510,406	5,032,906	10,246,710	75,959	0
12. Hawaii HI	L	999,617	919,830	0	825,801	1,399,254	2,722,062	140	0
13. Idaho ID	L	18,386,917	17,049,218	0	9,542,943	8,825,232	6,623,709	201,665	0
14. Illinois IL	L	118,864,505	114,766,850	26,590	59,951,581	69,651,845	72,004,301	875,340	0
15. Indiana IN	L	62,657,095	61,497,417	611	32,032,673	35,912,445	31,251,107	522,394	0
16. Iowa IA	L	19,550,798	18,758,239	14,437	9,815,521	10,294,156	10,884,766	150,490	0
17. Kansas KS	L	60,285,047	57,186,560	0	31,380,138	35,835,013	24,018,603	472,595	0
18. Kentucky KY	L	59,310,776	55,666,260	0	27,239,178	30,648,490	27,060,357	407,580	0
19. Louisiana LA	L	17,618,801	17,905,532	295	5,273,730	6,441,910	15,393,097	92,940	0
20. Maine ME	L	21,677,485	21,555,281	0	11,649,526	11,775,203	16,797,616	297,097	0
21. Maryland MD	L	94,329,003	97,624,988	2,323	74,564,180	82,678,344	50,001,736	336,633	0
22. Massachusetts MA	L	204,673,046	192,377,711	0	93,346,689	101,591,684	59,965,037	2,321,498	0
23. Michigan MI	L	6,308,955	6,273,608	5,323	2,288,266	2,315,207	51,385,528	7,905	0
24. Minnesota MN	L	109,119,731	106,283,222	2,189	62,289,625	72,682,834	65,043,190	845,371	0
25. Mississippi MS	L	22,314,535	21,148,179	394	11,450,300	12,391,830	12,127,655	149,164	0
26. Missouri MO	L	99,883,884	97,200,899	237	55,751,422	58,168,763	52,135,304	794,836	0
27. Montana MT	L	27,725,174	24,553,755	5,972	11,230,713	13,509,807	8,793,336	216,937	0
28. Nebraska NE	L	24,389,763	22,630,122	4,906	12,029,447	13,293,184	8,304,277	150,198	0
29. Nevada NV	L	57,637,266	52,583,995	0	32,132,341	36,123,191	25,034,849	370,112	0
30. New Hampshire NH	L	16,445,725	15,616,704	390	7,509,036	8,527,382	5,893,624	143,511	0
31. New Jersey NJ	L	2,886,056	2,885,645	0	3,772,158	1,745,354	10,499,148	20,511	0
32. New Mexico NM	L	19,906,816	18,689,862	2,077	11,754,282	11,690,272	17,925,663	145,752	0
33. New York NY	L	12,181,592	12,301,789	48,945	15,975,659	16,211,783	26,897,372	107,653	0
34. North Carolina NC	L	66,116,560	63,519,200	19,665	36,139,977	35,872,894	41,134,497	461,410	0
35. North Dakota ND	L	94,014	97,077	0	9,031	(2,496)	37,641	948	0
36. Ohio OH	L	89,160,902	88,068,891	0	49,842,819	50,775,804	36,121,005	1,016,307	0
37. Oklahoma OK	L	36,793,970	37,641,955	25,776	18,680,696	12,814,573	22,673,127	174,614	0
38. Oregon OR	L	46,244,996	43,850,021	0	24,121,097	25,417,272	24,682,759	382,359	0
39. Pennsylvania PA	L	18,218,453	19,038,091	0	8,837,013	7,489,015	27,714,653	146,189	0
40. Rhode Island RI	L	4,277,806	4,465,717	529	1,676,490	1,108,232	2,275,497	34,459	0
41. South Carolina SC	L	24,016,835	25,703,650	1,086	10,987,796	10,321,615	17,857,373	208,528	0
42. South Dakota SD	L	1,429,849	1,654,427	38,517	259,060	633,063	1,871,525	1,464	0
43. Tennessee TN	L	18,974,248	20,226,621	0	6,461,447	6,197,790	6,326,593	102,582	0
44. Texas TX	L	17,868,713	19,446,183	8,251	10,797,070	6,725,769	63,124,613	82,813	0
45. Utah UT	L	34,574,483	31,128,158	941	17,617,231	27,145,293	23,938,076	276,823	0
46. Vermont VT	L	15,492,666	15,373,155	1,730	8,199,056	9,311,482	9,216,254	191,726	0
47. Virginia VA	L	35,609,343	37,190,093	4,305	21,005,097	22,777,041	20,431,554	176,764	0
48. Washington WA	L	74,880,870	72,510,618	0	38,538,976	44,376,293	32,445,722	572,000	0
49. West Virginia WV	L	2,038,808	2,652,036	6,098	951,551	1,020,000	3,840,723	3,897	0
50. Wisconsin WI	L	29,048,575	29,266,801	0	16,664,480	18,694,606	19,685,569	240,795	0
51. Wyoming WY	L	148,108	156,503	0	61,230	52,508	37,510	775	0
52. American Samoa AS	N	0	0	0	0	0	0	0	0
53. Guam GU	N	0	0	0	0	0	0	0	0
54. Puerto Rico PR	N	0	0	0	0	0	0	0	0
55. US Virgin Islands VI	L	0	0	0	0	0	0	0	0
56. Northern Mariana Islands MP	N	0	0	0	0	0	0	0	0
57. Canada CAN	N	0	0	0	0	0	0	0	0
58. Aggregate Other Alien OT	XXX	0	0	0	0	0	0	0	0
59. Totals	XXX	2,412,673,445	2,347,163,421	317,799	1,337,754,521	1,423,576,923	1,462,670,901	17,812,663	0
DETAILS OF WRITE-INS									
58001.	XXX	0	0	0	0	0	0	0	0
58002.	XXX	0	0	0	0	0	0	0	0
58003.	XXX	0	0	0	0	0	0	0	0
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

