Exhibit E

Audited Financial Statements for the years ending December 31, 2025

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Consolidated Property & Casualty Statutory Financial Statements and Supplemental Information
December 31, 2025 and 2024

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Contents

December 31, 2025 and 2024

Report of Independent Auditors

To the Board of Directors of American Family Mutual Insurance Company, S.I.

Opinions

We have audited the accompanying consolidated statutory financial statements of American Family Mutual Insurance Company, S.I. and its consolidated property and casualty subsidiaries (the "Company"), which comprise the consolidated property and casualty statutory balance sheets as of December 31, 2025 and 2024, and the related consolidated property and casualty statutory statements of income, of changes in capital and surplus, and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements").

Unmodified Opinion on Statutory Basis of Accounting

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the admitted assets, liabilities and capital and surplus of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended, in accordance with the accounting practices prescribed or permitted by the California Department of Insurance, the Florida Office of Insurance Regulation, the Georgia Office of the Commissioner of Insurance and Safety Fire, the Illinois Department of Insurance, the Indiana Department of Insurance, the Minnesota Department of Commerce, the New York State Department of Financial Services, the South Carolina Department of Insurance, the Texas Department of Insurance and the Wisconsin Office of the Commissioner of Insurance (collectively referred to as the “departments of insurance”) described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles section of our report, the accompanying consolidated financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Company as of December 31, 2025 and 2024, or the results of its operations or its cash flows for the years then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

PricewaterhouseCoopers LLP
833 East Michigan Street, Suite 1200
Milwaukee, Wisconsin 53202
(414) 212 1600

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

As described in Note 1 to the consolidated financial statements, the consolidated financial statements are prepared by the Company on the basis of the accounting practices prescribed or permitted by the departments of insurance, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the consolidated financial statements of the variances between the statutory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting practices prescribed or permitted by the departments of insurance. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplemental summary investment schedule, supplemental investment risk interrogatories, supplemental schedule of reinsurance interrogatories, and supplemental reinsurance summary filing for reinsurance interrogatory 4 (collectively referred to as the "supplemental schedules") of the Company as of December 31, 2025 and for the year then ended are presented to comply with the National Association of Insurance Commissioners' Annual Statement Instructions and Accounting Practices and Procedures Manual and for purposes of additional analysis and are not a required part of the consolidated financial statements.

The consolidating information as of and for the years ended December 31, 2025 and 2024 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the admitted assets, liabilities and capital and surplus, results of operations and cash flows of the individual companies and is not a required part of the consolidated financial statements. Accordingly, we do not express an opinion on the admitted assets, liabilities and capital and surplus results of operations and cash flows of the individual companies.

The supplemental schedules and consolidating information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the consolidated financial statements. The supplemental schedules and consolidating information have been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental schedules and consolidating information are fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

PricewaterhouseCoopers LLP

February 24, 2026

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries
Consolidated Property & Casualty
Statutory Balance Sheets
December 31, 2025 and 2024
(in thousands of dollars, except share amounts)

	2025	2024
Admitted assets		
Bonds	$ 24,103,207	$ 20,558,389
Stocks, including investments in unconsolidated subsidiaries	2,912,486	2,439,225
Mortgage loans	562,272	523,785
Real estate (net of accumulated depreciation of $282,551 and $273,076)	128,764	126,617
Cash, cash equivalents, and short-term investments	1,477,034	2,867,371
Receivables for securities	3,518	36,873
Securities lending collateral	38,505	8,257
Other invested assets	2,672,248	2,639,887
Total cash and invested assets	31,898,034	29,200,404
Property & casualty premiums receivable and agents’ balances	2,273,473	2,485,137
Accrued investment income	192,899	151,804
Deferred tax assets	421,503	498,914
Electronic data processing equipment and software (net)	21,010	21,641
Other assets	771,372	989,738
Total admitted assets	35,578,291	33,347,638
Liabilities		
Property & casualty loss and loss adjustment expense reserve	9,952,868	10,114,408
Property & casualty unearned premiums	7,696,709	7,553,445
Agent contract termination payments	883,473	959,045
Employee pension and other benefits	87,172	124,698
Income taxes payable	285,683	458,025
Debt	1,011,345	1,011,345
Payable for securities	153,846	755,870
Securities lending payable	38,505	8,257
Accrued expenses and other liabilities	2,330,957	2,230,698
Total liabilities	22,440,558	23,215,791
Capital and surplus		
Common stock ($1 par value; 3,000,000 shares authorized, issued, and outstanding)	3,000	3,000
Special surplus funds	38,055	21,725
Surplus notes	70,000	70,000
Gross paid-in and contributed surplus	1,440,743	1,403,517
Unassigned surplus	11,585,935	8,633,605
Total capital and surplus	13,137,733	10,131,847
Total liabilities, capital, and surplus	$ 35,578,291	$ 33,347,638

The accompanying notes are an integral part of these consolidated property & casualty statutory financial statements.

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries
Consolidated Property & Casualty
Statutory Statements of Income
Years Ended December 31, 2025 and 2024
(in thousands of dollars)

	2025	2024
Premiums and other income		
Property & casualty premiums earned	$ 17,196,951	$ 17,687,712
Net investment income	1,287,185	2,180,618
Net realized investment gains (losses)	(31,562)	97,384
Other income (expenses)	61,273	48,149
Total premiums and other income	18,513,847	20,013,863
Losses and expenses		
Property & casualty losses and loss adjustment expenses incurred	10,086,955	12,362,149
Underwriting expenses	4,604,178	4,843,431
Dividends to policyholders	537	1,059
Total losses and expenses	14,691,670	17,206,639
Income (loss) before income tax expense (benefit)	3,822,177	2,807,224
Income tax expense (benefit)	760,779	266,668
Net income (loss)	$ 3,061,398	$ 2,540,556

The accompanying notes are an integral part of these consolidated property & casualty statutory financial statements.

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries
Consolidated Property & Casualty
Statutory Statements of Changes in Capital and Surplus
Years Ended December 31, 2025 and 2024
(in thousands of dollars)

	2025	2024
Common stock	$ 3,000	$ 3,000
Special surplus funds		
Beginning balance	21,725	3,911
Change in special surplus funds	16,330	17,814
Ending balance	38,055	21,725
Surplus notes	70,000	70,000
Gross paid-in and contributed surplus		
Beginning balance	1,403,517	1,399,017
Contributed/paid in capital - See Note 9	37,226	4,500
Ending balance	1,440,743	1,403,517
Unassigned surplus		
Beginning balance	8,633,605	5,642,951
Net income (loss)	3,061,398	2,540,556
Net change in unrealized capital gains (losses) of investments, net of deferred income tax	85,198	535,710
Change in nonadmitted assets*	139,441	(47,616)
Change in net deferred income tax*	(62,385)	(99,650)
Pension and contract termination payment adjustments	33,176	94,616
Distributions	(33,929)	(38,740)
Other*	(270,569)	5,778
Ending balance	11,585,935	8,633,605
Total capital and surplus	$ 13,137,733	$ 10,131,847

* See Note 1(n) for SSAP 3 adjustments impacting these financial statement line items

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries
Consolidated Property & Casualty
Statutory Statements of Cash Flows
Years Ended December 31, 2025 and 2024
(in thousands of dollars)

	2025	2024
Cash from operations		
Premiums collected net of reinsurance	$ 17,583,515	$ 18,407,455
Net investment income	1,207,493	2,000,066
Miscellaneous income (expenses)	147,455	96,083
Benefit and loss related payments	(9,103,831)	(10,807,719)
Commissions, expenses paid, and aggregate write-ins for deductions	(5,692,294)	(5,490,103)
Dividends paid to policyholders	(651)	(1,147)
Federal income taxes (paid) recovered, net of tax on capital gains (losses)	(854,045)	(50,511)
Net cash provided by (used in) operations	3,287,642	4,154,124
Cash from investments		
Proceeds from investments sold, matured, or repaid		
Bonds	21,201,256	13,914,864
Stocks	281,098	484,922
Mortgage loans	53,586	28,122
Real estate	9,170	9,092
Other invested assets	243,520	221,830
Net gains or (losses) on cash and short-term investments	(40)	415
Miscellaneous proceeds	4,094	846,194
Total investment proceeds	21,792,684	15,505,439
Cost of investments acquired (long-term only)		
Bonds	24,696,354	16,789,884
Stocks	640,552	364,045
Mortgage loans	90,050	100,161
Capital contribution to unconsolidated affiliates	5,934	18,283
Real estate	15,402	8,134
Other invested assets	332,162	298,315
Miscellaneous applications	650,761	1,972
Total investments acquired	26,431,215	17,580,794
Net cash provided by (used in) investments	(4,638,531)	(2,075,355)
Cash from financing and miscellaneous sources		
Capital and paid-in surplus	30,835	4,500
Dividends to stockholders	(33,190)	(35,462)
Other cash provided (applied)	(37,093)	(210,920)
Net cash provided by (used in) financing and miscellaneous sources	(39,448)	(241,882)
Reconciliation of cash, cash equivalents, and short-term investments		
Reporting entity not included in the consolidation in current year - Note 1a	—	(22,996)
Net change in cash, cash equivalents, and short-term investments	(1,390,337)	1,813,891
Cash, cash equivalents, and short-term investments		
Beginning of year	2,867,371	1,053,480
End of year	$ 1,477,034	$ 2,867,371

The accompanying notes are an integral part of these consolidated property & casualty statutory financial statements.

1. Nature of Operations and Significant Statutory Accounting Policies

American Family Mutual Insurance Company, S.I. (AFMICSI) and its insurance subsidiaries (collectively referred to as the "Companies" or the "Company") are engaged principally in the writing of property & casualty and life insurance policies within the United States and distribute products through agency and direct sales models, depending on the product and the state of business. American Family Insurance Mutual Holding Company (AFIMHC), through its wholly owned non-insurance holding company, AmFam Holdings, Inc. (Holdings), owns 100% of the equity interest in AFMICSI.

The Company's exclusive agency sales distribution channel primarily sells personal lines and commercial products predominantly through an agency force in a nineteen-state operating territory. Exclusive agents also sell life insurance products, which are underwritten by American Family Life Insurance Company (AFLIC), including term, whole, and universal life insurance policies.

The Company also sells commercial and personal lines policies through an independent agency sales distribution channel through Main Street America Group, Inc. and its subsidiaries (MSA). Included in the consolidation group are Grain Dealers Mutual Insurance Company (GDMIC), Spring Valley Mutual Insurance Company (SVMIC), and Austin Mutual Insurance Company (AMIC), affiliated entities that are not wholly owned subsidiaries but are controlled by MSA through board representation and common management.

Personal lines policies are also sold through a direct sales distribution channel by Homesite Group, Inc. and its subsidiaries (Homesite), American Family Connect Property & Casualty Insurance Company (AFCPCIC) and its subsidiaries (AmFam-CONNECT), and, through December 31, 2024, PGC Holdings Corp. and its subsidiaries (PGC). See Note 2 for more information on the divestiture of PGC.

The Company prepares its consolidated property & casualty statutory financial statements in accordance with accounting practices prescribed or permitted by various domiciliary state insurance departments. Prescribed statutory accounting practices (STAT) include the National Association of Insurance Commissioners' (NAIC) "Accounting Practices and Procedures Manual," as well as state laws, regulations, and general administrative rules applicable to all insurance enterprises domiciled in a particular state. In addition, the respective domiciliary state insurance departments have a right to permit other specific practices that may deviate from prescribed practices. No permitted differences in STAT between applicable state insurance departments and the NAIC are used in the preparation of these consolidated property & casualty statutory financial statements.

The preparation of financial statements in conformity with STAT requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The accompanying consolidated property & casualty statutory financial statements vary materially from financial statements prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) primarily because on a statutory basis: (a) bonds are generally carried at amortized cost rather than fair value; (b) policy acquisition costs, such as commissions and other costs directly related to acquiring business, are charged to operations as incurred and not deferred; (c) deferred tax assets (DTAs) are generally limited to those temporary differences which reverse in the following three years and offset deferred tax liabilities (DTLs); (d) reinsurance recoverables on unpaid losses are offset against the liability for property & casualty losses and loss adjustment expenses; (e) non-property & casualty insurance companies are excluded from this consolidation; (f) the purchase method of accounting relies on carryover basis of accounting and the resulting goodwill will be amortized over a period of ten years; (g) certain assets are considered nonadmitted and therefore excluded from surplus; see Note 1(l) below for a description of these items; (h) the consolidated property & casualty statutory statements of cash flows are presented in the required statutory format, in which cash, cash equivalents, and short-term investments include cash on deposits and short-term, highly-liquid investments that are readily convertible to cash; (i) lease obligations are not reflected as a liability and the corresponding leased asset is not reflected as a right of use asset on the statutory balance sheets; and (j) debt related to the Federal Home Loan Bank (FHLB) of Chicago long-term advance is recorded on a cost basis rather than at fair value through a GAAP-specific election of the fair value option (see Note 12).

The effect of the foregoing differences in the accompanying consolidated property & casualty statutory financial statements is not known but presumed to be material.

The significant accounting policies used in the preparation of these consolidated property & casualty statutory financial statements include:

a. Principles of Consolidation
The accompanying consolidated property & casualty statutory financial statements include the accounts of AFMICSI, its wholly owned property & casualty subsidiaries, and controlled affiliates. All significant intercompany balances and activity have been eliminated in consolidation. The following table provides a listing of consolidated subsidiaries and controlled affiliates as of December 31, 2025:

Entity Description	Entity Abbreviation
American Standard Insurance Company of Wisconsin	ASIC
American Family Insurance Company	AFIC
American Standard Insurance Company of Ohio	ASICO
Midvale Indemnity Company	MIC
Homesite Insurance Company of the Midwest	HMW
Homesite Insurance Company	HCT
Homesite Insurance Company of California	HCA
Homesite Indemnity Company	HIC
Homesite Insurance Company of New York	HNY
Homesite Insurance Company of Illinois	HIL
Homesite Insurance Company of Georgia	HGA
Homesite Lloyd's of Texas	HLTX
Homesite Insurance Company of Florida	HFL
NGM Insurance Company	NGM
Main Street America Assurance Company	MSAAC
Old Dominion Insurance Company	ODIC

(in thousands of dollars)

Entity Description	Entity Abbreviation
Main Street America Protection Insurance Company	MSAPIC
MSA Insurance Company	MSAIC
Grain Dealers Mutual Insurance Company	GDMIC
Spring Valley Mutual Insurance Company	SVMIC
Austin Mutual Insurance Company	AMIC
American Family Connect Property and Casualty Insurance Company	AFCPCIC
American Family Connect Insurance Company	AFCIC

The following table provides a listing of subsidiaries and controlled affiliates that were excluded from the consolidated property & casualty statutory financial statements as of December 31, 2024. See Note 2 for further details.

Entity Description	Entity Abbreviation
Permanent General Assurance Corporation	PGAC
Permanent General Assurance Corporation of OH	PGACOH
The General Automobile Insurance Company, Inc.	GAIC

AFLIC is not consolidated within this report and is presented using an equity basis of accounting.

One or several of the consolidated Companies are domiciled in Wisconsin, Illinois, California, New York, Georgia, Florida, South Carolina, Minnesota, Indiana, or Texas. Annual approval is obtained from certain respective state insurance departments to file consolidated audited financial statements in lieu of separate audited financial statements for each insurer based upon the 100% quota share reinsurance agreements described in Note 1(g).

b. Adoption of New Accounting Guidance

In March 2024, the NAIC adopted REF 2019-21 (the “Principles-Based Bond Definition” or “PBBD”), which revised bond classification criteria to emphasize substance over legal form. The issuance established a principles-based framework for classifying investments as bonds, expanded bond classification categories and related disclosures, and removed asset-backed securities from the definition of cash equivalents and short-term investments.

Effective January 1, 2025, the Company adopted PBBD, including the related revisions of SSAP No. 26, *Bonds*, SSAP No. 43, *Asset-Backed Securities*, and other guidance issued in connection with PBBD. Adoption was applied prospectively and had immaterial impacts on the consolidated property & casualty statutory financial statements. Accordingly, 2025 bond-related disclosures are presented under the PBBD framework, which classifies bonds as either issuer credit obligations or asset-backed securities. As the guidance is applied prospectively, 2024 disclosures reflect the prior classification methodology and have not been restated. See Note 3(d) for further information.

c. Cash and Invested Assets

Investment grade issuer credit obligations (ICO) and asset-backed securities (ABS) with NAIC designations of 1 or 2 are generally reported in the consolidated property & casualty statutory financial statements at amortized cost. Below investment grade ICO and ABS with NAIC designations of 3 though 6 are generally reported at the lower of amortized cost or fair value. The interest method is used to amortize any purchase premium or discount, including estimates of future prepayments obtained from independent sources. ABS follow the valuation and ratings in accordance with SSAP No. 43, Asset-backed Securities, and the Purposes and Procedures Manual of the NAIC Securities Valuation Office (SVO). Prior to 2025, valuations for ABS included anticipated prepayments at the date of purchase and were adjusted for updated prepayment information using the retrospective method. Effective January 1, 2025, the ABS values are adjusted using the prospective method.

SVO-identified fixed income exchange-traded funds (ETF) are classified as bonds and are reported at fair value.

Stocks include unaffiliated common stocks, perpetual preferred stocks, and investments in unconsolidated subsidiaries. Common and preferred stocks are generally reported in the consolidated property & casualty statutory financial statements at fair value. Unless the requirements are met to use the market valuation approach, investments in unconsolidated insurance subsidiaries are recorded based on the underlying statutory equity of the subsidiary, or, if the investment is in an unconsolidated noninsurance entity, the investment is recorded based on the underlying GAAP equity from audited GAAP financial statements, adjusted for unamortized statutory goodwill. Under the market valuation approach, investments are based on the market value of the unconsolidated subsidiary, affiliated or controlled (SCA) entity, adjusted for a discount to market based on the Company's ownership percentage.

Mortgage loans are generally carried at their aggregate unpaid principal balances, adjusted for unamortized premium or discount and net of a valuation allowance for estimated uncollectible amounts.

Cash and cash equivalents represent cash and issuer credit obligation securities that have maturities of three months or less at purchase. Short-term investments represent issuer credit obligation securities that have maturities of between three months and one year at purchase. Money market mutual funds are classified as cash equivalents and are carried at fair value.

Due to the lag between the trade date and the settlement date of investments purchased and sold, receivables for securities sold but not settled and liabilities for securities purchased but not settled may arise. Receivables for securities sold are presented separately within cash and invested assets while payables for securities purchased are presented separately within liabilities on the consolidated property & casualty statutory balance sheets.

Securities lending collateral represents reinvested cash collateral from borrowers under a securities lending program. The Company has contracted with a third-party banking institution (lending agent) to operate the program, which involves lending certain fixed income and equity securities to qualified borrowers in return for collateral in the form of either cash or approved securities. The Company maintains ownership of securities that are loaned out, and therefore, does not derecognize or otherwise reclassify such securities for reporting purposes. Non-cash collateral received from borrowers is not permitted by contract or custom to be sold or repledged and, as such, the Company does not recognize any related asset or liability balances. All cash received as collateral is subsequently reinvested by the lending agent in short-term and cash equivalent securities, the majority of which have 30 days or less to maturity. Reinvested securities are subject to written investment guidelines that the Company maintains with the purpose of controlling the amount of credit and liquidity risk present in the portfolio. The total value of these reinvested securities is recognized as an asset (securities lending collateral) while a liability (securities lending payable) is recognized equal to the total cash value received. As a result of the restrictions on cash collateral received, securities lending activities are considered to be non-cash financing activities. Given that the Company typically holds collateral for 90 days or less, the financing is considered short-term and the overall change in collateral balances is shown on a net basis in the consolidated property & casualty statutory statements of cash flows. See Note 3(i) for further information on the Company's securities lending program.

Other invested assets consist primarily of investments in unaffiliated and affiliated joint ventures, partnerships, and limited liability companies. The Company typically has a minor ownership interest in investments of unaffiliated joint ventures, partnerships, and limited liability companies, which are reported based on the Company's underlying equity of the investee. Equity amounts are derived from net asset value (NAV) which is based on capital account statements or other valuations provided by the general partner, adjusted for known cash basis activity occurring between the valuation date and the reporting date. Due to the timing of the availability of financial statements from the partnerships' general partners, unaffiliated partnerships are generally recorded on a three-month lag. Investments in affiliated joint ventures, partnerships, and limited liability companies are accounted for under the GAAP equity method, based on the most recent financial statements of the entity. Changes in the carrying amounts of both affiliated and unaffiliated joint ventures, partnerships, and limited liability companies are recognized as unrealized gains or losses in unassigned surplus.

Also included in other invested assets are certain debt securities that no longer qualify as bonds under PBBD. These securities are valued and accounted for under the same methods discussed in the first paragraph of this section regarding bonds. The carrying value of these securities is non-admitted to the extent the underlying collateral is not permitted as an admitted asset.

Derivative instruments are accounted for on a fair value basis and are included within other invested assets or accrued expenses and other liabilities (as applicable) on the consolidated property & casualty statutory balance sheets. When certain derivatives meet specific criteria, they may be designated as accounting hedges and accounted for as fair value, cash flow, or foreign currency hedges. The Company did not elect to apply hedge accounting for the derivative instruments that were utilized during the reporting period. As a result, unrealized gains and losses on open derivative positions are recognized within unassigned surplus, with an adjustment to the carrying value of the derivative instrument. Interim settlements involving the receipt or payment of cash are included as a component of net investment income. The gain or loss realized upon exiting a derivative position is recognized within net realized investment gains (losses). Cash flows from the derivatives are reported in cash from investments within the consolidated property & casualty statutory statements of cash flows.

Investment income is recognized when earned. Dividend income is recognized on the ex-dividend date. The Company nonadmits investment income due and accrued on bonds in or near default, and other amounts that are over 90 days past due with the exception of mortgage loans in default, which are excluded when 180 days or more past due. There was no investment income due and accrued that was nonadmitted as of December 31, 2025 and 2024.

Realized gains and losses on sales of investments are determined on a specific identification basis and are recognized directly in the accompanying consolidated property & casualty statutory statements of income. Unrealized gains and losses resulting from changes in the fair value of common stocks, preferred stocks, those bonds rated 3-6, bond ETFs carried at fair value, and limited partnerships are credited or charged to net change in unrealized capital gains (losses) of investments, a component of the Company's unassigned surplus, net of deferred taxes. If there is a decline in an investment's net realizable value that is other-than-temporary, the decline is recognized as a realized loss and the cost of the investment is reduced to either its present value of expected future cash flows or its fair value depending on security type.

For all subsidiaries on the equity basis of accounting, those subsidiaries which are insurance companies are accounted for using statutory equity.

AmFam, Inc., a subsidiary of AFMICSI, is valued and recognized using GAAP equity adjusted for unamortized statutory goodwill. All other subsidiaries are recognized on a GAAP equity basis, except for Bowhead Specialty Holdings, Inc., which is valued using the market valuation approach. For statutory purposes, American Family Brokerage, Inc. (AFBI) and The AssureStart Insurance Agency, LLC (AIA), subsidiaries of AFMICSI, are nonadmitted assets because these companies do not prepare separately audited financial statements. The accounting treatment of the aforementioned subsidiaries is consistent with the accounting treatment used in preparing the Company's Annual Statement filed with state insurance departments for AFMICSI and its property & casualty subsidiaries. Dividends received and interest earned from these companies are recognized as net investment income.

d. Fair Value Measurements

Financial assets and financial liabilities recorded on the consolidated property & casualty statutory balance sheets at fair value are categorized based on the reliability of inputs to the valuation techniques as follows:

Level 1 Financial assets and financial liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the Company can access.

Level 2 Financial assets and financial liabilities whose values are based on the following:
Quoted prices for similar assets or liabilities in active markets;
Quoted prices for identical or similar assets or liabilities in non-active markets; or
Valuation models whose inputs are observable, directly or indirectly, for substantially the full term of the asset or liability.

Level 3 Financial assets and financial liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs may reflect the Company's estimates of the assumptions that market participants would use in valuing the financial assets and financial liabilities.

(in thousands of dollars)

The availability of observable inputs varies by instrument. In situations where fair value is based on internally developed pricing models or inputs that are unobservable in the market, the determination of fair value requires more judgment. In many instances, inputs used to measure fair value fall into different levels of the fair value hierarchy. In those instances, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement is categorized is determined based on the lowest level of input that is significant to the fair value measurement in its entirety.

e. Premiums

Premiums written are recognized on the effective date of the contract and earned on a pro rata basis over the terms of the policies. Premiums earned include premiums assumed and are presented net of premiums ceded under various reinsurance contracts. Unearned premium represents the portion of written premium applicable to the unexpired portion of insurance in-force. Advance premium represents amounts received prior to policy effective dates.

Premiums receivable consists of accounts receivable for uncollected premium balances, bills receivable for premiums, and amounts due from agents and brokers. AFMICSI routinely assesses the collectability of these receivables. Any premiums receivable which are greater than 90 days past due are nonadmitted. As of December 31, 2025 and 2024, nonadmitted amounts were $31,514 and $28,941, respectively. Based upon the Companies' experience, premiums receivable of $8,935 and $8,436 as of December 31, 2025 and 2024, respectively, are estimated to be uncollectible in excess of nonadmitted amounts; therefore, a corresponding additional provision for uncollectible amounts has been recognized in 2025 and 2024.

AFMICSI considers an account delinquent if payment is not received according to the contractual terms of the related insurance policy. Typically, accounts are charged off after attempts to collect the funds are exhausted by internal and external sources. AFMICSI generally does not charge interest on delinquent accounts.

The Companies annually evaluate whether a premium deficiency exists relating to short-duration contracts. Anticipated investment income is considered as part of this evaluation. The Company recognized no net premium deficiency reserves, after taking into account reinsurance cessions, as of December 31, 2025 and 2024.

The Companies use managing general agents (MGAs) and third party administrators (TPAs) to write and administer various types of business in specified territories. For the years ended December 31, 2025 and 2024, the aggregate amount of direct premiums written through MGAs or TPAs was $947,728 and $926,781, respectively. MGAs or TPAs that individually wrote direct premiums greater than 5% of unassigned surplus for the years ended December 31 are as follows:

2025

Name and address of Managing General Agent or Third Party Administrator	FEIN Number	Exclusive Contract	Types of Business Written	Types of Authority Granted	Total Direct Premium Written/ Produced By
Bowhead Specialty Underwriters Inc. 667 Madison Avenue 5th Floor New York, NY 10065	85-3171498	Yes	Commercial Liability, Professional Liability, Healthcare	C, CA, R, B, P, U	$ 819,016

(in thousands of dollars)

2024					
Name and address of Managing General Agent or Third Party Administrator	**FEIN Number**	**Exclusive Contract**	**Types of Business Written**	**Types of Authority Granted**	**Total Direct Premium Written/ Produced By**
Bowhead Specialty Underwriters Inc. 667 Madison Avenue 5th Floor New York, NY 10065	85-3171498	Yes	Commercial Liability, Professional Liability, Healthcare	C, CA, R, B, P, U	$ 660,360

C = Claims Payment

CA = Claims Adjustment

R = Reinsurance Ceding

B = Binding Authority

P = Premium Collection

U = Underwriting

f. Property & Casualty Loss and Loss Adjustment Expense Reserve

The property & casualty loss and loss adjustment expense reserve includes amounts determined on the basis of claim evaluation and other estimates for reported losses, as well as estimates for losses incurred but not reported and anticipated salvage and subrogation recoveries. These estimates are continually reviewed and updated, and any adjustments are charged to income as incurred.

Reinsurance recoveries are recognized as a reduction of losses and loss adjustment expenses in accordance with contract terms. The liabilities for property & casualty losses and unearned premiums are determined after deducting a share of reinsurance placed with other reinsurers.

Due to the reasonably complex and dynamic process of establishing these reserves, which can be influenced by a variety of factors and assumptions, actual ultimate losses and loss adjustment expenses which may emerge in future years may vary materially from the amounts recognized in these consolidated property & casualty statutory financial statements.

g. Reinsurance

In the normal course of business, the Company seeks to limit exposure to loss on any single insured and to certain aggregate loss limits. This is accomplished by ceding insurance to other insurance companies or reinsurers under quota share, excess of loss, coinsurance, and retroactive reinsurance contracts. Liabilities related to insurance contracts are recognized after the effects of reinsurance. Estimated reinsurance recoverables are recognized in a manner consistent with the liabilities related to the underlying reinsured contracts. After reinsurance cessions to external parties, ASIC, AFIC, ASICO, MIC, AmFam-CONNECT, MSA, and Homesite, with the exception of HNY, cede the remaining insurance business to AFMICSI under 100% quota share reinsurance contracts. HNY ultimately cedes 80% of all underwriting activity to the Company. PGC was previously party to a 100% quota share reinsurance agreement with AFMICSI until the agreement was commuted effective December 31, 2024, the date of the divestiture of PGC. See Note 2 for more information on the divestiture of PGC.

AFMICSI is party to an affiliated reinsurance agreement with AFLIC under which AFMICSI cedes long-term care business to AFLIC by way of a 100% quota share reinsurance agreement. AFMICSI ceded reinsurance premiums of $5,651 and $5,627 during 2025 and 2024, respectively, and $155,981 and $155,837 of reserves at December 31, 2025 and 2024, respectively, under this agreement.

The Companies assume property reinsurance mainly outside the Companies' existing geographic operating territory in order to diversify the Companies' risk. Property & casualty earned premiums assumed under reinsurance contracts under this program during 2025 and 2024 were $912,029 and $1,000,264, respectively. Written premiums assumed during 2025 and 2024 were $919,943 and $1,023,810, respectively.

Ceded reinsurance transactions do not relieve the Company of its primary obligation to the policyholder.

h. Income Taxes

The Company files a consolidated federal income tax return with AFMICSI and affiliated companies, excluding GDMIC, AMIC, and SVMIC.

The consolidated federal income tax is allocated to each member company in the following manner: Companies having tax profits on a separate return basis will incur federal tax expense based on separate return taxable incomes. Companies with tax losses on a separate return basis will be compensated (at the current federal tax rate) for the reduction in the consolidated tax liability resulting from losses. Such compensation shall come directly from profitable companies that utilize those tax losses to reduce taxable incomes. A loss company may have to repay this current year compensation back to the profitable company if the profitable company later incurs losses that, on a separate return basis, may be carried back to offset its current year income. The reduction of the consolidated tax liability due to tax credits shall be allocated to the individual companies producing such credits. Special additional taxes are similarly allocated to each member company.

The reporting of federal and foreign income taxes under STAT is similar to the reporting requirements under GAAP except for the following differences. Under STAT, the calculation of state income taxes incurred is limited to taxes due on the current year's taxable income and any adjustments due to changes in prior year returns. Therefore, deferred state income taxes are not recognized. Under GAAP, there is a requirement to reduce the amount of DTAs by a valuation allowance if it is more likely than not that some portion of the DTA will not be realized. STAT requires that the gross DTAs be subject to an admissibility test which also includes the more likely than not valuation allowance. Under STAT, any changes in DTAs and DTLs are to be recognized as a separate component of the change in unassigned surplus. Therefore, changes in the DTAs and DTLs will not be included in current year income. This differs from GAAP, which recognizes the change in deferred taxes (deferred tax provision) as a component of the total tax provision (sum of federal current and deferred) that is included in other comprehensive income rather than as a direct adjustment to equity. The gross change in the DTA/DTL related to unrealized capital gains and losses is charged directly to surplus by netting against the unrealized capital gains and losses. The effect on deferred taxes of a change in tax rates is recognized as a component of the change in unassigned surplus in the period enacted for STAT purposes and is recognized in income as a component of income tax expense from continuing operations in the period of enactment for GAAP. Under STAT, state current income taxes are included as an underwriting expense while under GAAP they are part of income tax expense.

i. Real Estate

Real estate assets consist of land, buildings, and building improvements held for sale and occupied by the Company. Land is reported at cost. Buildings and improvements are carried at cost, less accumulated depreciation computed on a straight-line basis over estimated useful lives ranging from twenty to forty-five years. The Company reviews real estate for impairment when conditions indicate that the net realizable value of the property has declined and is other-than-temporary. Impairment is recognized as a realized loss and net book value is written down to fair value upon triggering event. There were no material real estate impairment losses recognized for the years ended December 31, 2025 or 2024. There are no receivables on land held for sale, and the Company has no obligations for improvements.

(in thousands of dollars)

j. Furniture and Equipment, and Electronic Data Processing Equipment and Software

Furniture and equipment and electronic data processing equipment and software (EDP) are carried at cost less accumulated depreciation. Furniture and equipment includes vehicles, furniture and equipment, leasehold improvements, and telephonic equipment. EDP includes electronic data processing equipment and purchased and internally-developed software. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, ranging from three to twenty years.

The Company reviews fixed assets for impairment when there is reason to believe that a fixed asset's carrying value might not be recoverable and charges any impairments as an operating expense in the consolidated property & casualty statutory statements of income. For the years ended December 31, 2025 and 2024, the company did not recognize any material impairment losses.

The gross cost, accumulated depreciation, net cost, nonadmitted assets, and net admitted assets of major fixed asset classes as of December 31 are as follows:

	2025					
	Gross Cost	Accumulated Depreciation	Net Cost	Nonadmitted Asset	Net Admitted Asset	Depreciation Expense
Furniture and equipment	$ 148,504	$ (90,782)	$ 57,722	$ 57,722	$ —	$ 6,988
EDP equipment and software	1,286,339	(967,632)	318,707	297,697	21,010	93,057
	$ 1,434,843	$ (1,058,414)	$ 376,429	$ 355,419	$ 21,010	$ 100,045

	2024					
	Gross Cost	Accumulated Depreciation	Net Cost	Nonadmitted Asset	Net Admitted Asset	Depreciation Expense
Furniture and equipment	$ 134,238	$ (99,258)	$ 34,980	$ 34,980	$ —	$ 5,553
EDP equipment and software	1,226,135	(899,448)	326,687	305,046	21,641	89,887
	$ 1,360,373	$ (998,706)	$ 361,667	$ 340,026	$ 21,641	$ 95,440

k. Leases

The Company leases office equipment and real estate under various noncancelable operating lease agreements with expiration dates through 2031 and thereafter. Lease expense for 2025 and 2024 was $13,859 and $19,307, respectively.

(in thousands of dollars)

As of December 31, 2025, the minimum aggregate lease commitments, prior to allocations to unconsolidated affiliates, were as follows:

Year ending December 31		
2026	$	8,917
2027		8,378
2028		6,353
2029		2,050
2030		1,595
2031 and thereafter		9,260
Total	$	36,553

Certain lease commitments have renewal options extending through the year 2035. Some of these renewals are subject to adjustments in future periods.

The Company does not have any significant activity from acting as a lessor.

I. Nonadmitted Assets

Certain assets are designated as "nonadmitted assets," primarily consisting of non-operating software, intangible plan assets, overfunded plan assets, prepaid expenses, and DTAs. The Company's defined benefit pension plan was overfunded as of December 31, 2025 and 2024, and the resulting net plan asset is nonadmitted for STAT purposes.

These items have been excluded from the consolidated property & casualty statutory balance sheets through a direct charge against unassigned surplus. Changes in nonadmitted assets are reported as a direct adjustment to surplus in the consolidated property & casualty statutory statements of changes in capital and surplus.

The nonadmitted assets as of December 31 are as follows:

	2025	**2024**
Net deferred tax assets	$ 49,460	$ 62,503
Software	297,697	305,046
Furniture and equipment	57,722	34,980
Overfunded plan assets	112,668	92,711
Intangible plan asset	—	147,269
Prepaid expenses	65,255	76,064
All other	42,311	45,981
Total nonadmitted assets	$ 625,113	$ 764,554

(in thousands of dollars)

m. Statements of Cash Flows

Non-cash operating and investing activities for the years ended December 31 are summarized as follows:

	2025	2024
Acquisitions of stock	$ 2,750	$ 76,550
Disposals of stock	2,750	652,263
Acquisitions of bonds	10,893	615,456
Disposals of bonds	21,893	18,482
Charitable contributions	78,109	30,052
Acquisitions of other invested assets	11,000	—
Disposals of other invested assets	—	52,022
Tax credits received, not paid	84,500	—
Tax credit value received in excess of payment	19,632	—

See Note 9 for non-cash investing and financing activities related to in-kind distributions and contributions in 2025 and 2024. This includes an in-kind contribution related to the sale of PGC, as described in Note 2.

n. Reclassifications and Error Corrections

During 2025, management identified two errors in the Company's prior year statutory valuation of its affiliated stock investment in AmFam, Inc. The errors resulted in a net overstatement of unassigned surplus of $268,497 at December 31, 2024.

In addition, during 2025, management identified an error in the Company's prior year statutory accounting for certain pension and pension-like plans related to the presentation of underfunded plans on the statutory balance sheets. The error resulted in an understatement of unassigned surplus of $123,766 at December 31, 2024.

In accordance with SSAP No. 3, Accounting Changes and Corrections of Errors, the Company recorded a correction through unassigned surplus in 2025. In addition to the affiliated stock valuation and pension accounting errors described above, management identified other immaterial errors in the prior year consolidated statutory financial statements that were also corrected in the current year in accordance with SSAP No. 3. These items do not have a material impact on the consolidated statutory financial statements, individually or in aggregate, and therefore have not been separately disclosed.