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

1 Fire - Location of property; 2 Allied Lines - Location of property; 3 Farmowners - Location of property; 4 Homeowners - Location of property; 5 CMP - Location of property; 8 Ocean Marine - Address of insured or state of principal exposure, except builders risks which are allocated on location of risk; 9 Inland Marine - Location of insured or state of principal exposure; 10 Financial guaranty - Location of risk; 11 Medical malpractice - Location of risk; 12 Earthquake - Location of property; 13 Group A&H - Location of risk; 15 Other A&H – Location of insured; 16 Workers' compensation - Location of employee's workplace; 17 Other liability - Location of risk; 18 Products Liability - Location of risk; 19 Auto liability - Location of garage; 21 Auto physical damage - Location of garage; 22 Aircraft - Location of airport from which insured's aircraft operates; 23 Fidelity - Location of insured; 24 Surety – Contract Surety: Project location; All Other Surety: Obligee location; 26 Burglary and theft - Location of property; 27 Boiler and machinery - Location of property; 28 Credit - Location of risk; With respect to international commercial insurance policies (1) for U.S. based insureds with ancillary international operations or (2) that are placed as part of a controlled master program allocation is to the situs of the contract which is typically the headquarter state or principal business location of the first named insured. Exceptions to this include monoline marine or other insurance policies that are designed to insure specifically identified international exposures.