As a result, the total SSAP No. 3 adjustment recorded in 2025 was a $142,858 net reduction to unassigned surplus. The affiliated stock valuation correction and other immaterial corrections were reflected as a decrease of $266,624 in the "Other" component of unassigned surplus within the consolidated property & casualty statutory statements of changes in capital and surplus. The pension-related corrections were reflected through an increase to "Change in nonadmitted assets" of $156,666, and a decrease to "Change in net deferred income tax" of $32,900. Certain line items within the 2025 consolidated property & casualty statutory statement of cash flows were adjusted to reflect these corrections. The corrections had no impact on consolidated statutory net income for 2025, and the 2024 consolidated statutory financial statements remain as previously issued.

o. Subsequent Events

The Company has evaluated events subsequent to December 31, 2025 through February 24, 2026, the date these consolidated property & casualty statutory financial statements were available to be issued. Based on this evaluation, no Type I or Type II events have occurred subsequent to December 31, 2025 that require disclosure or adjustment to the consolidated property & casualty statutory financial statements at that date or for the year then ended.

2. Acquisitions and Divestitures

On December 31, 2024, AmFam, Inc. sold it's wholly-owned subsidiary, PGC, pursuant to a stock purchase agreement (see Note 1(a)). In 2024, these subsidiaries were excluded from the consolidated property and casualty statutory financial statements and reported as part of the investment in AmFam, Inc., until the date of divestiture. Beginning balances at January 1, 2024, have been adjusted to reflect the exclusion of PGC's property & casualty subsidiaries from the 2024 consolidated property & casualty statutory financial statements.

AmFam, Inc. recognized a net pre-tax gain on sale of $1,450,621. The proceeds from the sale were subsequently distributed from AmFam, Inc. to AFMICSI (see Note 9). Both the gain on sale and the distribution of proceeds are reported within unassigned surplus - net change in unrealized capital gains (losses) of investments, net of deferred income tax.

3. Financial Instruments

a. Fair Value of Financial Instruments

Fair value guidance establishes a hierarchy for inputs used in determining fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available.

Fair value is a market-based measure considered from the perspective of a market participant who owns an asset or owes a liability. Accordingly, when market observable data is not readily available, the Company’s own assumptions are set to reflect those that market participants would be presumed to use in pricing the asset or liability at the measurement date. The Company uses prices and inputs that are current as of the measurement date, including during periods of market disruption. In periods of market disruption, the ability to observe prices and inputs may be reduced for many instruments. This condition could cause an instrument to be reclassified from one level of the hierarchy to another.

When available, the Company uses the market approach to estimate the fair value of its financial instruments, which is based on quoted prices that are readily and regularly available in active markets. Generally, these are the most liquid of the Company’s holdings and valuation of these securities does not involve management judgment. Matrix pricing and other similar techniques are other examples of the market approach. Matrix pricing values a particular security by utilizing the prices of securities with similar ratings, maturities, industry classifications, and/or coupons and interpolating among known values of these similar instruments to derive a price.

When quoted prices in active markets are not available, the Company uses the income approach, or a combination of the market and income approaches, to estimate the fair value of its financial instruments. The income approach involves using discounted cash flow and other standard valuation methodologies. The inputs in applying these market standard valuation methodologies include, but are not limited to, interest rates, benchmark yields, bid/ask spreads, dealer quotes, liquidity, term to maturity, estimated future cash flows, credit risk and default projections, collateral performance, deal and tranche attributes, and general market data.

The following valuation techniques and inputs were used to estimate the fair value of each class of significant financial instruments:

Level 1 Measurements

Level 1 fair values are based on unadjusted quoted prices for identical assets in active markets that the Company can access.

Bonds (including Issuer Credit Obligations): Comprised of U.S. Treasuries and SVO-identified fixed income ETFs.

Stocks: *Common Stocks* - Comprised of actively traded, exchange listed U.S. and international equity securities, including ETFs (other than SVO-identified fixed income exchange traded funds) and mutual funds.

Cash Equivalents: Comprised of actively traded money market funds and U.S. Treasuries.

Short-term Investments: Comprised of U.S. Treasuries.

Derivative Instruments: Comprised of actively traded, exchange-listed Treasury futures. Variation margin is settled daily; therefore, the value of these securities as presented on the balance sheets is equal to the unsettled variation margin as of the last day of the period, which will settle in cash the next business day.

Securities Lending Collateral: Consists of actively traded money market funds. The payable related to securities lending reinvested collateral is not included in the fair value footnotes as it is not carried at fair value.

Level 2 Measurements

Bonds (including Issuer Credit Obligations and Asset-backed Securities): The majority of the Company's Level 2 fixed income securities are priced by leading, nationally recognized providers of market data and analytics. These securities are principally valued using the market and income approaches. When available, recent trades of identical or similar assets are used to price these securities. However, because many fixed income securities do not actively trade on a daily basis, pricing models are often used to determine security prices. The pricing models discount future cash flows at estimated market interest rates. These rates are derived by calculating the appropriate spreads over comparable U.S. Treasury securities based on credit quality, industry, and structure of the asset. Observable inputs used by the models include benchmark yields, bid/ask spreads, dealer quotes, liquidity, term-to-maturity, credit risk and default projections, collateral performance, deal and tranche attributes, and general market data. Inputs may vary depending on the type of security.

A small segment of Level 2 and Level 3 securities are priced internally using matrix pricing, broker quotes, and benchmark and spread analysis, or through third-party vendors that specialize in difficult-to-price securities.

Pricing for bonds carried at fair value is based on inputs including quoted prices for identical or similar assets in markets that are not active, benchmark yield curves, bid/ask spreads, and credit quality.

Stocks: *Common Stocks* - Comprised of shares in Federal Home Loan Bank of Chicago (FHLBC) stock as discussed in Note 12. While not actively traded, the valuation for the FHLBC investment is perpetually quoted at $100 per share by the FHLBC.

Stocks: *Affiliated* - Comprised of actively traded, exchange listed U.S. equity securities. Valuation is based on quoted prices for identical assets in active markets that the Company can access, adjusted for a discount to market value based on the Company's ownership percentage.

Cash Equivalents: Cash equivalents are valued based on inputs including quoted prices for identical or similar assets in markets that are not active, benchmark yield curves, bid/ask spreads, and credit quality.

Short-term Investments: Short-term investments are valued based on inputs including quoted prices for identical or similar assets in markets that are not active, benchmark yield curves, bid/ask spreads, and credit quality.

Mortgage Loans: The fair value of mortgage loans is based upon discounted future cash flows using the current rate at which similar loans with comparable maturities would be made to borrowers with similar credit ratings.

Other Invested Assets: Comprised of non-bond debt securities that do not reflect a creditor relationship in substance. The majority of the Company's Level 2 other invested assets are priced by leading, nationally recognized providers of market data and analytics. These securities are principally valued using the market and income approaches. When available, recent trades of identical or similar assets are used to price these securities. However, because many fixed income securities do not actively trade on a daily basis, pricing models are often used to determine security prices. The pricing models discount future cash flows at estimated market interest rates. These rates are derived by calculating the appropriate spreads over comparable U.S. Treasury securities based on credit quality, industry, and structure of the asset. Observable inputs used by the models include benchmark yields, bid/ask spreads, dealer quotes, liquidity, term-to-maturity, credit risk and default projections, collateral performance, deal and tranche attributes, and general market data. Inputs may vary depending on the type of security.

Level 3 Measurements

Bonds (including Issuer Credit Obligations and Asset-backed Securities): The majority of Level 3 fixed income securities are valued externally using pricing vendors that specialize in difficult-to-price securities. The vendors utilize a cash flow model that uses prepayment, default and severity assumptions, as well as benchmark yields, spreads, and weighted average lives as inputs. The Company also invests in the following:

Non-syndicated corporate loans: Valued using cash adjusted capital account valuations, which approximate fair value.

TBAs: Valued using the market and income approaches by leading, nationally recognized providers of market data and analytics.

Pricing for specific security types of Level 3 fixed income securities carried at fair value are as follows:

Issuer Credit Obligations and Industrial and Miscellaneous Unaffiliated: Comprised of non-syndicated corporate loans valued using cash adjusted capital account valuations, which approximate fair value.

Asset-backed Securities: Comprised of structured products valued externally by a pricing vendor that specializes in pricing esoteric securities.

Stocks: *Common Stocks* - Consists of a non-actively traded stock, the price of which is published by the Securities Valuation Office (SVO) of the National Association of Insurance Commissioners (NAIC), as well as a delisted security which is valued by an external vendor using unobservable inputs.

Stocks: *Preferred Stocks* - Consists of venture capital investments in seed and early-stage companies. Valuation of venture capital investments requires significant management judgment due to the absence of quoted market prices and the lack of liquidity. Initial valuation is based on the acquisition cost, and is subsequently adjusted based on the private company-specific performance indicators, both historic and projected. Subsequent valuations also reflect market transaction data for the company being valued, including financing rounds and independent valuations, as available.

Derivative Instruments: Comprised of exercisable warrants related to an actively traded exchange listed affiliate. Valuation is based on comparison to similar warrants from peer companies adjusted for probability of exercise, which is determined by the Company. These warrants are non-admitted in their entirety as they are not used as part of a hedging, income generation, or replication strategy.

Investments excluded from the fair value hierarchy

Other Invested Assets: Consists of unaffiliated joint ventures, partnerships, and limited liability companies valued based on GAAP equity derived from NAV. Affiliated joint ventures, partnerships, and limited liability companies are valued using an equity method and are excluded entirely from the following tables.

(in thousands of dollars)

The following summarizes the Company's financial assets and financial liabilities carried at fair value on a recurring basis as of December 31. The fixed income securities' fair value does not agree to the amount presented on the consolidated property & casualty statutory balance sheets as the majority of the Company's fixed income securities are carried at amortized cost. The carrying value for these fixed income securities is described in Note 1(c).

2025

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV	Balance as of December 31, 2025
Financial assets					
Bonds					
Issuer credit obligations	$ 2,210,206	$ 11,660	$ 33,557	$ —	$ 2,255,423
Asset-backed securities	—	41,470	547	—	42,017
Stocks					
Preferred stocks	—	—	78,523	—	78,523
Common stocks	1,793,951	23,467	2,107	—	1,819,525
Affiliated stocks	—	131,477	—	—	131,477
Cash equivalents	354,555	—	—	—	354,555
Other invested assets	—	11,811	—	2,336,104	2,347,915
Derivative assets	—	—	3,925	—	3,925
Total fair value financial assets	$ 4,358,712	$ 219,885	$ 118,659	$ 2,336,104	$ 7,033,360
Derivative liabilities	$ 68	$ —	$ —	$ —	$ 68
Total fair value financial liabilities	$ 68	$ —	$ —	$ —	$ 68

2024

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV	Balance as of December 31, 2024
Financial assets					
Bonds					
Special revenue & special assessment	$ —	$ 2,668	$ —	$ —	$ 2,668
Industrial and miscellaneous unaffiliated	—	10,261	42,912	—	53,173
SVO identified funds	1,576,310	—	—	—	1,576,310
Stocks					
Preferred stocks	—	—	117,273	—	117,273
Common stocks	1,274,413	24,005	1,997	—	1,300,415
Affiliated stocks	—	163,632	—	—	163,632
Cash equivalents	1,349,384	—	—	—	1,349,384
Other invested assets	—	—	—	2,377,459	2,377,459
Derivative assets	1,802	—	—	—	1,802
Total fair value financial assets	$ 4,201,909	$ 200,566	$ 162,182	$ 2,377,459	$ 6,942,116
Derivative liabilities	$ —	$ —	$ —	$ —	$ —
Total fair value financial liabilities	$ —	$ —	$ —	$ —	$ —

(in thousands of dollars)

The following provides a summary of changes in fair value during the year ended December 31, of Level 3 financial assets and financial liabilities carried at fair value on a recurring basis at December 31:

2025

	Balance as of January 1, 2025	Total Realized and Unrealized Gains (Losses) included in Net Income	Total Realized and Unrealized Gains (Losses) included in Surplus	Purchases	Sales	Transfers In to Level 3 (a)	Transfers Out of Level 3 (a)	Balance as of December 31, 2025
Financial assets								
Bonds								
Issuer credit obligations	$ 42,912	$ (2,174)	$ 204	$ 367	$ (7,513)	$ 9,315	$ (9,554)	$ 33,557
Asset-backed securities	—	—	(56)	3,541	—	552	(3,490)	547
Stocks								
Preferred stocks	117,273	(32,479)	8,030	699	(15,000)	—	—	78,523
Common stocks	1,997	—	110	—	—	—	—	2,107
Derivative assets	—	—	3,925	—	—	—	—	3,925
Total recurring Level 3 financial assets	$ 162,182	$ (34,653)	$ 12,213	$ 4,607	$ (22,513)	$ 9,867	$ (13,044)	$ 118,659

(a) Transfers in and/or (out) of Level 3 are primarily attributable to changes to the bond carrying value based on the lower of cost or market requirement.

2024

	Balance as of January 1, 2024	Total Realized and Unrealized Gains (Losses) included in Net Income	Total Realized and Unrealized Gains (Losses) included in Surplus	Purchases	Sales	Transfers In to Level 3 (a)	Transfers Out of Level 3 (a)	Balance as of December 31, 2024
Financial assets								
Bonds								
Special revenue & special assessment	$ 1,800	$ —	$ —	$ —	$ (1,800)	$ —	$ —	$ —
Industrial and miscellaneous unaffiliated	51,127	(1,465)	230	4,173	(12,558)	14,424	(13,019)	42,912
Stocks								
Preferred stocks	157,442	(13,416)	(28,619)	1,866	—	—	—	117,273
Common stocks	1,742	27	255	—	(27)	—	—	1,997
Derivative assets	—	—	—	—	—	—	—	—
Total recurring Level 3 financial assets	$ 212,111	$ (14,854)	$ (28,134)	$ 6,039	$ (14,385)	$ 14,424	$ (13,019)	$ 162,182

(a) Transfers in and/or (out) of Level 3 are primarily attributable to changes to the bond carrying value based on the lower of cost or market requirement.

(in thousands of dollars)

The following summarizes the fair value and admitted assets of the Company's financial instruments, excluding those accounted for under the equity method, as of December 31:

2025

	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	NAV
Bonds						
Issuer credit obligations	$ 15,215,491	$ 15,095,787	$ 5,068,729	$ 10,098,871	$ 47,891	$ —
Asset-backed securities	9,052,462	9,007,420	—	9,019,436	33,026	—
Stocks	2,029,525	2,029,524	1,793,951	154,944	80,630	—
Cash equivalents	1,336,960	1,337,034	533,594	803,366	—	—
Short-term investments	44,018	43,994	25,913	18,105	—	—
Derivative assets	3,925	—	—	—	3,925	—
Mortgage loans	558,479	562,272	—	558,479	—	—
Other invested assets	2,363,762	2,361,855	—	27,069	589	2,336,104
Securities lending collateral	38,509	38,505	38,509	—	—	—
Total financial assets	$ 30,643,131	$ 30,476,391	$ 7,460,696	$ 20,680,270	$ 166,061	$ 2,336,104
Derivative liabilities	$ 68	$ —	$ 68	$ —	$ —	$ —
Total financial liabilities	$ 68	$ —	$ 68	$ —	$ —	$ —

2024

	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	NAV
Bonds	$ 20,213,669	$ 20,558,389	$ 3,853,938	$ 16,260,570	$ 99,161	$ —
Stocks	1,581,320	1,581,321	1,274,413	187,637	119,270	—
Cash equivalents	2,708,527	2,708,646	1,640,844	1,067,683	—	—
Short-term investments	94,756	94,662	—	94,756	—	—
Derivative assets	1,802	1,802	1,802	—	—	—
Mortgage loans	517,711	523,785	—	517,711	—	—
Other invested assets	2,377,459	2,376,553	—	—	—	2,377,459
Securities lending collateral	8,257	8,257	8,257	—	—	—
Total financial assets	$ 27,503,501	$ 27,853,415	$ 6,779,254	$ 18,128,357	$ 218,431	$ 2,377,459
Derivative liabilities	$ —	$ —	$ —	$ —	$ —	$ —
Total financial liabilities	$ —	$ —	$ —	$ —	$ —	$ —

As part of its pricing procedures, the Company obtains quotes from leading providers of pricing data, and the Company's internal pricing policy is to use consistent sources for individual securities based on security type in order to maintain the integrity of its valuation process. These primary quotes are validated on a quarterly basis via comparison to a secondary pricing source, which may include quotes received from a different third-party pricing data provider or recent trade activity obtained from online trading sites. In addition, investment managers may be consulted to corroborate prices received from outside sources based on their knowledge of market trends and activity. As necessary, the Company utilizes pricing services that specialize in difficult-to-value securities to price esoteric or illiquid securities. Material discrepancies between the primary and secondary sources are investigated, reconciled, and updated as warranted. This may involve challenging a price from the primary source if the Company determines the price provided does not meet expectations based on observed market, sector, or security trends and activity.

(in thousands of dollars)

On an annual basis, the Company reviews quality control measures and data assumptions from its pricing sources to determine if any significant changes have occurred that may indicate issues or concerns regarding their evaluation or market coverage. In addition, an annual analysis is performed on a sample of securities to further validate the inputs, assumptions, and methodologies used by the primary source to price those securities.

During the course of the valuation process, if it is determined the material inputs used to price a security are unobservable, the Company will transfer that security to Level 3.

b. Common and Preferred Stocks

The aggregate cost, gross unrealized gains, gross unrealized losses, and fair value of unaffiliated common and preferred stocks at December 31 are as follows:

	2025			
	Aggregate Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Description of Securities:				
Common stocks	$ 867,758	$ 960,093	$ (8,332)	$ 1,819,519
Preferred stocks	99,169	7,334	(27,980)	78,523
Totals	$ 966,927	$ 967,427	$ (36,312)	$ 1,898,042

	2024			
	Aggregate Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Description of Securities:				
Common stocks	$ 475,111	$ 832,346	$ (7,047)	$ 1,300,410
Preferred stocks	145,950	3,486	(32,163)	117,273
Totals	$ 621,061	$ 835,832	$ (39,210)	$ 1,417,683

The fair value and unrealized losses, categorized by stocks in loss positions for less than 12 months and stocks in loss positions for more than 12 months, at December 31 are as follows:

	2025							
	Less than 12 Months			12 Months or More			Total	
	Number of Issues	Fair Value	Unrealized Losses	Number of Issues	Fair Value	Unrealized Losses	Fair Value	Unrealized
Description of Securities:								
Common stocks	391	$ 56,845	$ (5,818)	267	$ 3,260	$ (2,514)	$ 60,105	$ (8,332)
Preferred stocks	7	6,710	(15,386)	7	10,401	(12,594)	17,111	(27,980)
Total	398	$ 63,555	$ (21,204)	274	$ 13,661	$ (15,108)	$ 77,216	$ (36,312)

	2024							
	Less than 12 Months			12 Months or More			Total	
	Number of Issues	Fair Value	Unrealized Losses	Number of Issues	Fair Value	Unrealized Losses	Fair Value	Unrealized
Description of Securities:								
Common stocks	424	$ 34,309	$ (4,491)	277	$ 3,050	$ (2,556)	$ 37,359	$ (7,047)
Preferred stocks	7	1,700	(15,613)	11	22,037	(16,550)	23,737	(32,163)
Total	431	$ 36,009	$ (20,104)	288	$ 25,087	$ (19,106)	$ 61,096	$ (39,210)

(in thousands of dollars)

The Company believes that declines in fair value related to these stocks are temporary. In determining whether these declines in fair value are temporary, the Company considers severity of impairment, duration of impairment, forecasted market price recovery, and the intent and ability of the Company to hold the investment until the market price has recovered.