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG..... 52

E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - See DSLI)..... 0

D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile..... 0

R - Registered - Non-domiciled RRGs..... 0

Q - Qualified - Qualified or accredited reinsurer..... 0

N - None of the above - Not allowed to write business in the state..... 5

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

The Travelers Companies, Inc.	Minnesota	41-0518860	… … Windamere III, LLC (99%)	Minnesota	41-2007089
… St. Paul Fire and Marine Insurance Company (24767) *	Connecticut	41-0406690	… Camperdown Corporation	Delaware	41-1762781
… … St. Paul Mercury Insurance Company (24791) *	Connecticut	41-0881659	… SPC Insurance Agency, Inc.	Minnesota	41-1888760
… … St. Paul Guardian Insurance Company (24775) *	Connecticut	41-0963301	… Aprilgrange Limited	United Kingdom	
… … St. Paul Surplus Lines Insurance Company (30481) *	Delaware	41-1230819	… F&G U.K. Underwriters Limited	United Kingdom	
… … The Travelers Casualty Company (41769) *	Connecticut	41-1435765	… Travelers Underwriting Agency Limited	United Kingdom	
… … Travelers Constitution State Insurance Company (41750) *	Connecticut	41-1435766	… Travelers Syndicate Management Limited *	United Kingdom	
… … Northbrook Holdings, Inc.	Delaware	51-0375653	… St. Paul Surety Europe Limited	United Kingdom	
… … … Discover Property & Casualty Insurance Company (36463) *	Connecticut	36-2999370	… Travelers Corporate Trustee Ltd.	United Kingdom	
… … … St. Paul Protective Insurance Company (19224) *	Connecticut	36-2542404	… Travelers London Limited	United Kingdom	
… … Discover Specialty Insurance Company (10213) *	Connecticut	52-1925132	… TCI Global Services, Inc.	Delaware	52-1965525
… … United States Fidelity and Guaranty Company (25887) *	Connecticut	52-0515280	… Travelers Management Limited	United Kingdom	
… … … Fidelity and Guaranty Insurance Underwriters, Inc. (25879) *	Wisconsin	52-0616768	… Travelers Insurance Company Limited *	United Kingdom	AA-1121375
… … … Fidelity and Guaranty Insurance Company (35386) *	Iowa	42-1091525	… … Travelers Insurance Designated Activity Company	Ireland	
… … … Laurel Village Fidelity Realty, Inc.	Maryland	52-1551225	… Simply Business Holdings Ltd	United Kingdom	
… … … … Laurel Village Joint Venture Partnership (50%)	Minnesota	41-1616702	… Simply Business Group Ltd	United Kingdom	
… … … … … Laurel Village I Limited Partnership (99%)	Minnesota	41-1542260	… Xbridge Holdings Limited	United Kingdom	
… … … … … Laurel Village II Limited Partnership (99%)	Minnesota	41-1542261	… Xbridge Acquisitions Limited	United Kingdom	
… … … … … Laurel Village III Limited Partnership (99%)	Minnesota	41-1542263	… Simply Business Holdings, Inc.	Delaware	
… … … … … Laurel Village IV Limited Partnership (99%)	Minnesota	41-1542264	… … Simply Business, Inc.	Massachusetts	
… … … … … Laurel Village Tower A Limited Partnership (99%)	Minnesota	41-1542266	… Xbridge Limited	United Kingdom	
… … … … … Laurel Village Tower B Limited Partnership (99%)	Minnesota	41-1593312	… 10762962 Canada Inc.	Canada	
… … … … … Laurel Village Tower C Limited Partnership (99%)	Minnesota	41-1542267	… … Zensurance Inc. (79.3%)	Canada	
… … … … … Laurel Village Swinford Limited Partnership (99%)	Minnesota	41-1542255	… … … Zensurance Brokers Inc.	Canada	