During 2025 and 2024, the Company recognized other-than-temporary impairments (OTTI) in its stock portfolio, resulting in a total realized loss of $37,500 and $15,709, respectively.

Proceeds from sales of stocks during 2025 and 2024 were $249,503 and $426,254, respectively. These amounts exclude spin-offs, tax-free exchanges, taxable exchanges, and returns of capital. Gross gains of $43,682 and $86,718, and gross losses of $13,156 and $12,081 were realized on those sales during 2025 and 2024, respectively. The basis of the securities sold was determined using specific identification.

The Company's common stock portfolios are primarily invested in large-, mid-, and small-cap stocks which are managed to their respective indices and ETFs. The Company's preferred stocks consist primarily of venture capital investments in seed and early-stage companies.

c. Financial Information for Unconsolidated Subsidiaries

AFMICSI held no investment in a wholly owned (directly or indirectly) operating subsidiary that exceeded 10% of the Company's total admitted assets as of and for the years ended December 31, 2025 and 2024.

The Company submitted the necessary NAIC filings which presented support for the valuation of investments in unconsolidated subsidiaries and affiliates. The NAIC approved the filings and affirmed the Company's valuation of these investments. The following summarizes the current year balance sheet admitted amounts as well as the prior year-end valuation amounts approved by the NAIC:

Description of SCA Investment	% of SCA Ownership	Gross Amount	Non-admitted Asset Amount	Admitted Asset Amount	Date of Filing	Type of Filing	NAIC Valuation Amount	
AmFam, Inc.	100 %	$2,893,552	$ —	$ 2,893,552	5/9/2025	SUB-2	$ 2,791,894	*
American Family Brokerage Inc.	100 %	—	—	—	5/9/2025	SUB-2	—	
American Family Investment Holdings, Inc	100 %	1,000	1,000	—	5/9/2025	SUB-2	—	
Bowhead Specialty Holdings, Inc	14 %	131,481	—	131,481	5/9/2025	SUB-2	163,638	
Total:		$3,026,033	$ 1,000	$ 3,025,033			$ 2,955,532	

* Includes $853,252 related to unconsolidated subsidiaries as of December 31, 2024

(in thousands of dollars)

d. Bonds

The carrying value and fair value of long-term bonds at December 31 are as follows:

	2025			
	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Description of Securities:				
ICO:				
U.S. government obligations (exempt from RBC[1])	$ 2,846,768	$ 25,650	$ (13,895)	$ 2,858,523
Other U.S. government obligations (not exempt from RBC)	59,535	37	(287)	59,285
Non-U.S. sovereign jurisdiction	—	—	—	—
Municipal bonds - general obligations (direct and guaranteed)	1,158,137	18,445	(12,469)	1,164,113
Municipal bonds - special revenue	2,934,331	34,766	(40,040)	2,929,057
Corporate bonds	5,779,786	121,893	(16,085)	5,885,594
Single entity backed obligations	46,109	859	(1)	46,967
SVO-identified bond exchange traded funds - fair value	2,210,206	—	—	2,210,206
Bonds issued by funds representing operating entities	20,000	873	—	20,873
Bank loans - acquired	40,915	76	(118)	40,873
Total ICO	15,095,787	202,599	(82,895)	15,215,491
ABS:				
Financial ABS - self liquidating				
Agency RMBS[1] - guaranteed (exempt from RBC)	5,069	3	(265)	4,807
Agency RMBS - not/partially guaranteed (not exempt from RBC)	2,914,819	41,110	(47,881)	2,908,048
Non-agency RMBS	85,545	2,563	(80)	88,028
Non-agency CMBS[1]	1,515,482	20,041	(17,217)	1,518,306
Non-agency - CLOs[1]/CBOs[1]/CDOs[1]	1,476,293	1,765	(1,162)	1,476,896
Other financial ABS - self-liquidating	2,430,649	39,325	(413)	2,469,561
Non-financial ABS - practical expedient				
Lease-backed securities - practical expedient	391,519	5,887	(445)	396,961
Other non-financial ABS - practical expedient	174,420	2,140	(213)	176,347
Non-financial ABS - full analysis				
Lease-backed securities - full analysis	3,624	8	—	3,632
Other non-financial ABS - full analysis	10,000	138	(262)	9,876
Total ABS	9,007,420	112,980	(67,938)	9,052,462
Total	$ 24,103,207	$ 315,579	$ (150,833)	$ 24,267,953

[1] Risk Based Capital (RBC); Residential Mortgage-Backed Securities (RMBS); Commercial Mortgage-Backed Securities (CMBS); Collateralized Loan Obligation (CLO); Collateralized Bond Obligation (CBO); Collateralized Debt Obligation (CDO)

(in thousands of dollars)

	2024			
	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Description of Securities:				
U.S. governments	$ 2,314,973	$ 2,425	$ (34,671)	$ 2,282,727
States, territories and possessions	697,134	2,023	(24,738)	674,419
Political subdivisions of states, territories and possessions	364,272	1,177	(13,080)	352,369
Special revenue & special assessment	5,818,376	8,993	(244,154)	5,583,215
Industrial and miscellaneous unaffiliated	9,787,324	76,606	(119,301)	9,744,629
SVO identified funds	1,576,310	—	—	1,576,310
Total	$ 20,558,389	$ 91,224	$ (435,944)	$ 20,213,669

The fair value and unrealized losses, categorized by bonds in loss positions for less than 12 months and bonds in loss positions for more than 12 months, at December 31 are as follows:

	2025							
	Less Than 12 Months			12 Months or More			Total	
	Number of Issues	Fair Value	Unrealized Losses	Number of Issues	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Description of Securities:								
ICO	91	$ 942,980	$ (4,598)	478	$1,905,137	$ (78,297)	$ 2,848,117	$ (82,895)
ABS	131	838,052	(2,787)	302	1,383,573	(65,151)	2,221,625	(67,938)
Total	222	$1,781,032	$ (7,385)	780	$3,288,710	$ (143,448)	$ 5,069,742	$ (150,833)

	2024							
	Less Than 12 Months			12 Months or More			Total	
	Number of Issues	Fair Value	Unrealized Losses	Number of Issues	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Description of Securities:								
U.S. governments	66	$1,470,832	$ (15,403)	53	$ 251,622	$ (19,268)	$ 1,722,454	$ (34,671)
States, territories and possessions	30	275,262	(4,106)	32	259,451	(20,632)	534,713	(24,738)
Political subdivisions of states, territories and possessions	19	59,058	(1,583)	61	183,268	(11,497)	242,326	(13,080)
Special revenue & special assessment	287	2,299,713	(46,980)	564	2,255,603	(197,174)	4,555,316	(244,154)
Industrial and miscellaneous unaffiliated	475	2,289,551	(27,516)	432	1,819,937	(91,785)	4,109,488	(119,301)
SVO Identified Funds	—	—	—	—	—	—	—	—
Total	877	$6,394,416	$ (95,588)	1,142	$4,769,881	$ (340,356)	$11,164,297	$ (435,944)

If the Company has the intent to sell or will more likely than not be required to sell a bond prior to full recovery, the Company writes down the security to its current fair value with the entire write-down recognized as a realized investment loss in the consolidated property & casualty statutory statements of income. The Company recognized OTTI losses due to intent to sell bonds totaling $0 and $645 in 2025 and 2024, respectively.

If the Company does not have the intent to sell but a structured fixed income security is in an unrealized loss position, the Company determines if any of the decline in value is due to a credit-related loss (the present value of the expected future cash flows (PVCF) is less than amortized cost). Other-than-temporary, credit-related impairments are recognized as a realized investment loss in the consolidated property & casualty statutory statements of income when the PVCF is less than the amortized cost.

(in thousands of dollars)

In determining whether losses on non-structured securities are expected to be temporary, the Company considers severity of impairment, duration of impairment, forecasted market price recovery and the intent and ability of the Company to hold the investment until the market price recovers or the investment matures to assist in determining if a potential credit loss exists. Additionally, the Company may rely on the details of settlements reached in bankruptcy proceedings or other restructurings to determine ultimate collectability of these investments.

The Company recognized no material credit-related impairments on structured or non-structured securities in 2025 and 2024.

During 2025 and 2024, for its bond portfolio, the Company recognized total OTTI in realized investment losses in the consolidated property & casualty statutory statements of income of $2,235 and $1,701, respectively. These amounts include impairments taken due to the intent to sell securities. The Company believes that all other declines in fair value related to bonds are temporary.

The carrying value and fair value of bonds, including short-term and cash equivalent bonds, at December 31, 2025, are shown below by contractual maturity. Expected maturities may differ from contractual maturities because borrowers may exercise the right to call or prepay obligations with or without penalties. Because most mortgage-backed and asset-backed securities provide for periodic payments throughout their lives, they are listed in a separate category as follows:

	Carrying Value	Fair Value
Due in one year or less	$ 1,976,906	$ 1,977,152
Due after one year through five years	6,532,003	6,577,407
Due after five years through ten years	4,714,395	4,791,704
Due after ten years through twenty years	612,497	615,953
Due after twenty years	76,254	69,492
Asset-backed and other securities	11,217,627	11,262,668
Total	$ 25,129,682	$ 25,294,376

Proceeds from sales of long-term bonds during 2025 and 2024 were $14,235,451 and $10,734,635, respectively. Gross gains of $104,270 and $57,575 and gross losses of $124,955 and $152,998 were realized on those sales during 2025 and 2024, respectively. The basis of the securities sold was determined using specific identification.

At December 31, 2025 and 2024, investments with an amortized cost of $77,103 and $77,111, respectively, were on deposit with various regulatory authorities to comply with insurance laws. At December 31, 2025 and 2024, investments with an amortized cost of $66,126 and $0, respectively, were pledged as collateral for reinsurance agreements. See Note 10 for collateral pledged for reinsurance agreements in forms other than investments.

e. Other Invested Assets

During 2025 and 2024, the Company recognized OTTI in the other invested assets portfolio of $25,851 and $31,939, respectively. The other-than-temporarily impaired investments were generally mature partnerships that had completed the initial investment period, while others were in the process of liquidating investment holdings. These partnerships may have experienced losses due to poor performance of a specific investment, poor performance of a particular sector, or unfavorable market conditions in general. As there was no clear indication of full recovery of value of these investments, OTTI losses were realized.

The Company believes that no additional other invested assets in the portfolio are other-than-temporarily impaired. In making this determination, the Company considers severity of impairment, age of the partnership, percentage of the total commitment funded, performance of the underlying investments, sector of the underlying investments, and the intent and ability of the Company to hold the investment until the value has fully recovered.

Investments valued using NAV, which represents the underlying equity of the investee, are often not redeemable by the investees and generally cannot be sold without approval of the general partner. The Company receives distributions of income and proceeds from the liquidation of the underlying assets of the investees, which usually takes place in years four through nine of the typical contractual life of ten to twelve years. The Company invests in a limited number of open-end funds that are redeemable upon prior written notice, subject to various restrictions that depend upon certain factors, including the availability of capital and the date of redemption. During 2025, the Company submitted redemption requests for $37,713 in these open funds, of which $35,310 settled during 2025. During 2024, the Company submitted redemption requests for $25,000 in these open funds, of which $2,542 settled during 2024.

f. Derivative Instruments

In order to mitigate interest rate and market risk with respect to the Company’s investment portfolio and general operations, the Company has entered into certain interest rate and equity index derivatives. The Company may also enter into credit default swap agreements in order to mitigate credit risk within the Company's investment portfolio. All derivative instruments are subject to enforceable master netting agreements and the Company elects to net derivative asset and derivative liability positions with the same counterparty on the consolidated property & casualty statutory balance sheets. Cash collateral payable (receivable) is recognized net within other invested assets or accrued expenses and other liabilities on the consolidated property & casualty statutory balance sheets. For Treasury and equity futures contracts, which are exchange-traded, the fair value shown in the tables below is net of variation margin.

(in thousands of dollars)

Derivative instruments as of December 31 are as follows:

2025

Derivatives designated as:	Notional (Par) Value	Purpose	Balance Sheet: Classification	Balance Sheet: Fair Value	Statement of Changes in Capital and Surplus: Classification	Statement of Changes in Capital and Surplus: Net Amount Realized
Non-hedging instruments						
Assets:						
Treasury futures	$ —	Manage duration	Other invested assets	$ —	Unassigned surplus / Realized capital gain (loss)	$ —
Liabilities:						
Treasury futures	58,400	Manage duration	Accrued expenses and other liabilities	(68)	Unassigned surplus / Realized capital gain (loss)	(96)
Total open positions	$ 58,400			$ (68)		(96)
Closed:						
Treasury futures	$10,993,200	Manage duration	N/A		Unassigned surplus / Realized capital gain (loss)	(53,257)
Total closed positions	$10,993,200					(53,257)
					Total	$ (53,353)

2024

Derivatives designated as:	Notional (Par) Value	Purpose	Balance Sheet: Classification	Balance Sheet: Fair Value	Statement of Changes in Capital and Surplus: Classification	Statement of Changes in Capital and Surplus: Net Amount Realized
Non-hedging instruments						
Assets:						
Treasury futures	$ 2,906,700	Manage duration	Other invested assets	$ 1,802	Unassigned surplus / Realized capital gain (loss)	$ 12,790
Liabilities:						
Treasury futures	—	Manage duration	Accrued expenses and other liabilities	—	Unassigned surplus / Realized capital gain (loss)	—
Total open positions	$ 2,906,700			$ 1,802		12,790
Closed:						
Treasury futures	$11,913,900	Manage duration	N/A		Unassigned surplus / Realized capital gain (loss)	93,979
Total closed positions	$11,913,900					93,979
					Total	$ 106,769

(in thousands of dollars)

The following tables provide gross and net amounts for the Company's derivative instruments at December 31:

	2025				Amounts Not Offset on Balance Sheet	
Derivatives Designated as:	Gross Amount	Counterparty Netting	Cash Collateral (Received) Pledged	Net Amount on Balance Sheet	Securities Collateral (Received) Pledged	Net Amount
Assets	$ —	$ —	$ —	$ —	$ —	$ —
Liabilities	(68)	—	—	(68)	—	(68)
Total	$ (68)	$ —	$ —	$ (68)	$ —	$ (68)

	2024				Amounts Not Offset on Balance Sheet	
Derivatives Designated as:	Gross Amount	Counterparty Netting	Cash Collateral (Received) Pledged	Net Amount on Balance Sheet	Securities Collateral (Received) Pledged	Net Amount
Assets	$ 2,176	$ (374)	$ —	$ 1,802	$ —	$ 1,802
Liabilities	(374)	374	—	—	—	—
Total	$ 1,802	$ —	$ —	$ 1,802	$ —	$ 1,802

Collateral pledged as initial margin is not subject to a master netting agreement and is therefore excluded from collateral pledged (received) in the previous table.

Substantially all derivative instruments were transacted and cleared through the central clearinghouse at the Chicago Mercantile Exchange (CME), where the CME serves as the counterparty for both parties to the derivative contracts. During the life of the contracts, the Company posts initial and variation margin per the clearinghouse's requirements. Initial margin, which may consist of cash and/or securities, protects against "shock" events and is not used to settle market value variation movements. After initial execution of the instruments, the clearinghouse uses market-standard models to price (mark to market) accepted trades, and that price serves as the basis for variation margin requirements. Centrally cleared derivative instruments require variation margin to be posted (received) by the Company as the market value of the positions move further out of (into) the money.

As of December 31, 2025, the majority of the Company's outstanding derivative instruments are exchange-traded Treasury futures placed with the CME. In relation to these contracts, the Company pledged no cash as initial margin, but pledged bonds with a carrying value of $2,276 and fair value of $2,312 to the CME as initial margin. The statement value reported in relation to exchange-traded futures is the amount of unsettled margin as of the period-end (due to the one-day lag in margin settlement), which was an outflow of $68 at December 31, 2025.

As of December 31, 2024, the majority of the Company's outstanding derivative instruments were exchange-traded Treasury futures placed with the CME. In relation to these contracts, the Company pledged no cash as initial margin, but pledged bonds with a carrying value of $50,215 and fair value of $49,860 to the CME as initial margin. The statement value reported in relation to exchange-traded futures is the amount of unsettled margin as of the period-end (due to the one-day lag in margin settlement), which was an inflow of $1,802 at December 31, 2024.

(in thousands of dollars)

Bonds pledged by the Company as collateral are included in bonds on the consolidated property & casualty statutory balance sheets. Bonds pledged by counterparties to the Company as collateral are not recognized by the Company as assets, as they remain in the custody of the party making the pledge. Cash collateral pledged to (by) the Company is recognized net within other assets or accrued expenses and other liabilities on the consolidated property & casualty statutory balance sheets.

As the net value of derivatives was in a liability position at December 31, 2025, the Company had no counterparty credit exposure and held no collateral against this exposure for the period.

Counterparty credit exposure by counterparty credit rating as it relates to open derivative positions as of December 31, 2024 is as follows:

	2024			
Rating	Number of Counterparties	Notional (Par) Value	Credit Exposure	Exposure, Net of Collateral
Centrally cleared	1	$ 2,906,700	$ 1,802	$ 1,802

g. Net Investment Income

Net investment income for the years ended December 31 is summarized as follows:

	2025	2024
Bonds	$ 1,101,236	$ 916,508
Stocks	20,757	1,117,877
Other invested assets	210,589	205,467
Other	133,039	122,051
Total investment income	1,465,621	2,361,903
Investment expenses	(178,436)	(181,285)
Net investment income	$ 1,287,185	$ 2,180,618

h. Mortgage Loans

The minimum and maximum lending rates for commercial mortgage loans issued during 2025 and 2024 ranged from 6.15% to 7.04% and 3.83% to 7.24%, respectively. During 2025 and 2024, the Company did not reduce interest rates on outstanding mortgage loans.

Mortgage loans of the Company are invested primarily in office, retail, and industrial properties and are reported and measured at their aggregate unpaid principal balances, adjusted for unamortized premium or discount and net of a valuation allowance for estimated uncollectible amounts. Fire and extended coverage insurance is required on all properties. The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages did not exceed 65%.

(in thousands of dollars)

There were no significant concentrations of mortgage loans by region at December 31, 2025. In 2024 a significant concentration of $262,568 existed for properties located in the South region, as defined by the U.S. Census Bureau. In addition, significant concentrations of mortgage loans by state include the following as of December 31:

	2025	2024
Texas	$ 112,883	$ 120,790
California	110,644	99,077
Georgia	*	56,304

*Not a significant concentration for this year

The Company considers any loan that is one or more days delinquent to be past due. At December 31, 2025 and 2024, the Company had no past due commercial mortgage loans. There were no impairments of loans during 2025 and 2024. As of December 31, 2025 and 2024, all loans in the portfolio were in good standing, with no loans having been significantly modified or restructured.

A loan is considered to be in good standing if all payments are current. When reviewing loans for impairment and making the determination to increase the valuation allowance or to charge off a loan, the Company individually monitors and analyzes loans and does not utilize portfolio segments or classes for monitoring purposes. The Company considers delinquency or default of payments, the mortgage loan unpaid principal balance as a percent of the fair value of the mortgage loan collateral, present value of expected payments compared to the current carrying value of the mortgage, current rent rolls of the property, financial condition of major tenants, and local economic conditions that would impact individual loans when reviewing potential loan impairment.

If analysis of any of these factors suggests the ability of the borrower to make future payments may be compromised or if the loan is delinquent in its payments by fewer than 90 days, the loan is added to the Company’s watchlist. A watchlist loan has developed negative characteristics or trends in the impairment indicators discussed above, but has not yet met the criteria of a non-performing loan. Specific examples of such watchlist indicators may include loss of a major tenant or delinquency of property tax payments. Watchlist loans are monitored closely by the Company for indications of possible default, and an allowance may be established if ultimate collectability of the full principal amount becomes uncertain. If a loan is 90 days or more past due or is in the process of foreclosure, the loan is reclassified as non-performing. Non-performing loans are reserved to an amount equal to the expected potential principal loss and are reviewed in detail to determine whether an impairment or charge-off is necessary. Charge-offs are recorded when principal loss is imminent and the amount is readily determinable.

The Company had $562,272 and $523,785 of loans outstanding as of December 31, 2025 and 2024, respectively, of which $13,916 and $22,292 were on the watchlist. There were no non-performing loans held as of December 31, 2025 and 2024. There were no charge-offs recognized in the mortgage loan portfolio in 2025 or 2024.

(in thousands of dollars)

The Company measures and assesses the credit quality of mortgage loans by using loan to value and debt service coverage ratios. The loan to value ratio compares the principal amount of the loan to the fair value of the underlying property collateralizing the loan and is commonly expressed as a percentage. Fair values are typically determined based on an appraisal of the property. Unless a more recent appraisal has been completed, the fair value is based on the appraisal at loan origination. The debt service coverage ratio compares a property's net operating income to its debt service payments. Debt service coverage ratios are updated and evaluated at least annually.

Loan to value and debt service coverage ratios were as follows for outstanding loans at December 31:

	2025		2024	
Loan to value	**Amortized Cost**	**Average Debt Service Coverage Ratio**	**Amortized Cost**	**Average Debt Service Coverage Ratio**
Less than 65%	$ 562,272	2.50	$ 523,785	2.56
65% to 74%	—	—	—	—
75% to 100%	—	—	—	—
Total mortgage loans	$ 562,272	2.50	$ 523,785	2.56

The Company did not carry a valuation allowance for credit losses on mortgage loans as of December 31, 2025 and 2024. Changes in the valuation allowance, when applicable, are recognized through net investment income.

Commercial mortgage loans are placed on nonaccrual status after a default notice has been issued and the borrower has failed to cure the defect in a reasonable amount of time. Once a loan reaches nonaccrual status any accrued interest income is derecognized and future accrual of interest is suspended until the loan is made current. If the ultimate collectability of principal, either in whole or in part, is in doubt, any payment received on a nonaccrual loan shall first be applied to reduce principal to the extent necessary to eliminate such doubt. There were no loans in nonaccrual status at December 31, 2025 and 2024.

i. Securities Lending

The Company participates in a securities lending program to generate additional net investment income related to its portfolio of invested assets. As part of its securities lending agreements, the Company requires as collateral a minimum of 102% of the fair value of securities loaned at the outset of the contract. The Company and its lending agent monitor the market value of securities loaned on a daily basis and obtain additional collateral as necessary under the terms of the agreements to mitigate counterparty credit risk. All securities lending agreements have no contractual end date, and as such are deemed to be "open" or "overnight" agreements. The Company maintains the right and ability to repossess the securities loaned on short notice.

(in thousands of dollars)

The following tables summarize the value of securities on loan and the amount of collateral received in return as of December 31:

	2025			
	Market Value of Securities Loaned	**Cash Collateral Received**	**Market Value of Reinvested Cash Collateral**	Market Value of Non-Cash Collateral
Securities loaned vs. cash collateral	$ 37,207	$ 38,505	$ 38,509	NA
Securities loaned vs. non-cash collateral	1,774,065	NA	NA	$ 1,909,335
Total	$ 1,811,272	$ 38,505	$ 38,509	$ 1,909,335

	2024			
	Market Value of Securities Loaned	**Cash Collateral Received**	**Market Value of Reinvested Cash Collateral**	Market Value of Non-Cash Collateral
Securities loaned vs. cash collateral	$ 7,952	$ 8,257	$ 8,257	NA
Securities loaned vs. non-cash collateral	1,167,908	NA	NA	$ 1,246,319
Total	$ 1,175,860	$ 8,257	$ 8,257	$ 1,246,319

See Note 1(c) for further information on the Company's securities lending program.

4. Goodwill

The Company has recognized goodwill as a result of acquisitions accounted for under the statutory purchase method. The following presents a summary of the Company’s goodwill at, and for the year ended, December 31:

				2025		2024	
Acquired Entity	**Date Acquired**	**Cost of Acquired Entity**	**Recognized Goodwill**	**Amortization Expense**	**Goodwill, Net**	**Amortization Expense**	**Goodwill, Net**
AmFam-CONNECT	10/1/2019	$ 1,137,161	$ 325,127	$ 32,512	$ 121,924	$ 32,512	$ 154,436

	Admitted Goodwill as a % of SCA Carrying Value, Gross of Admitted Goodwill	
Acquired Entity	**2025**	**2024**
AmFam-CONNECT	17 %	21 %

(in thousands of dollars)

The calculation of total admitted goodwill as a percent of the Company's adjusted surplus was as follows as of December 31:

	2025		2024	
	Calculation of Limitation Using Prior Year Numbers	Current Reporting Period	Calculation of Limitation Using Prior Year Numbers	Current Reporting Period
Capital and surplus	$ 10,131,847	XXX	$ 7,118,879	XXX
Less:				
Admitted positive goodwill	154,436	XXX	186,948	XXX
Admitted EDP equipment & operating system software	21,641	XXX	20,785	XXX
Admitted net deferred taxes	498,914	XXX	613,152	XXX
Adjusted capital and surplus	$ 9,456,856	XXX	$ 6,297,994	XXX
Limitation on amount of goodwill (10% of adjusted capital and surplus)	$ 945,686	XXX	$ 629,799	XXX
Current period reported admitted goodwill	XXX	$ 121,924	XXX	$ 154,436
Current period reported admitted goodwill as a % of prior period adjusted capital and surplus	XXX	1.3 %	XXX	2.5 %

5. Income Taxes

The components of the net deferred tax assets (liabilities) at December 31, are as follows:

		2025			2024		
1.		Ordinary	Capital	Total	Ordinary	Capital	Total
(a)	Gross deferred tax assets (DTAs)	$ 858,993	$ 10,482	$ 869,475	$ 886,912	$ 12,641	$ 899,553
(b)	Statutory valuation allowance adjustment	—	790	790	—	856	856
(c)	Adjusted gross deferred tax assets ((a) - (b))	858,993	9,692	868,685	886,912	11,785	898,697
(d)	Deferred tax assets nonadmitted	48,692	768	49,460	58,503	4,000	62,503
(e)	Subtotal (net deferred tax assets) ((c) - (d))	810,301	8,924	819,225	828,409	7,785	836,194
(f)	Deferred tax liabilities	101,915	295,807	397,722	67,960	269,320	337,280
(g)	Net admitted deferred tax assets ((e) - (f))	$ 708,386	$(286,883)	$ 421,503	$ 760,449	$(261,535)	$ 498,914

(in thousands of dollars)

		2025			2024		
2.		Ordinary	Capital	Total	Ordinary	Capital	Total
Admission calculation components of SSAP No. 101							
(a)	Fed inc tax paid in prior years recov through loss carrybacks	$ 487,563	$ 8,204	$ 495,767	$ 263,022	$ 7,580	$ 270,602
(b)	Adjusted gross deferred tax assets expected to be realized (Excluding the amount of def tax assets from (a) above after application of the threshold limitation (the lesser of b(1) and b(2) below)	62,780	251	63,031	298,901	3	298,904
	1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	62,780	251	63,031	298,901	3	298,904
	2. Adjusted gross deferred tax assets allowed per limitation threshold	XXXXX	XXXXX	—	XXXXX	XXXXX	1,438,471
(c)	Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from (a) and (b) above) offset by existing DTLs gross deferred tax liabilities	259,958	469	260,427	266,486	202	266,688
(d)	Deferred tax assets admitted as the result of application of SSAP 101, Total (a)+(b)+(c)=(d)	$ 810,301	$ 8,924	$ 819,225	$ 828,409	$ 7,785	$ 836,194

3.		2025	2024
(a)	Ratio percentage used to determine recovery period and threshold limitation amount	753 %	537 %
(b)	Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	$12,670,682	$9,589,805

	2025		2024	
	Ordinary	Capital	Ordinary	Capital
4.				
Impact of Tax-Planning Strategies				
(a) Determination of Adjusted Gross Deferred Tax Assets and Admitted				
1. Deferred Tax Assets by Tax Character as a Percentage	$ 858,993	$ 9,692	$ 886,912	$ 11,785
2. Percentage of Adjusted Gross DTAs by Tax Character Attributable to the impact of Tax Planning Strategies	0 %	0 %	0 %	0 %
3. Net Admitted Adjusted Gross DTAs from Note 9A(1)e	$ 810,301	$ 8,924	$ 828,409	$ 7,785
4. Percentage of Adjusted Gross DTAs by Tax Character Admitted because of the Impact of Tax Planning Strategies	0 %	0 %	0 %	0 %
(b) Does the Company's tax-planning strategies include the use of reinsurance?	[ ] Yes	[X] No	[ ] Yes	[X] No

The components of current income tax expense (benefit) for the years ended December 31, are as follows:

	2025	2024
Current income tax		
Federal	$ 756,343	$ 211,802
Federal income tax on net capital gains	2,377	53,262
Other	2,059	1,604
Total	$ 760,779	$ 266,668

(in thousands of dollars)

The main components of the net DTAs and DTLs as of December 31 are as follows:

	2025	2024
DTAs		
Ordinary		
Discounting of unpaid losses	$ 114,390	$ 107,406
Unearned premiums	346,863	340,087
Investments	78	6
Fixed assets	1,069	1,329
Compensation and benefits accrual	232,495	228,912
Pension accrual	91	631
Nonadmitted assets	98,515	129,011
Tax credit carryforward	38,872	44,234
NOL carryforward	2,821	3,897
Other (including items <5% of total ordinary assets)	23,799	31,399
Subtotal	858,993	886,912
Statutory valuation allowance adjustment	—	—
Nonadmitted DTAs	48,692	58,503
Admitted ordinary deferred tax assets	810,301	828,409
Capital		
Investments	9,732	11,806
Net capital loss carryforward	750	835
Other	—	—
Subtotal	10,482	12,641
Statutory valuation allowance adjustment	790	856
Nonadmitted DTAs	768	4,000
Admitted capital deferred tax assets	8,924	7,785
Admitted deferred tax assets	819,225	836,194
DTLs		
Ordinary		
Investments	22,862	24,463
Fixed assets	70,138	31,330
Other (including items <5% of total ordinary liabilities)	8,915	12,167
Subtotal	101,915	67,960
Capital		
Investments	295,807	269,320
Subtotal	295,807	269,320
Deferred tax liabilities	397,722	337,280
Net deferred tax assets (liabilities)	$ 421,503	$ 498,914

(in thousands of dollars)

The components of the change in net deferred tax as of December 31 are as follows:

	2025	2024	Change
Adjusted gross DTAs	$ 869,475	$ 899,553	$ (30,078)
Total DTLs	397,722	337,280	60,442
Net DTAs (DTLs)	$ 471,753	$ 562,273	(90,520)
Tax effect of investment unrealized gains (losses)			28,401
Valuation allowance			(332)
Other			66
Change in net deferred income tax			$ (62,385)

The actual federal income tax expense on operations for 2025 and 2024 differed from expected tax expense (benefit) as follows:

	2025			2024		
	Amount	Tax Effect at 21%	Effective Tax Rate	Amount	Tax Effect at 21%	Effective Tax Rate
Income (loss) before tax expense	$ 3,822,177	$ 802,657	21.00 %	$ 2,807,224	$ 589,517	21.00 %
Tax exempt interest	(852)	(179)	—	(882)	(185)	(0.01)
Dividends received deduction	(12,680)	(2,663)	(0.07)	(1,111,072)	(233,325)	(8.31)
Tax-exempt interest and dividend deduction proration	3,008	632	0.02	2,808	590	0.02
Meals and entertainment adjustment	8,635	1,813	0.05	10,531	2,211	0.08
Other current year permanent items	11,125	2,336	0.06	(5,702)	(1,198)	(0.04)
Change in prior year permanent items	13,203	2,773	0.07	17,417	3,657	0.13
Nonadmitted assets	145,221	30,496	0.80	(59,895)	(12,578)	(0.45)
Excluded gain on stock contribution	(69,846)	(14,668)	(0.38)	(28,550)	(5,996)	(0.21)
Audit interest	482	101	—	614	129	—
Purchased tax credit benefit	(19,632)	(4,123)	(0.11)	—	—	—
Deferred tax balance and audit adjustments	565	119	—	13,836	2,905	0.10
Valuation allowance	(316)	(66)	—	1,223	257	0.01
Change in additional liability for pension, postretirement, and agent contract termination payment plans	33,176	6,967	0.18	94,616	19,869	0.71
Overfunded plan asset	(18,824)	(3,953)	(0.10)	2,991	628	0.02
Other	10,956	2,299	0.05	4,325	909	0.03
Tax credits	(6,559)	(1,377)	(0.04)	(5,105)	(1,072)	(0.04)
Taxable income (loss)	$ 3,919,839	$ 823,164	21.53 %	$ 1,744,379	$ 366,318	13.04 %
Federal income tax incurred		$ 760,779	19.90 %		$ 266,668	9.49 %
Change in net deferred income tax		62,385	1.63		99,650	3.55
Total statutory income taxes (excluding taxes on unrealized gains/losses)		$ 823,164	21.53 %		$ 366,318	13.04 %

(in thousands of dollars)

On a consolidated basis as of December 31, 2025 and 2024, the Company had the following carryforwards:

NOL carryforwards, beginning to expire in 2030, in the amount of:

2025	2024
$ 13,434	$ 18,558

Tax credit carryforwards, beginning to expire in 2035, in the amount of:

2025	2024
$ 38,872	$ 44,234

The amount of federal income taxes incurred in the current year and each preceding year that are available for recoupment in the event of future net losses:

Year	Amount
2025	$ 608,551
2024	25,871
2023	2,925

The guidance for accounting for uncertainty in income taxes prescribes a minimum recognition threshold a tax position is required to meet before being recognized in the statutory financial statements. The Company does not expect to have a significant change in unrecognized tax benefits in the next twelve months.

The examinations of the Company's consolidated federal income tax returns for the years 2018 through 2021, and 2014 and prior are closed, with the exception of one item impacting 2019 through 2021. The consolidated group filed a claim in September 2023 to carry back losses generated in 2022 to 2019 through 2021. The years 2015 through 2017 and 2022 through 2024 remain open under the Internal Revenue Service (IRS) statute of limitations. AFMICSI and its subsidiaries are currently under federal audit for tax years 2015 through 2017.

Under the Inflation Reduction Act, certain corporations are subject to a 15% corporate alternative minimum tax (CAMT). The Company does not meet the threshold to be an "applicable corporation" for the years ended December 31, 2025 and 2024; therefore, the Company is a "nonapplicable reporting entity" for CAMT purposes for the years ended December 31, 2025 and 2024.

On July 4, 2025, the One Big Beautiful Bill Act (OBBBA) was signed into law. As a result, in 2025, the Company recognized a tax benefit of $42,261 due to the acceleration of bonus depreciation and Section 174 internally developed software for tax purposes.

6. Employee Benefit Plans

AFMICSI Employee Pension and Postretirement Benefits

AFMICSI has a non-contributory qualified pension plan (herein referred to as the American Family Pension Plan or the Plan) covering employees of AFMICSI, AmFam-CONNECT, Homesite, MSA, AFICS, Inc. (AFICS) and American Family Investments Inc. (AFII). For AFMICSI employees hired before January 1, 2009, and Sales District Leaders hired before January 1, 2010, the benefits are based on years of credited service and highest average compensation (as defined in the American

(in thousands of dollars)

Family Pension Plan). For AFMICSI employees hired on or after January 1, 2009, and Sales District Leaders hired on or after January 1, 2010, benefits are determined under a cash balance formula (as defined in the American Family Pension Plan). The same cash balance formula is used to determine benefits for AmFam-CONNECT, Homesite, AFICS, and AFII employees who became eligible to participate in the American Family Pension Plan on October 1, 2019, June 30, 2020, January 1, 2021, and May 18, 2024, respectively. Additionally, the same cash balance formula is used to determine benefits for MSA employees hired after December 31, 2020. For MSA employees hired before December 31, 2020, benefits are based upon compensation and years of service, as defined in the NGM Insurance Company Pension Share Account (NGM Pension Plan) prior to the merger with the American Family Pension Plan effective December 31, 2020. Employees of PGC were covered by the Plan effective June 30, 2020 through December 31, 2024, the date of the divestiture of PGC, under the same cash balance formula referenced previously. See Note 2 for more information on the divestiture of PGC.

The Company's funding policy is to annually contribute an amount equal to the minimum required contribution per IRS rules and regulations, plus additional amounts at the Company's discretion. Benefit restrictions required under the Pension Protection Act of 2006 do not apply in 2025 or 2024 given the funded status of the Plan.

AFMICSI provides certain health care benefits to substantially all AFMICSI, AmFam-CONNECT, PGC (through date of divestiture), Homesite, MSA, AFICS, and AFII employees and contributes toward eligible employees' postretirement health care using a fixed amount for each year of eligible service. In addition, AFMICSI provides most AFMICSI, AmFam-CONNECT, PGC (through date of divestiture), Homesite, MSA, AFICS, and AFII employees with a life insurance benefit, for which the Companies absorb substantially all of the cost. The Companies' portions of the costs of these programs are unfunded. The Companies sponsor no other significant postretirement benefit plans and use a measurement date of December 31 for valuing pension and other postretirement benefit plans.