… … … USF&G Retail Associates GP, Inc.	Maryland	52-1704255	… Travelers Property Casualty Corp.	Connecticut	06-1008174
… … … … USF&G/Fidelity Retail Associates Limited Partnership (1%)	Maryland	52-1704256	… … Travelers Insurance Group Holdings Inc.	Delaware	06-1445591
… … … USF&G/Fidelity Retail Associates Limited Partnership (83.95%)	Maryland	52-1704256	… … … The Standard Fire Insurance Company (19070) *	Connecticut	06-6033509
… … … BMR Sports Properties, Inc.	Maryland	52-1852190	… … … … Standard Fire Properties, LLC	Delaware	06-6033509
… … … … Black Mountain Ranch Limited Partnership (1%)	Maryland	52-1573778	… … … … … Bayhill Restaurant II Associates (50%)	California	94-3097171
… … Black Mountain Ranch Limited Partnership (85%)	Maryland	52-1573778	… … … … Standard Fire UK Investments, LLC	Delaware	06-6033509
… … MMI Capital Trust I	Delaware	52-2073764	… … … … The Automobile Insurance Company of Hartford, Connecticut (19062) *	Connecticut	06-0848755
… … Promenade Partners, LLC	Delaware	41-0406690	… … … … … Auto Hartford Investments, LLC	Delaware	06-0848755
… … USF&G Capital I	Delaware	52-1953822	… … … … Travelers Personal Security Insurance Company (36145) *	Connecticut	06-1286264
… … USF&G Capital III	Delaware	52-2044075	… … … … Travelers Property Casualty Insurance Company (36161) *	Connecticut	06-1286274
… … 350 Market Street, LLC	Delaware	38-4046010	… … … … Travelers Personal Insurance Company (38130) *	Connecticut	36-3703200
… … Travelers Special Services Limited	United Kingdom		… … … … Travelers Texas MGA, Inc.	Texas	27-4469564
… … Yonkers Financing Corp.	Delaware	20-3033027	… … … … Oregon Evergreen Investor I, LLC	Delaware	06-6033509
… … English Turn Fidelity Realty, Inc.	Minnesota	52-1466734	… … … Travelers (Bermuda) Limited *	Bermuda	AA-3194119
… … … English Turn LLC (99%)	Minnesota	59-2635727	… … … Travelers Lloyds Management Company	Texas	20-4312440
… … … Fidelity English Turn Club LLC (99%)	Minnesota	59-2709441	… … … TPC Investments Inc.	Connecticut	06-1534005
… … English Turn LLC (1%)	Minnesota	59-2635727	… … … Travelers Casualty and Surety Company (19038) *	Connecticut	06-6033504
… … English Turn Realty Management, Inc.	Minnesota	52-1715225	… … … … Farmington Casualty Company (41483) *	Connecticut	06-1067463
… … … Fidelity English Turn Club LLC (1%)	Minnesota	59-2709441	… … … … … Travelers MGA, Inc.	Texas	75-2676034
… … 8527512 Canada Inc. (22.48%)	Canada		… … … … 8527512 Canada Inc. (77.52%)	Canada	
… … … The Dominion of Canada General Insurance Company *	Canada	AA-1560270	… … … … … The Dominion of Canada General Insurance Company *	Canada	AA-1560270
… … Fog City Fund, LLC (99%)	Minnesota	41-1985480	… … … … Travelers Insurance Company of Canada *	Canada	AA-1560039
… … Symmetry Growth Capital II, LLC	Minnesota	76-0753165	… … … … Travelers Casualty and Surety Company of America (31194) *	Connecticut	06-0907370
… … Upper Lake Growth Capital, LLC (99%)	Minnesota	41-1927945	… … … … … Travelers Global, Inc.	Delaware	47-2215437
… … Vesbridge Partners, LP (85%)	Minnesota	20-1222630	… … … … … … Travelers Brazil Holding LLC	Delaware	47-2215437
… … Windamere II, LLC (99%)	Minnesota	41-1963936	… … … … … … … Travelers Brazil Acquisition LLC	Delaware	47-2215437