The following table reflects the Company's pension, postretirement, and postemployment plans' funded status and amounts recognized in the Company's consolidated property & casualty statutory balance sheets at December 31:

Change in benefit obligation

	Overfunded		Underfunded	
	2025	**2024**	**2025**	**2024**
Pension Benefits				
Benefit obligation at beginning of year	$ 1,156,241	$ 1,201,672	$ 26,613	$ 40,694
Service cost	60,675	72,189	733	934
Interest cost	61,064	56,830	1,395	1,720
Actuarial (gain)/loss	7,837	(92,058)	(853)	(3,812)
Benefits paid	(95,208)	(82,392)	(3,068)	(12,923)
Business combinations, divestitures, curtailments, settlements, and special termination benefits	1,424	—	—	—
Benefit obligation, end of year	$ 1,192,033	$ 1,156,241	$ 24,820	$ 26,613

(in thousands of dollars)

	Overfunded		Underfunded	
	2025	2024	2025	2024
Postretirement Benefits				
Benefit obligation at beginning of year	$ —	$ —	$ 61,376	$ 69,220
Service cost	—	—	—	—
Interest cost	—	—	3,101	2,998
Actuarial (gain)/loss	—	—	1,049	(6,067)
Benefits paid	—	—	(5,508)	(4,775)
Business combinations, divestitures, curtailments, settlements, and special termination benefits	—	—	—	—
Benefit obligation, end of year	$ —	$ —	$ 60,018	$ 61,376

	Overfunded		Underfunded	
	2025	2024	2025	2024
Postemployment & Compensated Absence Benefits				
Benefit obligation at beginning of year	$ —	$ —	$ 72,162	$ 85,580
Service cost	—	—	105,407	121,643
Interest cost	—	—	(38)	36
Benefits paid	—	—	(104,581)	(135,097)
Business combinations, divestitures, curtailments, settlements, and special termination benefits	—	—	—	—
Benefit obligation, end of year	$ —	$ —	$ 72,950	$ 72,162

The Company incurred an actuarial loss to the Plan in the amount of $7,837 and a gain in the amount of $92,058 related to the change in projected benefit obligation from 2024 to 2025 and 2023 to 2024, respectively, due primarily to the changes in the discount rate and lump sum discount rate.

	Pension Benefits		Postretirement Benefits		Postemployment	
	2025	2024	2025	2024	2025	2024
Change in plan assets						
Fair value of plan assets at beginning of year	$1,248,952	$1,297,374	$ —	$ —	$ —	$ —
Actual return on plan assets	149,824	33,970	—	—	—	—
Reporting entity contribution	3,068	12,923	5,508	4,775	104,581	135,097
Benefits paid	(98,276)	(95,315)	(5,508)	(4,775)	(104,581)	(135,097)
Fair value of plan assets at end of year	$1,303,568	$1,248,952	$ —	$ —	$ —	$ —

(in thousands of dollars)

	Pension Benefits		Postretirement Benefits	
	2025	2024	2025	2024
Funded status				
Overfunded				
Assets (nonadmitted)				
Prepaid benefit costs	$ 191,418	$ 235,566	$ —	$ —
Overfunded plan assets	(79,883)	(142,855)	—	—
Total assets (nonadmitted)	$ 111,535	$ 92,711	$ —	$ —
Underfunded				
Liabilities recognized				
Accrued (prepaid) benefit costs	$ 24,546	$ 25,643	$ 74,818	$ 79,102
Liability/(asset) for pension benefits	274	970	(14,800)	(17,726)
Total liabilities recognized	$ 24,820	$ 26,613	$ 60,018	$ 61,376
Unrecognized liabilities	$ —	$ —	$ —	$ —

	Pension Benefits			
	Overfunded		Underfunded	
	2025	2024	2025	2024
Projected Benefit Obligation	$1,192,033	$1,156,241	$ 24,820	$ 26,613
Fair Value of Plan Assets	1,303,568	1,248,952	—	—
PBO in excess of plan assets	N/A	N/A	$ 24,820	$ 26,613
Accumulated Benefit Obligation	$1,104,605	$1,062,774	$ 19,201	$ 21,451
Fair Value of Plan Assets	1,303,568	1,248,952	—	—
ABO in excess of plan assets	N/A	N/A	$ 19,201	$ 21,451

The following table reflects components of amounts recognized in underwriting expenses in the Company's consolidated property & casualty statutory statements of income at December 31:

	Pension Benefits		Postretirement Benefits		Postemployment & Compensated Absence Benefits	
	2025	2024	2025	2024	2025	2024
Components of net periodic benefit cost						
Service cost	$ 61,409	$ 73,122	$ —	$ —	$ 105,407	$ 121,643
Interest cost	62,459	58,550	3,102	2,998	(38)	36
Expected return on plan assets	(82,739)	(86,995)	—	—	—	—
Incremental (asset) / obligation	—	—	—	—	—	—
Prior service cost / (credit)	—	—	(817)	(822)	—	—
Actuarial (gain) / loss	3,594	7,126	(1,060)	(694)	—	—
Gain or loss recognized due to a settlement or curtailment	1,424	—	—	—	—	—
Net periodic cost	$ 46,147	$ 51,803	$ 1,225	$ 1,482	$ 105,369	$ 121,679

(in thousands of dollars)

The amount in unassigned funds (surplus) recognized as components of net periodic benefit cost is as follows:

	Pension Benefits		Postretirement Benefits	
	2025	2024	2025	2024
Items not yet recognized as a component of net periodic cost - prior year	$ 143,825	$ 194,395	$ (17,726)	$ (13,175)
Net transition asset or obligation recognized	—	—	—	—
Net prior service cost or credit recognized	—	—	817	822
Net gain and loss arising during the period	(60,099)	(42,845)	1,049	(6,067)
Net gain and loss recognized	(3,569)	(7,725)	1,060	694
Items not yet recognized as a component of net periodic cost - current year	$ 80,157	$ 143,825	$ (14,800)	$ (17,726)

The amounts in unassigned funds (surplus) that have not yet been recognized as components of net periodic benefit costs are as follows:

	Pension Benefits		Postretirement Benefits	
	2025	2024	2025	2024
Net transition asset or obligation	$ —	$ —	$ —	$ —
Net prior service cost or credit	—	—	(3,145)	(3,962)
Net unrecognized gains and losses	80,157	143,825	(11,655)	(13,764)

The weighted-average assumptions used in determining projected benefit obligations as of December 31 and net periodic benefit cost as of January 1 are as follows:

	2025	2024
Projected benefit obligations:		
Discount rate	5.42 %	5.54 %
Expected long-term rate of return on plan assets	7.00	7.00
Rate of compensation increase	4.25	4.25
Interest crediting rate	5.50	5.50
Net periodic benefit cost:		
Discount rate	5.54	4.89
Expected long-term rate of return on plan assets	7.00	7.00
Rate of compensation increase	4.25	4.25
Interest crediting rate	5.50	5.50

Assumed health care cost trend rates do not have a significant effect on the amounts reported for the health care plans.

Annual rates of increase in the per capita costs of covered health care benefits were assumed to be 8.50% and 8.00% (Pre-65) and 10.25% and 9.25% (Post-65) for 2025 and 2024, respectively. Rates are expected to gradually decrease to 4.50% by 2035.

(in thousands of dollars)

Expected Cash Flows

Information about the expected cash flows for the Plans follows:

	Pension Benefits	Postretirement Benefits
Expected employer contributions		
2026	$ 2,466	$ 7,068
Expected benefit payments		
2026	$ 119,221	$ 7,068
2027	113,518	6,482
2028	112,829	5,976
2029	111,942	5,539
2030	111,895	5,192
2031 - 2035	550,064	22,343

The expected rate of return on plan assets is based upon an analysis of historical returns and long-term capital market assumptions for each asset class. The expected returns by asset class contemplate a risk-free interest rate as of the measurement date and then add a risk premium. The risk premium is a range of percentages and is based upon factors such as expected reinvestment returns and asset manager performance. Finally, an underlying inflation assumption is incorporated to determine the overall expected long-term rate of return assumption.

The target allocation, asset allocation, and fair value of plan assets for the Company's pension plan at the end of 2025 and 2024, by asset category, are as follows:

	Target Allocation		Percentage of Plan Assets, Year End		Fair Value of Plan Assets, Year End	
	2025	2024	2025	2024	2025	2024
Asset Category						
Equity	43 %	43 %	40 %	43 %	$ 516,566	$ 531,112
Debt	47	47	48	47	622,132	579,019
Private equity	10	10	10	8	132,776	108,406
Cash equivalents	—	—	2	2	27,448	25,669
Total	100 %	100 %	100 %	100 %	$ 1,298,922	$ 1,244,206

The overall investment objective of the Plan is to maximize the risk adjusted return on assets over a long-term period, while ensuring the Plan is able to meet current and future obligations to plan participants. The primary considerations in developing target asset allocations are the Plan's overall investment objective, the investment objectives for the various assets, the necessary level of diversification, and maintaining an acceptable level of risk. The existing allocations are within the Company's tolerance for variation from target allocation.

The Company has no significant concentrations of risk within Plan assets.

Plan assets at fair value are categorized in the same manner as Company assets, based on the reliability of inputs to the valuation techniques as described in Note 1(d).

(in thousands of dollars)

Below is a summary of significant valuation techniques specific to Plan assets:

Level 1 Measurements

Level 1 fair values are based on unadjusted quoted prices for identical assets in active markets that the Company can access.

Bonds: U.S. Government: Comprised of U.S. Treasuries.

Equity Securities: *Common stocks*: Comprised of actively traded, exchange-listed U.S. and international equity securities.

Cash Equivalents: Comprised of actively traded money market funds.

Level 2 Measurements

Bonds: *Corporates and Foreign:* Valued using the market and income approaches based on inputs including quoted prices for identical or similar assets in markets that are not active, benchmark yield curves, bid/ask spreads, credit quality, and projected cash flows.

Other Valuations

Includes limited partnerships, registered investment companies, cash equivalents and common collective trusts that are valued using NAV as a practical expedient for fair value.

The following summarizes the Plan's financial assets measured at fair value as of December 31:

2025	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2025
Financial assets				
Bonds, available-for-sale:				
U.S. government	$ 163,883	$ —	$ —	$ 163,883
Corporates	—	217,624	—	217,624
Foreign bonds	—	28,118	—	28,118
Equity securities:				
Common stocks	251,975	—	—	251,975
Cash equivalents	863	—	—	863
Total assets in the fair value hierarchy	416,721	245,742	—	662,463
Investments measured at NAV (a)	—	—	—	636,459
Total recurring basis financial assets	$ 416,721	$ 245,742	$ —	$ 1,298,922

(in thousands of dollars)

2024				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2024
Financial assets				
Bonds, available-for-sale:				
U.S. government	$ 137,374	$ —	$ —	$ 137,374
Corporates	—	201,409	—	201,409
Foreign bonds	—	29,857	—	29,857
Equity securities:				
Common stocks	247,487	—	—	247,487
Cash equivalents	781	—	—	781
Total assets in the fair value hierarchy	385,642	231,266	—	616,908
Investments measured at NAV (a)	—	—	—	627,298
Total recurring basis financial assets	$ 385,642	$ 231,266	$ —	$ 1,244,206

(a) In accordance with SSAP, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy.

All transfers into or out of a particular level are recognized as of the beginning of the reporting period. There were no transfers between levels during 2025 or 2024.

(in thousands of dollars)

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2025 and 2024:

	Fair Value at December 31,		Unfunded Commitments			
Investment Type	2025	2024	2025	2024	Redemption Frequency	Redemption Notice Period
Equity securities:						
Common/Collective Trusts	$85,850	$85,102	$1,286	$1,493	Daily	Advance notice
Registered Investment Companies	85,757	92,537	—	—	None	N/A
Partnership and trust interests:						
Private Equity Limited Partnerships and Trusts (a)	127,347	102,298	34,242	51,832	None	N/A
General Limited Partnerships and Trusts (b)	310,920	322,473	—	—	Monthly to semi-annually	10 to 90 days
Cash equivalents	26,585	24,888	—	—	None	N/A

(a) Significant investment strategies for private equity limited partnerships that are valued using the NAV as a practical expedient for the fair value are: 1) to provide superior returns when compared to the public equity markets, and 2) to invest across the risk and stage spectrum, commonly referred to as venture capital, growth equity or control buyout, as well as across industry sectors.

(b) Significant investment strategies for limited partnerships and trusts that are valued using the NAV as a practical expedient for fair value are: 1) to achieve the target return by investing principally in (or otherwise gaining exposure to) performing, stressed, or distressed securities and loans of any type and within any sector across the global fixed income markets, and 2) to achieve an attractive risk-adjusted total return by investing in a diversified portfolio.

Defined Contribution Plans

AFMICSI also sponsors a qualified contributory 401(k) plan (the American Family 401(k) Plan) in which employees of AFMICSI, AmFam-CONNECT, PGC (through date of divestiture), Homesite, MSA, AFICS and AFII are eligible to participate. Employees who choose to participate in the American Family 401(k) Plan may contribute up to 50% of eligible compensation, in 1% intervals, subject to IRS limitations. AFMICSI is required to make contributions each payroll period to a trust fund for the employer match contributions. Employer contributions are based on a formula with a 100% match on the first 3% of eligible contributions plus 50% on the next 2% of eligible contributions for a maximum annual contribution of 4% of participants' eligible compensation. The Companies recognized expense of $38,970 and $41,405 related to the American Family 401(k) Plan during 2025 and 2024, respectively.

A liability of $72,951 and $72,162 was accrued for earned but unpaid compensated absences and postemployment benefits as of December 31, 2025 and 2024, respectively.

(in thousands of dollars)

7. Agent Contract Termination Payments

Exclusive agents of the Company are eligible to receive payments upon termination after a period of covered service. Years of service exclude time under an advance compensation plan, not to exceed two years. For agents appointed prior to January 1, 2009 and on or after April 1, 2025 that have more than 10 years of covered service, payments are based on a percentage of service fees during the period of up to 12 months prior to termination (as defined in the agreement). For agents appointed on or after January 1, 2009 through March 31, 2025 that have eight or more years of covered service, payments are based on a cash balance formula that utilizes sales and service fees (as defined in the agreement).

The Company uses a measurement date of December 31 for its agent contract termination payments plan.

The following sets forth the status of the agent contract termination payments plan's obligation reconciled with amounts reported in the Company's consolidated property & casualty statutory balance sheets at December 31:

	2025	2024
Change in benefit obligation		
Benefit obligation at beginning of year	$ 834,582	$ 849,822
Service cost	33,469	33,696
Interest cost	46,268	41,492
Actuarial (gain)/loss	26,408	(36,376)
Benefits paid	(57,254)	(54,052)
Benefit obligation, end of year	$ 883,473	$ 834,582
Change in plan assets		
Reporting entity contribution	$ 57,254	$ 54,052
Benefits paid	(57,254)	(54,052)
Fair value of plan assets at end of year	$ —	$ —
Funded status		
Underfunded		
Liabilities recognized		
Accrued benefit costs	$ 980,329	$ 959,045
Liability/(asset) for pension benefits	(96,856)	(124,463)
Total liabilities recognized	$ 883,473	$ 834,582
Unrecognized liabilities	$ —	$ —
Accumulated benefit obligation (ABO)	$ 856,221	$ 780,846

The Company incurred an actuarial loss to the Plan in the amount of $26,408 and a gain in the amount of $36,376 related to the change in projected benefit obligation from 2024 to 2025 and 2023 to 2024, respectively, due primarily to the change in the discount rate.

(in thousands of dollars)

The following table reflects components of amounts recognized in underwriting expenses in the Company's consolidated property & casualty statutory statements of income at December 31:

	2025	2024
Components of net periodic benefit cost		
Service cost	$ 33,469	$ 33,696
Interest cost	46,268	41,492
Amount of recognized (gains)/losses	(1,199)	(326)
Net periodic benefit cost	$ 78,538	$ 74,862

Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost is as follows:

	2025	2024
Items not yet recognized as a component of net periodic benefit cost - prior year	$ (124,463)	$ (88,413)
Net gain and loss arising during the period	26,408	(36,376)
Net gain and loss recognized	1,199	326
Items not yet recognized as a component of net periodic benefit cost - current year	$ (96,856)	$ (124,463)

Amounts in unassigned funds (surplus) that have not yet been recognized as components of net periodic benefit cost is as follows:

	2025	2024
Net unrecognized gains and losses	$ (96,856)	$ (124,463)

(in thousands of dollars)

	2025	2024
Assumptions used to determine projected benefit obligation as of December 31:		
Discount rate	5.35 %	5.55 %
Service fees increase		
AFMIC		
First 5 years after appointment	12.00	12.00
Years 6 through 12 after appointment	8.00	8.00
Years 13 through 20 after appointment	5.75	5.75
Years 21 through 29 after appointment	3.25	3.25
After 30 years of appointment	2.50	2.50
ASIC		
All years	(5.00)	(5.00)
Interest crediting rate	5.50	5.50
Assumptions used to determine net periodic benefit cost as of January 1:		
Discount rate	5.55 %	4.85 %
Service fees increase		
AFMIC		
First 5 years after appointment	12.00	12.00
Years 6 through 12 after appointment	8.00	8.00
Years 13 through 20 after appointment	5.75	5.75
Years 21 through 29 after appointment	3.25	3.25
After 30 years of appointment	2.50	2.50
ASIC		
All years	(5.00)	(5.00)
Interest crediting rate	5.50	5.50

Expected Cash Flows

Information about the expected cash flows for the agent contract termination payments plan follows:

Expected contract termination payments	
2026	$ 55,612
2027	60,884
2028	69,963
2029	67,849
2030	69,720
2031 - 2035	361,680

The above table reflects vested benefits expected to be paid from the Companies' assets.

(in thousands of dollars)

8. Property & Casualty Loss and Loss Adjustment Expense Reserve

Activity in the loss and loss adjustment expense reserve for property & casualty insurance, including health insurance, is summarized as follows:

	2025	2024
Net balance as of January 1	$ 10,114,408	$ 9,967,605
Incurred losses and loss adjustment expenses related to		
Current year	10,634,782	12,993,741
Prior years	(547,827)	(631,592)
Total incurred	10,086,955	12,362,149
Paid losses and loss adjustment expenses related to		
Current year	6,080,149	7,293,360
Prior years	4,168,346	4,395,314
Total paid	10,248,495	11,688,674
Net balance before commutation	9,952,868	10,641,080
Commutation of affiliated reinsurance agreement	—	526,672
Net balance as of December 31	$ 9,952,868	$ 10,114,408

In connection with the sale of PGC on December 31, 2024, the affiliated 100% quota share reinsurance agreement with AFMICSI was commuted (see Note 1(g)). This commutation resulted in the reversion of $526,672 of loss and loss adjustment expense reserves to PGC.

Property & casualty losses and loss adjustment expenses incurred decreased by $547,827 and $631,592 during 2025 and 2024, respectively, attributable to re-estimation of unpaid losses and loss adjustment expenses from insured events of prior years. The lines of business primarily responsible for favorable development were Homeowners/Farmowners in 2025 and Commercial Multiple Peril and Homeowners/Farmowners in 2024.

Increases or decreases of this nature occur as the result of claim settlements during the current year and as additional information is received regarding individual claims, causing changes from the original estimates of individual claims. Recent loss development trends are also taken into account in evaluating the overall adequacy of unpaid losses and loss adjustment expenses.

Anticipated salvage and subrogation of $191,304 and $321,607 was included as a reduction of the loss and loss adjustment expense reserve as of December 31, 2025 and 2024, respectively.

9. Related Party Transactions

As of December 31, 2025 and 2024, on a consolidated basis, the Companies reported $560,289 and $634,817, respectively, due from affiliates and $998,942 and $882,728, respectively, due to affiliates. Terms of the settlement require that these amounts be settled within 90 days.

The Company distributed $33,929 and $38,740 to Holdings in 2025 and 2024, respectively, primarily to support non-insurance business development and for enterprise cash management purposes. Holdings contributed $34,726 and $4,500 to AFMICSI in 2025 and 2024, respectively, primarily to support non-insurance business development and for enterprise cash management purposes.

The Company contributed $5,934 and $15,783 to AmFam, Inc. in 2025 and 2024, respectively, primarily to support non-insurance business development and for enterprise cash management purposes.

Unconsolidated subsidiaries of AFMICSI distributed $3,000 to the Company in 2025 and $135,958 in 2024, of which $118,437 was an in-kind transfer of mortgages for enterprise cash and capital management purposes and to support non-insurance business development.

The Company contributed $50,916 and $66,917 in 2025 and 2024, respectively, to fund activity within its venture capital investments.

As of December 31, 2024, a subsidiary of AmFam, Inc., was dissolved. As part of the dissolution, AmFam, Inc. distributed $6,511 via both cash and in-kind transfers to the Company.

On December 31, 2024, AmFam, Inc. completed the sale of 100% of the issued and outstanding shares of PGC pursuant to a stock purchase agreement, as described in Note 2. AmFam, Inc. received $970,216 in cash proceeds related to the sale, which were distributed to the Company. Additionally, a net intercompany payable balance of $615,965 was contributed in-kind from the Company to AmFam, Inc. to facilitate the close of the transaction. During 2025, $279,583 was contributed in-kind from the Company to AmFam, Inc. to settle tax activity related to the sale.

AFMICSI has agreed to provide certain management and information systems services to its wholly owned subsidiaries. AFMICSI shares certain administrative, occupancy, marketing, and tax expenses with other affiliated companies. Such expenses are allocated by AFMICSI at cost in proportion to estimated utilization. Allocation methods are refined periodically to reflect current operations and resources utilized by the Company.

In addition, AFMICSI is allocated expenses from its wholly owned subsidiaries as a result of certain information systems and administrative services provided to the Company. These expenses are allocated to AFMICSI at cost either in proportion to estimated utilization or via specific identification. Lastly, loss adjustment expenses are incurred by AFICS on behalf of the Company and are allocated proportionately based on claim counts and via specific identification.

10. Commitments and Contingencies

The Company has various leases for property and equipment used in the normal course of business. These lease commitments are summarized in Note 1(k).

(in thousands of dollars)

The Companies are contingently liable for cessions to reinsurers to the extent that any reinsurer might be unable to meet its obligations assumed under the various reinsurance contracts. Where contracts permit, the Companies secure reinsurance recoverables with various forms of collateral, including irrevocable letters of credit, secured trusts, and funds held accounts. The Company is liable for losses that arise from assumed reinsurance agreements and has pledged collateral in the form of letters of credit and funds held accounts totaling $72,373 and $173,395 at December 31, 2025 and 2024, respectively. During 2025, the Company also pledged investments as collateral. See Note 3(d) for more information.

The Company enters into contractual agreements that require capital contributions to limited partnerships. These contributions are recorded on the consolidated property & casualty statutory balance sheets as other invested assets. Capital is typically contributed to the partnerships over multiple years. At any time, AFMICSI will have commitments to the partnerships that have not yet been funded. As of December 31, 2025 and 2024, AFMICSI was obligated to contribute $1,338,086 and $1,344,678, respectively, in additional capital to various limited partnerships. These contributions are callable under the commitments to the partnerships over the lives of the partnerships.

The Company has provided financial guarantees to support investments in subsidiary, controlled and affiliated entities (SCA) in which the Company's share of losses in the SCA exceed the equity method carrying amount of the SCA. The table below presents the Company's share of the net income (loss), accumulated share of net income (loss), and the Company's amount of financial guarantees provided to the SCAs as of December 31:

2025

Entity	Reporting Entity's Share of Net Income (Loss)	Accumulated Share of Net Income (Loss)	Reporting Entity's Share of Equity, Including Negative Equity	Guaranteed Obligation/ Commitment for Financial Support	Amount of Recognized Guarantee Under SSAP No. 5
AFBI	$ (786)	$ (1,174)	$ (4,542)	Y	$ (4,542)
American Family Connect Insurance Agency, Inc	6,195	5,479	(286)	Y	(286)
Homesite Group	(199)	(98,503)	(115,255)	Y	(115,255)
	$ 5,210	$ (94,198)	$ (120,083)		$ (120,083)

2024

Entity	Reporting Entity's Share of Net Income (Loss)	Accumulated Share of Net Income (Loss)	Reporting Entity's Share of Equity, Including Negative Equity	Guaranteed Obligation/ Commitment for Financial Support	Amount of Recognized Guarantee Under SSAP No. 5
AFBI	$ 598	$ (387)	$ (2,255)	Y	$ (2,255)
American Family Connect Insurance Agency, Inc	1,380	(716)	(6,598)	Y	(6,598)
Homesite Group	5,342	(98,305)	(115,056)	Y	(115,056)
	$ 7,320	$ (99,408)	$ (123,909)		$ (123,909)

(in thousands of dollars)

The Companies are at times involved in lawsuits which are related to operations. In most cases, such lawsuits involve claims under insurance policies and other contracts of the Companies. Such lawsuits, either individually or in the aggregate, are not expected to have a material effect on the Companies' consolidated property & casualty statutory financial statements.

The Companies are liable for mandatory assessments that are levied by the property & casualty guaranty fund associations of states in which the Companies are licensed. These assessments are to cover losses to policyholders of insolvent or rehabilitated insurance companies.

11. Capital and Surplus and Dividend Restrictions

The Companies' surplus may be available for distribution to its policyholders or shareholders. Such distributions, as dividends, are subject to prior regulatory approval if certain risk-based capital thresholds are not met. See Note 9 for distributions to shareholders in 2025 and 2024. There were no restrictions placed on the Companies' surplus, including for whom surplus is being held.

The portion of unassigned funds (surplus) represented or (reduced) by cumulative gross unrealized gains (losses) was $1,401,752 and $1,241,719 at December 31, 2025 and 2024, respectively.

12. Debt

The Company is a member of the FHLBC. The general nature of the FHLBC agreement is to provide a platform which provides the Company with the ability to receive advances from the FHLBC as a member of the bank. The Company pays monthly interest to FHLBC, and principal is repaid in a balloon payment at the end of each advance's term.

In 2025 and 2024, the Company executed overnight borrowings with FHLBC to manage liquidity as part of the Company's overall cash management strategy. Interest is paid daily when the overnight borrowing matures the next day. Rates on these borrowings ranged between 3.78% and 4.48% and 4.46% and 5.46% for 2025 and 2024, respectively.

The following summarizes the Company's open FHLBC borrowings as of the years ended December 31:

			2025			2024			
Issue Date	Interest Rate	Face Amount	Carry Value	Interest Paid	Interest Accrued	Carry Value	Interest Paid	Interest Accrued	Maturity Date
11/20/2013	5.12 %	$500,000	$ 500,000	$ 25,956	$ 2,204	$ 500,000	$ 26,027	$ 2,204	11/20/2043
4/17/2020	1.60	500,000	500,000	8,111	689	500,000	8,133	689	4/17/2030
			$1,000,000	$ 34,067	$ 2,893	$1,000,000	$ 34,160	$ 2,893	

All advances are fully-collateralized with stock and qualified securities. The shares in FHLBC stock are considered Class B shares not eligible for redemption and are recorded as common stocks in the consolidated property & casualty statutory balance sheets.

The following summarizes general account FHLBC capital stock balances as of December 31:

(in thousands of dollars, except share amounts)	2025	2024
Shares outstanding	234,666	240,050
Membership stock - Class B	$ 5,000	$ 5,000
Activity stock	15,002	15,000
Excess stock	3,465	4,005
Aggregate total - carrying value	23,467	24,005
Actual or estimated maximum borrowing capacity	1,078,315	1,088,110
Collateral pledged - fair value	1,283,610	1,310,984
Collateral pledged - carrying value	1,290,527	1,373,144
Total borrowing	1,000,000	1,000,000

Borrowing capacity is calculated as the carrying value of specific lots of FHLBC stock multiplied by either 50 or 22 as the Company holds a mix of 50-1 and 22-1 stock. The Company has borrowing capacity less outstanding advances of $76,220 and $88,110 as of December 31, 2025 and 2024, respectively.

13. Reinsurance

The following table summarizes assumed and ceded unearned premiums and the related commission equity at December 31:

	2025					
	Assumed		Ceded		Assumed Less Ceded	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
	$ 342,705	$ 53,716	$ 850,064	$ 174,121	$ (507,359)	$ (120,405)
Direct unearned premium reserve	$ 8,204,068					

	2024					
	Assumed		Ceded		Assumed Less Ceded	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
	$ 334,784	$ 49,952	$ 781,073	$ 160,187	$ (446,289)	$ (110,235)
Direct unearned premium reserve	$ 7,999,734					

(in thousands of dollars)

Amounts ceded under reinsurance contracts as of and for the years ended December 31 are summarized as follows:

	2025	2024
Earned premiums	$ 1,460,302	$ 1,327,202
Written premiums	1,529,270	1,542,595
Unearned premiums	850,064	781,073
Loss and loss adjustment expenses incurred	700,093	578,001

The Company has a significant concentration of credit risk related to ceded amounts recoverable from Bowhead Insurance Company, Inc. (Bowhead), which comprised $1,157,305 and $776,760 of the total reinsurance recoverable presented within property & casualty loss and loss adjustment expense reserve in the consolidated property & casualty statutory balance sheets at December 31, 2025 and 2024, respectively. Further, the Company had net unsecured reinsurance recoverables of $740,925 and $680,725 with Bowhead, which were in excess of 3% of the Company's policyholders' surplus at December 31, 2025 and 2024, respectively.

Effective October 1, 2020, the Company executed a loss portfolio transfer and retroactive reinsurance contract with Pallas Reinsurance Company Ltd. to cede the loss reserve development on certain commercial business.

Amounts ceded under retroactive reinsurance agreements as of and for the year ended December 31, 2025 are summarized as follows:

Reserves transferred:	
Initial reserves	$ 77,000
Adjustments - prior years	42,116
Adjustments - current year	16,330
Current total	$ 135,446
Consideration paid:	
Initial consideration	$ 98,641
Adjustments - prior years	—
Adjustments - current year	—
Current total	$ 98,641
Paid losses recovered:	
Prior years	$ 66,709
Current year	26,772
Current total	$ 93,481
Special surplus from retroactive reinsurance:	
Initial surplus loss	$ (21,641)
Adjustments - prior years	42,116
Adjustments - current year	16,330
Current year restricted surplus	$ 36,805
Cumulative total transferred to unassigned funds	$ —

(in thousands of dollars)

Reinsurers involved in retroactive reinsurance transactions with the Company are as follows:

Company	Reserves transferred	Remaining unpaid
Pallas Reinsurance Company Ltd	$ 135,446	$ 41,965

There were no balances with unauthorized, authorized, or certified reinsurers as of December 31, 2025 or 2024.

These ceded reinsurance transactions do not relieve the Company of its primary obligation to the policyholder.

14. Surplus Notes

The Company issued a surplus note on November 2, 2016 for $70,000 with a fixed interest rate of 7.25% and maturity date of November 2, 2036. The note was sold for cash to BT Globenet Nominees Limited, an unaffiliated company, and is callable at par. This note is not subject to an interest offset percentage, and payments are not contractually linked or subject to administrative offsetting provisions. The carrying value of the surplus note was $70,000 as of December 31, 2025 and 2024, and no principal has been paid to date. Interest expense of $5,075 was recognized in both 2025 and 2024, and interest expense recognized inception-to-date is $46,507.

The Florida Insurance Commissioner must approve, in advance, interest and principal payments on this surplus note. The payments by the Company of the principal and interest of the surplus note are subordinated and junior in right of payment to the prior payment in full of all policy claims and senior indebtedness of the Company. There were no unapproved principal or interest amounts as of December 31, 2025 and 2024.

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statutory Balance Sheet

December 31, 2025

(in thousands of dollars)

	ASIC	ASICO	AFIC	MIC	Homesite Consolidated	MSA Consolidated	AmFam-CONNECT Consolidated	AFMICSI	Eliminations	Ref No.	AFMICSI Consolidated
Admitted assets											
Bonds	$ 262,631	$ 1,417	$ 12,162	$ 13,126	$ 360,844	$ 363,280	$ 529,881	$ 22,559,866	$ —		$ 24,103,207
Stocks, including investments in unconsolidated subsidiaries	—	—	—	—	—	4,341	—	4,920,928	(2,012,783)	(1)	2,912,486
Mortgage loans	—	—	—	—	—	—	—	562,272	—		562,272
Real estate (net of accumulated depreciation)	—	—	—	—	—	2,274	—	126,490	—		128,764
Cash, cash equivalents, and short-term investments	15,820	15,746	62,685	2,837	68,307	(932)	33,188	1,279,383	—		1,477,034
Receivables for securities	282	—	—	—	530	2,553	5	148	—		3,518
Securities lending collateral	—	—	—	—	—	—	—	38,505	—		38,505
Other invested assets	—	—	—	—	—	1,605	1,753	2,668,890	—		2,672,248
Total cash and invested assets	278,733	17,163	74,847	15,963	429,681	373,121	564,827	32,156,482	(2,012,783)		31,898,034
Property & casualty premiums receivable and agents' balances	1,104	—	6	38,460	409,322	49,190	294,556	3,451,514	(1,970,679)	(3)	2,273,473
Accrued investment income	2,415	55	300	99	2,074	2,832	1,975	183,149	—		192,899
Deferred tax assets	—	—	—	514	4,319	4,196	7,032	406,503	(1,061)	(4)	421,503
Income taxes receivable	—	—	—	—	—	—	—	—	—		—
Electronic data processing equipment and software (net)	—	—	—	—	—	—	—	21,010	—		21,010
Other assets	61,122	2,999	29,372	100,372	1,169,974	530,267	443,366	325,273	(1,891,373)	(2,3)	771,372
Total admitted assets	343,374	20,217	104,525	155,408	2,015,370	959,606	1,311,756	36,543,931	(5,875,896)		35,578,291
Liabilities											
Property & casualty loss and loss adjustment expense reserve	8	—	9	—	13,767	3,875	19,357	11,141,879	(1,226,027)	(2)	9,952,868
Property & casualty unearned premiums	—	—	—	—	28,158	—	—	7,668,551	—		7,696,709
Agent contract termination payments	—	—	—	—	—	—	—	883,473	—		883,473
Employee pension and other benefits	—	—	—	—	—	2,311	—	84,861	—		87,172
Income taxes payable	50	121	519	2	638	(5,817)	437	297,630	(7,897)	(4)	285,683
Deferred tax liability	1,022	1	38	—	—	—	—	—	(1,061)	(4)	—
Debt	—	—	—	—	—	846	—	1,010,499	—		1,011,345
Payable for securities	1,360	—	—	—	3,411	5,468	2,617	140,990	—		153,846
Securities lending payable	—	—	—	—	—	—	—	38,505	—		38,505
Accrued expenses and other liabilities	5,705	9,402	70,097	136,415	1,595,954	204,271	675,079	2,262,162	(2,628,128)	(2,3,4)	2,330,957
Total liabilities	8,145	9,524	70,663	136,417	1,641,928	210,954	697,490	23,528,550	(3,863,113)		22,440,558
Capital and surplus											
Common stock	3,000	1,000	3,000	3,500	17,890	5,250	5,000	3,000	(38,640)	(1)	3,000
Special surplus funds	—	—	—	—	—	1,500	—	38,055	(1,500)	(1)	38,055
Surplus notes	—	—	—	—	—	70,000	—	—	—		70,000
Gross paid-in and contributed surplus	3,000	1,825	7,241	179,898	241,501	104,390	533,903	1,428,274	(1,059,289)	(1,5)	1,440,743
Unassigned surplus	329,229	7,868	23,621	(164,407)	114,051	567,512	75,363	11,546,052	(913,354)	(1,5)	11,585,935
Total capital and surplus	335,229	10,693	33,862	18,991	373,442	748,652	614,266	13,015,381	(2,012,783)		13,137,733
Total liabilities, capital, and surplus	$ 343,374	$ 20,217	$ 104,525	$ 155,408	$ 2,015,370	$ 959,606	$ 1,311,756	$ 36,543,931	$ (5,875,896)		$ 35,578,291

References:

(1) Elimination of affiliated common stock of property & casualty subsidiaries.
(2) Elimination of intercompany payables/receivables and affiliated reinsurance loss and loss adjustment expenses.
(3) Elimination of affiliated reinsurance premium payable and underwriting expense receivable.
(4) Net income taxes and deferred taxes.
(5) Elimination of MSA surplus balances due to 2019 reorganization.

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statutory Balance Sheet

December 31, 2025

(in thousands of dollars)

	HCA	HCT	HIC	HIL	HMW	HNY	HGA	HLTX	HFL	Eliminations	Ref No.	Homesite Consolidated
Admitted assets												
Bonds	$ 7,325	$ 61,481	$ 5,645	$ 9,915	$ 166,459	$ 61,783	$ 17,870	$ 8,499	$ 21,867	$ —		$ 360,844
Stocks, including investments in unconsolidated subsidiaries	—	—	—	—	—	—	—	—	—	—		—
Mortgage loans	—	—	—	—	—	—	—	—	—	—		—
Real estate (net of accumulated depreciation)	—	—	—	—	—	—	—	—	—	—		—
Cash, cash equivalents, and short-term investments	439	1,099	335	545	3,619	42,513	18,195	511	1,051	—		68,307
Receivables for securities	—	179	—	—	—	204	—	72	75	—		530
Securities lending collateral	—	—	—	—	—	—	—	—	—	—		—
Other invested assets	—	—	—	—	—	—	—	—	—	—		—
Total cash and invested assets	7,764	62,759	5,980	10,460	170,078	104,500	36,065	9,082	22,993	—		429,681
Property & casualty premiums receivable and agents' balances	16,590	164,799	14,927	981	766,947	17,888	10,932	6,573	50,643	(640,958)	(1)	409,322
Accrued investment income	13	474	56	84	638	529	31	44	205	—		2,074
Deferred tax assets	56	1,348	93	6	459	1,430	122	20	785	—	(2)	4,319
Income taxes receivable	2	9	15	—	—	—	—	9	—	(35)	(2)	—
Electronic data processing equipment and software (net)	—	—	—	—	—	—	—	—	—	—		—
Other assets	40,393	468,307	51,164	1,708	867,615	48,492	127	24,693	7,952	(340,477)	(3)	1,169,974
Total admitted assets	64,818	697,696	72,235	13,239	1,805,737	172,839	47,277	40,421	82,578	(981,470)		2,015,370
Liabilities												
Property & casualty loss and loss adjustment expense reserve	—	—	—	—	340,511	13,733	—	—	—	(340,477)	(3)	13,767
Property & casualty unearned premiums	—	—	—	—	—	28,158	—	—	—	—		28,158
Agent contract termination payments	—	—	—	—	—	—	—	—	—	—		—
Employee pension and other benefits	—	—	—	—	—	—	—	—	—	—		—
Income taxes payable	—	—	—	—	79	274	297	—	23	(35)	(2)	638
Deferred tax liability	—	—	—	—	—	—	—	—	—	—	(2)	—
Debt	—	—	—	—	—	—	—	—	—	—		—
Payable for securities	—	857	—	—	995	1,114	—	117	328	—		3,411
Securities lending payable	—	—	—	—	—	—	—	—	—	—		—
Accrued expenses and other liabilities	48,872	618,310	58,876	3,532	1,347,610	57,503	21,452	21,698	59,059	(640,958)	(1)	1,595,954
Total liabilities	48,872	619,167	58,876	3,532	1,689,195	100,782	21,749	21,815	59,410	(981,470)		1,641,928
Capital and surplus												
Common stock	2,600	4,540	3,250	1,000	3,500	1,000	1,000	—	1,000	—		17,890
Special surplus funds	—	—	—	—	—	—	—	—	—	—		—
Surplus notes	—	—	—	—	—	—	—	—	—	—		—
Gross paid-in and contributed surplus	13,036	55,210	9,682	8,156	64,592	37,600	16,900	14,520	21,805	—		241,501
Unassigned surplus	310	18,779	427	551	48,450	33,457	7,628	4,086	363	—		114,051
Total capital and surplus	15,946	78,529	13,359	9,707	116,542	72,057	25,528	18,606	23,168	—		373,442
Total liabilities, capital, and surplus	$ 64,818	$ 697,696	$ 72,235	$ 13,239	$ 1,805,737	$ 172,839	$ 47,277	$ 40,421	$ 82,578	$ (981,470)		$ 2,015,370

References:

(1) Elimination of affiliated reinsurance premium intercompany balances.
(2) Net deferred taxes and income taxes.
(3) Elimination of affiliated reinsurance losses and loss adjustment expense intercompany balances.