Notes:
* Denotes affiliated insurer
Unless otherwise stated, subsidiaries listed above are 100% owned by respective parent

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

… … … … … … … … … Junto Holding Brasil S.A. (49.5%)	Brazil		… … … … Tiercel, LLC	Delaware	06-0566050
… … … … … … … … … … Junto Resseguros S.A. *	Brazil	AA-2230021	… … … … … Redstart, LLC	Delaware	06-0566050
… … … … … … … … … … … Junto Controle de Riscos Ltda. (0.01%)	Brazil		… … … … The Travelers Home and Marine Insurance Company (27998) *	Connecticut	35-1838079
… … … … … … … … … … Junto Seguros S.A. *	Brazil	AA-2230002	… … … … The Travelers Lloyds Insurance Company (41262) *	Texas	76-0002592
… … … … … … … … … … … Junto Controle de Riscos Ltda. (99.99%)	Brazil		… … … … Travelers Marine, LLC	Delaware	06-0566050
… … … … … … … … … Junto Holding Latam S.A. (49.5%)	Brazil				
… … … … … … … … … … JMalucelli Travelers Seguros S.A. (51%) *	Colombia	AA-2330036			
… … … … … … … … … Travelers Participações em Seguros Brasil S.A.	Brazil				
… … … … … … … … … … Travelers Seguros Brasil S.A. *	Brazil	AA-2230022			
… … … … Travelers Casualty Insurance Company of America (19046) *	Connecticut	06-0876835			
… … … … Travelers Casualty Company of Connecticut (36170) *	Connecticut	06-1286266			
… … … … Travelers Casualty UK Investments LLC	Delaware	06-6033504			
… … … … Travelers Commercial Insurance Company (36137) *	Connecticut	06-1286268			
… … … … Travelers Excess and Surplus Lines Company (29696) *	Connecticut	06-1203698			
… … … … Travelers Lloyds of Texas Insurance Company (41564) *	Texas	75-1732040			
… … … … The Family Business Institute LLC	Delaware	06-6033504			
… … … … IHP Capital Partners Fund VIII, L.P. (97%)	Delaware	82-0925474			
… … … The Travelers Indemnity Company (25658) *	Connecticut	06-0566050			
… … … … Arch Street North LLC	Delaware	06-0566050			
… … … … The Charter Oak Fire Insurance Company (25615) *	Connecticut	06-0291290			
… … … … Travelers Real Estate, LLC	Delaware	06-0566050			
… … … … First Floridian Auto and Home Insurance Company (10647) *	Florida	59-3372141			
… … … … Gulf Underwriters Insurance Company (42811) *	Connecticut	56-1371361			
… … … … Select Insurance Company (22233) *	Texas	75-6013697			
… … … … Travelers Casualty and Surety Company of Europe Limited *	United Kingdom	AA-1120023			
… … … … Crystal Brook, LLC	Delaware	06-0566050			
… … … … … Durham Holding, LLC	Delaware	06-0566050			
… … … … Sutton Holdco, LLC	Delaware	06-0566050			
… … … … … Cadet Limited, LLC	Delaware	06-0566050			
… … … … Arrowhead Company, LLC	Delaware	06-0566050			
… … … … … Eastern Asset, LLC	Delaware	06-0566050			
… … … … Jupiter Holdings, Inc.	Minnesota	41-1769846			
… … … … … American Equity Insurance Company (43117) *	Arizona	86-0703220			
… … … … … … American Equity Specialty Insurance Company (10819) *	Connecticut	86-0868106			
… … … … … Northland Insurance Company (24015) *	Connecticut	41-6009967			
… … … … … … Northfield Insurance Company (27987) *	Iowa	41-0983992			
… … … … … … Northland Casualty Company (24031) *	Connecticut	94-6051964			
… … … … Travelers Indemnity U.K. Investments LLC	Connecticut	06-0566050			
… … … … TPC U.K. Investments LLC	Delaware	06-0566050			
… … … … The Phoenix Insurance Company (25623) *	Connecticut	06-0303275			
… … … … … The Travelers Indemnity Company of America (25666) *	Connecticut	58-6020487			
… … … … … The Travelers Indemnity Company of Connecticut (25682) *	Connecticut	06-0336212			
… … … … … Travelers Property Casualty Company of America (25674) *	Connecticut	36-2719165			
… … … … … … American Marine Management Services, Inc. (47.5%)	New York	13-2743602			
… … … … … Constitution State Services LLC	Delaware	06-1501229			
… … … … … Phoenix UK Investments LLC	Delaware	06-0303275			
… … … … TravCo Insurance Company (28188) *	Connecticut	35-1838077			
… … … … TINDY Foreign, Inc	Delaware	20-4403403			
… … … … Travelers Commercial Casualty Company (40282) *	Connecticut	95-3634110			
… … … … Travelers Distribution Alliance, Inc.	Delaware	62-1657094			
… … … … Travelers TLD, LLC	Delaware	06-0566050			

Notes:
* Denotes affiliated insurer
Unless otherwise stated, subsidiaries listed above are 100% owned by respective parent

2018 ALPHABETICAL INDEX -- PROPERTY & CASUALTY ANNUAL STATEMENT BLANK

Assets	2	Schedule P–Part 2H–Section 2–Other Liability–Claims–Made	58
Cash Flow	5	Schedule P–Part 2I–Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, Theft)	59
Exhibit of Capital Gains (Losses)	12	Schedule P–Part 2J–Auto Physical Damage	59
Exhibit of Net Investment Income	12	Schedule P–Part 2K–Fidelity, Surety	59
Exhibit of Nonadmitted Assets	13	Schedule P–Part 2L–Other (Including Credit, Accident and Health)	59
Exhibit of Premiums and Losses (State Page)	19	Schedule P–Part 2M–International	59
Five-Year Historical Data	17	Schedule P–Part 2N–Reinsurance – Nonproportional Assumed Property	60
General Interrogatories	15	Schedule P–Part 2O–Reinsurance – Nonproportional Assumed Liability	60
Jurat Page	1	Schedule P–Part 2P–Reinsurance – Nonproportional Assumed Financial Lines	60
Liabilities, Surplus and Other Funds	3	Schedule P–Part 2R–Section 1–Products Liability–Occurrence	61
Notes To Financial Statements	14	Schedule P–Part 2R–Section 2–Products Liability–Claims-Made	61
Overflow Page For Write-ins	100	Schedule P–Part 2S–Financial Guaranty/Mortgage Guaranty	61
Schedule A–Part 1	E01	Schedule P–Part 2T–Warranty	61
Schedule A–Part 2	E02	Schedule P–Part 3A–Homeowners/Farmowners	62
Schedule A–Part 3	E03	Schedule P–Part 3B–Private Passenger Auto Liability/Medical	62
Schedule A–Verification Between Years	SI02	Schedule P–Part 3C–Commercial Auto/Truck Liability/Medical	62
Schedule B–Part 1	E04	Schedule P–Part 3D–Workers' Compensation (Excluding Excess Workers Compensation)	62
Schedule B–Part 2	E05	Schedule P–Part 3E–Commercial Multiple Peril	62
Schedule B–Part 3	E06	Schedule P–Part 3F–Section 1 –Medical Professional Liability–Occurrence	63
Schedule B–Verification Between Years	SI02	Schedule P–Part 3F–Section 2–Medical Professional Liability–Claims-Made	63
Schedule BA–Part 1	E07	Schedule P–Part 3G–Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery)	63
Schedule BA–Part 2	E08	Schedule P–Part 3H–Section 1–Other Liability–Occurrence	63
Schedule BA–Part 3	E09	Schedule P–Part 3H–Section 2–Other Liability–Claims-Made	63
Schedule BA–Verification Between Years	SI03	Schedule P–Part 3I–Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, Theft)	64
Schedule D–Part 1	E10	Schedule P–Part 3J–Auto Physical Damage	64
Schedule D–Part 1A–Section 1	SI05	Schedule P–Part 3K–Fidelity/Surety	64
Schedule D–Part 1A–Section 2	SI08	Schedule P–Part 3L–Other (Including Credit, Accident and Health)	64
Schedule D–Part 2–Section 1	E11	Schedule P–Part 3M–International	64
Schedule D–Part 2–Section 2	E12	Schedule P–Part 3N–Reinsurance – Nonproportional Assumed Property	65
Schedule D–Part 3	E13	Schedule P–Part 3O–Reinsurance – Nonproportional Assumed Liability	65
Schedule D–Part 4	E14	Schedule P–Part 3P–Reinsurance – Nonproportional Assumed Financial Lines	65
Schedule D–Part 5	E15	Schedule P–Part 3R–Section 1–Products Liability–Occurrence	66
Schedule D–Part 6–Section 1	E16	Schedule P–Part 3R–Section 2–Products Liability–Claims-Made	66
Schedule D–Part 6–Section 2	E16	Schedule P–Part 3S–Financial Guaranty/Mortgage Guaranty	66
Schedule D–Summary By Country	SI04	Schedule P–Part 3T–Warranty	66
Schedule D–Verification Between Years	SI03	Schedule P–Part 4A–Homeowners/Farmowners	67
Schedule DA–Part 1	E17	Schedule P–Part 4B–Private Passenger Auto Liability/Medical	67
Schedule DA–Verification Between Years	SI10	Schedule P–Part 4C–Commercial Auto/Truck Liability/Medical	67
Schedule DB–Part A–Section 1	E18	Schedule P–Part 4D–Workers' Compensation (Excluding Excess Workers Compensation)	67
Schedule DB–Part A–Section 2	E19	Schedule P–Part 4E–Commercial Multiple Peril	67
Schedule DB–Part A–Verification Between Years	SI11	Schedule P–Part 4F–Section 1–Medical Professional Liability–Occurrence	68
Schedule DB–Part B–Section 1	E20	Schedule P–Part 4F–Section 2–Medical Professional Liability–Claims-Made	68
Schedule DB–Part B–Section 2	E21	Schedule P–Part 4G–Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery)	68
Schedule DB–Part B–Verification Between Years	SI11	Schedule P–Part 4H–Section 1–Other Liability–Occurrence	68
Schedule DB–Part C–Section 1	SI12	Schedule P–Part 4H–Section 2–Other Liability–Claims-Made	68
Schedule DB–Part C–Section 2	SI13	Schedule P–Part 4I–Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft)	69
Schedule DB–Part D-Section 1	E22	Schedule P–Part 4J–Auto Physical Damage	69
Schedule DB–Part D-Section 2	E23	Schedule P–Part 4K–Fidelity/Surety	69
Schedule DB–Verification	SI14	Schedule P–Part 4L–Other (Including Credit, Accident and Health)	69
Schedule DL–Part 1	E24	Schedule P–Part 4M–International	69
Schedule DL–Part 2	E25	Schedule P–Part 4N–Reinsurance – Nonproportional Assumed Property	70
Schedule E–Part 1–Cash	E26	Schedule P–Part 4O–Reinsurance – Nonproportional Assumed Liability	70
Schedule E–Part 2–Cash Equivalents	E27	Schedule P–Part 4P–Reinsurance – Nonproportional Assumed Financial Lines	70
Schedule E–Verification Between Years	SI15	Schedule P–Part 4R–Section 1–Products Liability–Occurrence	71
Schedule E–Part 3–Special Deposits	E28	Schedule P–Part 4R–Section 2–Products Liability–Claims-Made	71
Schedule F–Part 1	20	Schedule P–Part 4S–Financial Guaranty/Mortgage Guaranty	71
Schedule F–Part 2	21	Schedule P–Part 4T–Warranty	71
Schedule F–Part 3	22	Schedule P–Part 5A–Homeowners/Farmowners	72
Schedule F–Part 4	27	Schedule P–Part 5B–Private Passenger Auto Liability/Medical	73
Schedule F–Part 5	28	Schedule P–Part 5C–Commercial Auto/Truck Liability/Medical	74
Schedule F–Part 6	29	Schedule P–Part 5D–Workers' Compensation (Excluding Excess Workers Compensation)	75
Schedule H–Accident and Health Exhibit–Part 1	30	Schedule P–Part 5E–Commercial Multiple Peril	76
Schedule H–Part 2, Part 3 and Part 4	31	Schedule P–Part 5F–Medical Professional Liability–Claims-Made	78
Schedule H–Part 5–Health Claims	32	Schedule P–Part 5F–Medical Professional Liability–Occurrence	77
Schedule P–Part 1–Summary	33	Schedule P–Part 5H–Other Liability–Claims-Made	80
Schedule P–Part 1A–Homeowners/Farmowners	35	Schedule P–Part 5H–Other Liability–Occurrence	79
Schedule P–Part 1B–Private Passenger Auto Liability/Medical	36	Schedule P–Part 5R–Products Liability–Claims-Made	82
Schedule P–Part 1C–Commercial Auto/Truck Liability/Medical	37	Schedule P–Part 5R–Products Liability–Occurrence	81
Schedule P–Part 1D–Workers' Compensation (Excluding Excess Workers Compensation)	38	Schedule P–Part 5T–Warranty	83
Schedule P–Part 1E–Commercial Multiple Peril	39	Schedule P–Part 6C–Commercial Auto/Truck Liability/Medical	84
Schedule P–Part 1F–Section 1–Medical Professional Liability–Occurrence	40	Schedule P–Part 6D–Workers' Compensation (Excluding Excess Workers Compensation)	84
Schedule P–Part 1F–Section 2–Medical Professional Liability–Claims-Made	41	Schedule P–Part 6E–Commercial Multiple Peril	85
Schedule P–Part 1G-Special Liability (Ocean, Marine, Aircraft (All Perils), Boiler & Machinery)	42	Schedule P–Part 6H–Other Liability–Claims-Made	86
Schedule P–Part 1H–Section 1–Other Liability–Occurrence	43	Schedule P–Part 6H–Other Liability–Occurrence	85
Schedule P–Part 1H–Section 2–Other Liability–Claims-Made	44	Schedule P–Part 6M–International	86
Schedule P–Part 1I–Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft)	45	Schedule P–Part 6N–Reinsurance – Nonproportional Assumed Property	87
Schedule P–Part 1J–Auto Physical Damage	46	Schedule P–Part 6O–Reinsurance – Nonproportional Assumed Liability	87
Schedule P–Part 1K–Fidelity/Surety	47	Schedule P–Part 6R–Products Liability–Claims-Made	88
Schedule P–Part 1L–Other (Including Credit, Accident and Health)	48	Schedule P–Part 6R–Products Liability–Occurrence	88
Schedule P-Part 1M-International	49	Schedule P–Part 7A–Primary Loss Sensitive Contracts	89
Schedule P–Part 1N–Reinsurance – Nonproportional Assumed Property	50	Schedule P–Part 7B–Reinsurance Loss Sensitive Contracts	91
Schedule P–Part 1O–Reinsurance – Nonproportional Assumed Liability	51	Schedule P Interrogatories	93
Schedule P–Part 1P–Reinsurance – Nonproportional Assumed Financial Lines	52	Schedule T–Exhibit of Premiums Written	94
Schedule P–Part 1R–Section 1–Products Liability–Occurrence	53	Schedule T–Part 2–Interstate Compact	95
Schedule P–Part 1R–Section 2–Products Liability–Claims–Made	54	Schedule Y–Information Concerning Activities of Insurer Members of a Holding Company Group	96
Schedule P–Part 1S–Financial Guaranty/Mortgage Guaranty	55	Schedule Y–Detail of Insurance Holding Company System	97
Schedule P–Part 1T–Warranty	56	Schedule Y–Part 2–Summary of Insurer's Transactions With Any Affiliates	98
Schedule P–Part 2, Part 3 and Part 4 - Summary	34	Statement of Income	4
Schedule P–Part 2A–Homeowners/Farmowners	57	Summary Investment Schedule	SI01
Schedule P–Part 2B–Private Passenger Auto Liability/Medical	57	Supplemental Exhibits and Schedules Interrogatories	99
Schedule P–Part 2C–Commercial Auto/Truck Liability/Medical	57	Underwriting and Investment Exhibit Part 1	6
Schedule P–Part 2D–Workers' Compensation (Excluding Excess Workers Compensation)	57	Underwriting and Investment Exhibit Part 1A	7
Schedule P–Part 2E–Commercial Multiple Peril	57	Underwriting and Investment Exhibit Part 1B	8
Schedule P–Part 2F–Section 1–Medical Professional Liability–Occurrence	58	Underwriting and Investment Exhibit Part 2	9
Schedule P–Part 2F–Section 2–Medical Professional Liability–Claims–Made	58	Underwriting and Investment Exhibit Part 2A	10
Schedule P–Part 2G–Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery)	58	Underwriting and Investment Exhibit Part 3	11
Schedule P–Part 2H–Section 1–Other Liability–Occurrence	58		