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statutory Balance Sheet

December 31, 2025

(in thousands of dollars)

	NGM	ODIC	MSAIC	MSA PIC	MSAAC	Eliminations	Ref No.	NGM & Subsidiaries	GDM	SVM	AMIC	Eliminations	Ref No.	MSA Consolidated
Admitted assets														
Bonds	$ 139,345	$ 15,843	$ 52,376	$ 18,432	$ 22,571	$ —		$ 248,567	$ 25,696	$ 7,823	$ 81,194	$ —		$ 363,280
Stocks, including investments in unconsolidated subsidiaries	137,893	—	—	—	—	(133,589)	(1)	4,304	—	37	—	—		4,341
Mortgage loans	—	—	—	—	—	—		—	—	—	—	—		—
Real estate	2,274	—	—	—	—	—		2,274	—	—	—	—		2,274
Cash, cash equivalents, and short-term investments	(5,161)	55	878	63	85	—		(4,080)	978	68	2,102	—		(932)
Receivables for securities	2,144	—	—	—	—	—		2,144	—	—	409	—		2,553
Securities lending collateral	—	—	—	—	—	—		—	—	—	—	—		—
Other invested assets	1,605	—	—	—	—	—		1,605	—	—	—	—		1,605
Total cash and invested assets	278,100	15,898	53,254	18,495	22,656	(133,589)		254,814	26,674	7,928	83,705	—		373,121
Property & casualty premiums receivable and agents' balances	54,186	—	—	—	—	(3,074)	(2)	51,112	—	—	—	(1,922)	(2)	49,190
Accrued investment income	1,238	103	439	66	119	—		1,965	166	74	627	—		2,832
Deferred tax assets	2,021	—	—	—	—	(98)	(3)	1,923	1,915	—	369	(11)	(3)	4,196
Income taxes receivable	5,893	20	—	—	32	(5,945)	(3)	—	—	—	—	—		—
Electronic data processing equipment and software (net)	—	—	—	—	—	—		—	—	—	—	—		—
Other assets	535,116	5,564	1,722	15,391	8,729	(32,933)	(2)	533,589	1,839	386	2,527	(8,074)	(2)	530,267
Total admitted assets	876,554	21,585	55,415	33,952	31,536	(175,639)		843,403	30,594	8,388	87,228	(10,007)		959,606
Liabilities														
Property & casualty loss and loss adjustment expense reserve	36,295	—	—	—	—	(28,368)	(2)	7,927	—	—	—	(4,052)	(2)	3,875
Property & casualty unearned premiums	—	—	—	—	—	—		—	—	—	—	—		—
Agent contract termination payments	—	—	—	—	—	—		—	—	—	—	—		—
Employee pension and other benefits	1,877	—	—	—	—	—		1,877	—	—	434	—		2,311
Income taxes payable	—	—	16	64	—	(5,945)	(3)	(5,865)	—	48	—	—		(5,817)
Deferred tax liability	—	1	77	14	6	(98)	(3)	—	—	11	—	(11)	(3)	—
Debt	846	—	—	—	—	—		846	—	—	—	—		846
Payable for securities	3,524	—	497	—	—	—		4,021	—	—	1,447	—		5,468
Securities lending payable	—	—	—	—	—	—		—	—	—	—	—		—
Accrued expenses and other liabilities	207,803	355	9	7,325	535	(7,639)	(2)	208,388	366	230	1,231	(5,944)	(2)	204,271
Total liabilities	250,345	356	599	7,403	541	(42,050)		217,194	366	289	3,112	(10,007)		210,954
Capital and surplus														
Common stock	5,250	3,000	1,500	10,000	7,500	(22,000)	(1)	5,250	—	—	—	—		5,250
Special surplus funds	—	—	—	—	—	—		—	—	—	1,500	—		1,500
Surplus notes	70,000	—	—	—	—	—		70,000	1,000	4,000	—	(5,000)	(4)	70,000
Gross paid-in and contributed surplus	104,390	16,741	46,500	8,400	8,122	(79,763)	(1)	104,390	—	—	—	—		104,390
Unassigned surplus	446,569	1,488	6,816	8,149	15,373	(31,826)	(1)	446,569	29,228	4,099	82,616	5,000	(4)	567,512
Total capital and surplus	626,209	21,229	54,816	26,549	30,995	(133,589)		626,209	30,228	8,099	84,116	—		748,652
Total liabilities, capital, and surplus	$ 876,554	$ 21,585	$ 55,415	$ 33,952	$ 31,536	$ (175,639)		$ 843,403	$ 30,594	$ 8,388	$ 87,228	$ (10,007)		$ 959,606

References:

(1) Elimination of property & casualty subsidiaries' capital and surplus.
(2) Elimination of intercompany payables and receivables and intercompany balances related to premiums and losses.
(3) Net income taxes and deferred taxes.
(4) Elimination of surplus notes between affiliates.

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation
Consolidated Property & Casualty Statutory Balance Sheet
December 31, 2025

(in thousands of dollars)

	AFCPCIC	AFCIC	Eliminations	Ref No.	AmFam-CONNECT Consolidated
Admitted assets					
Bonds	$ 516,052	$ 13,829	$ —		$ 529,881
Stocks, including investments in unconsolidated subsidiaries	15,033	—	(15,033)	(1)	—
Mortgage loans	—	—	—		—
Real estate	—	—	—		—
Cash, cash equivalents, and short-term investments	32,251	937	—		33,188
Receivables for securities	5	—	—		5
Securities lending collateral	—	—	—		—
Other invested assets	1,753	—	—		1,753
Total cash and invested assets	565,094	14,766	(15,033)		564,827
Property & casualty premiums receivable and agents' balances	294,556	—	—		294,556
Accrued investment income	1,819	156	—		1,975
Deferred tax assets	7,067	—	(35)	(2)	7,032
Income taxes receivable	—	—	—		—
Electronic data processing equipment and software (net)	—	—	—		—
Other assets	443,366	325	(325)	(3)	443,366
Total admitted assets	1,311,902	15,247	(15,393)		1,311,756
Liabilities					
Property & casualty loss and loss adjustment expense reserve	19,357	—	—		19,357
Property & casualty unearned premiums	—	—	—		—
Agent contract termination payments	—	—	—		—
Employee pension and other benefits	—	—	—		—
Income taxes payable	345	92	—		437
Deferred tax liability	—	35	(35)	(2)	—
Debt	—	—	—		—
Payable for securities	2,617	—	—		2,617
Securities lending payable	—	—	—		—
Accrued expenses and other liabilities	675,317	87	(325)	(3)	675,079
Total liabilities	697,636	214	(360)		697,490
Capital and surplus					
Common stock	5,000	8,000	(8,000)	(1)	5,000
Special surplus funds	—	—	—		—
Surplus notes	—	—	—		—
Gross paid-in and contributed surplus	533,903	5,523	(5,523)	(1)	533,903
Unassigned surplus	75,363	1,510	(1,510)	(1)	75,363
Total capital and surplus	614,266	15,033	(15,033)		614,266
Total liabilities, capital, and surplus	$ 1,311,902	$ 15,247	$ (15,393)		$ 1,311,756

References:
(1) Elimination of property & casualty subsidiaries' capital and surplus.
(2) Netting of income taxes and deferred taxes.
(3) Eliminate intercompany payable/receivable between affiliates

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statutory Balance Sheet

December 31, 2024

(in thousands of dollars)

	ASIC	ASICO	AFIC	MIC	Homesite Consolidated	MSA Consolidated	AmFam-CONNECT Consolidated	AFMICSI	Eliminations	Ref No.	AFMICSI Consolidated
Admitted assets											
Bonds	$ 263,808	$ 1,540	$ 11,182	$ 12,336	$ 318,105	$ 345,962	$ 493,216	$ 19,112,240	$ —		$ 20,558,389
Stocks, including investments in unconsolidated subsidiaries	—	—	—	—	—	4,197	—	4,373,671	(1,938,643)	(1)	2,439,225
Mortgage loans	—	—	—	—	—	—	—	523,785	—		523,785
Real estate	—	—	—	—	—	2,603	—	124,014	—		126,617
Cash, cash equivalents, and short-term investments	3,237	15,469	62,400	2,652	55,940	2,605	56,095	2,668,973	—		2,867,371
Receivables for securities	553	—	—	—	—	—	5,722	30,598	—		36,873
Securities lending collateral	—	—	—	—	—	—	—	8,257	—		8,257
Other invested assets	—	—	—	—	—	2,185	—	2,637,702	—		2,639,887
Total cash and invested assets	267,598	17,009	73,582	14,988	374,045	357,552	555,033	29,479,240	(1,938,643)		29,200,404
Property & casualty premiums receivable and agents' balances	(18)	—	13	28,527	390,506	178,842	306,663	3,165,304	(1,584,700)	(3)	2,485,137
Accrued investment income	2,384	22	156	92	1,556	2,599	1,772	143,223	—		151,804
Deferred tax assets	—	—	—	43	2,782	6,226	7,198	483,678	(1,013)	(4)	498,914
Income taxes receivable	101	—	—	57	—	7,958	—	219,783	(227,899)	(4)	—
Electronic data processing equipment and software (net)	—	—	—	—	—	—	—	21,641	—		21,641
Other assets	134,164	(2,852)	(2,083)	87,562	990,567	171,257	604,704	579,847	(1,573,428)	(2,3)	989,738
Total admitted assets	404,229	14,179	71,668	131,269	1,759,456	724,434	1,475,370	34,092,716	(5,325,683)		33,347,638
Liabilities											
Property & casualty loss and loss adjustment expense reserve	1,130	—	13	—	11,820	2,235	28,369	11,191,628	(1,120,787)	(2)	10,114,408
Property & casualty unearned premiums	—	—	—	—	23,527	—	—	7,529,918	—		7,553,445
Agent contract termination payments	—	—	—	—	—	—	—	959,045	—		959,045
Employee pension and other benefits	—	—	—	—	—	19,581	—	105,117	—		124,698
Income taxes payable	—	131	565	—	3,141	28	20	457,997	(3,857)	(4)	458,025
Deferred tax liability	981	—	32	—	—	—	—	—	(1,013)	(4)	—
Debt	—	—	—	—	—	846	—	1,010,499	—		1,011,345
Payable for securities	1,914	—	—	—	1,729	1,774	9,911	740,542	—		755,870
Securities lending payable	—	—	—	—	—	—	—	8,257	—		8,257
Accrued expenses and other liabilities	73,601	3,822	39,268	111,936	1,378,365	(25,964)	847,271	2,063,783	(2,261,384)	(2,3,4)	2,230,698
Total liabilities	77,626	3,953	39,878	111,936	1,418,582	(1,500)	885,571	24,066,786	(3,387,041)		23,215,791
Capital and surplus											
Common stock	3,000	1,000	3,000	3,500	17,890	5,250	5,000	3,000	(38,640)	(1)	3,000
Special surplus funds	—	—	—	—	—	1,500	—	21,725	(1,500)	(1)	21,725
Surplus notes	—	—	—	—	—	70,000	—	—	—		70,000
Gross paid-in and contributed surplus	3,000	1,825	7,241	179,898	233,501	101,890	533,903	1,393,548	(1,051,289)	(1,5)	1,403,517
Unassigned surplus	320,603	7,401	21,549	(164,065)	89,483	547,294	50,896	8,607,657	(847,213)	(1,5)	8,633,605
Total capital and surplus	326,603	10,226	31,790	19,333	340,874	725,934	589,799	10,025,930	(1,938,642)		10,131,847
Total liabilities, capital, and surplus	$ 404,229	$ 14,179	$ 71,668	$ 131,269	$ 1,759,456	$ 724,434	$ 1,475,370	$ 34,092,716	$ (5,325,683)		$ 33,347,638

References
(1) Elimination of affiliated common stock of property & casualty subsidiaries.
(2) Elimination of intercompany payables/receivables and affiliated reinsurance loss and loss adjustment expenses.
(3) Elimination of affiliated reinsurance premium payable and underwriting expense receivable.
(4) Net income taxes and deferred taxes.
(5) Elimination of MSA surplus balances due to 2019 reorganization.

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statutory Balance Sheet

December 31, 2024

(in thousands of dollars)

	HCA	HCT	HIC	HIL	HMW	HNY	HGA	HLTX	HFL	Eliminations	Ref No.	Homesite Consolidated
Admitted assets												
Bonds	$ 7,464	$ 59,328	$ 5,715	$ 5,885	$ 149,847	$ 44,052	$ 18,429	$ 8,705	$ 18,680	$ —		$ 318,105
Stocks, including investments in unconsolidated subsidiaries	—	—	—	—	—	—	—	—	—	—		—
Mortgage loans	—	—	—	—	—	—	—	—	—	—		—
Real estate	—	—	—	—	—	—	—	—	—	—		—
Cash, cash equivalents, and short-term investments	96	740	82	4,220	10,441	33,707	3,255	105	3,294	—		55,940
Receivables for securities	—	—	—	—	—	—	—	—	—	—		—
Securities lending collateral	—	—	—	—	—	—	—	—	—	—		—
Other invested assets	—	—	—	—	—	—	—	—	—	—		—
Total cash and invested assets	7,560	60,068	5,797	10,105	160,288	77,759	21,684	8,810	21,974	—		374,045
Property & casualty premiums receivable and agents' balances	14,885	169,616	13,997	995	730,581	15,856	13,351	7,414	44,333	(620,522)	(1)	390,506
Accrued investment income	14	375	56	29	593	266	32	38	153	—		1,556
Deferred tax assets	68	775	101	7	807	1,159	112	18	—	(265)	(2)	2,782
Income taxes receivable	21	52	—	—	—	—	—	15	—	(88)	(2)	—
Electronic data processing equipment and software (net)	—	—	—	—	—	—	—	—	—	—		—
Other assets	25,078	438,683	44,227	1,655	688,970	42,311	6,910	25,745	11,435	(294,447)	(3)	990,567
Total admitted assets	47,626	669,569	64,178	12,791	1,581,239	137,351	42,089	42,040	77,895	(915,322)		1,759,456
Liabilities												
Property & casualty loss and loss adjustment expense reserve	—	—	—	—	306,500	11,777	—	—	—	(306,457)	(3)	11,820
Property & casualty unearned premiums	—	—	—	—	—	23,527	—	—	—	—		23,527
Agent contract termination payments	—	—	—	—	—	—	—	—	—	—		—
Employee pension and other benefits	—	—	—	—	—	—	—	—	—	—		—
Income taxes payable	—	—	—	2	74	302	2,849	—	2	(88)	(2)	3,141
Deferred tax liability	—	—	—	—	—	—	—	—	265	(265)	(2)	—
Debt	—	—	—	—	—	—	—	—	—	—		—
Payable for securities	—	477	—	—	770	288	—	30	164	—		1,729
Securities lending payable	—	—	—	—	—	—	—	—	—	—		—
Accrued expenses and other liabilities	31,941	592,438	51,005	3,425	1,166,858	49,050	13,617	23,790	54,753	(608,512)	(1)	1,378,365
Total liabilities	31,941	592,915	51,005	3,427	1,474,202	84,944	16,466	23,820	55,184	(915,322)		1,418,582
Capital and surplus												
Common stock	2,600	4,540	3,250	1,000	3,500	1,000	1,000	—	1,000	—		17,890
Special surplus funds	—	—	—	—	—	—	—	—	—	—		—
Surplus notes	—	—	—	—	—	—	—	—	—	—		—
Gross paid-in and contributed surplus	13,036	55,210	9,682	8,156	64,592	29,600	16,900	14,520	21,805	—		233,501
Unassigned surplus	49	16,904	241	208	38,945	21,807	7,723	3,700	(94)	—		89,483
Total capital and surplus	15,685	76,654	13,173	9,364	107,037	52,407	25,623	18,220	22,711	—		340,874
Total liabilities, capital, and surplus	$ 47,626	$ 669,569	$ 64,178	$ 12,791	$ 1,581,239	$ 137,351	$ 42,089	$ 42,040	$ 77,895	$ (915,322)		$ 1,759,456

References

(1) Elimination of affiliated reinsurance premium intercompany balances.
(2) Net income taxes and deferred taxes.
(3) Elimination of affiliated reinsurance losses and loss adjustment intercompany balances.

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statutory Balance Sheet

December 31, 2024

(in thousands of dollars)

	NGM	ODIC	MSAIC	MSA PIC	MSAAC	Eliminations	Ref No.	NGM & Subsidiaries	GDM	SVM	AMIC	Eliminations	Ref No.	MSA Consolidated
Admitted assets														
Bonds	$ 101,894	$ 14,436	$ 51,107	$ 32,030	$ 32,747	$ —		$ 232,214	$ 27,293	$ 7,634	$ 78,821	$ —		$ 345,962
Stocks, including investments in unconsolidated subsidiaries	135,475	—	—	—	—	(131,313)	(1)	4,162	—	35	—	—		4,197
Mortgage loans	—	—	—	—	—	—		—	—	—	—	—		—
Real estate	2,603	—	—	—	—	—		2,603	—	—	—	—		2,603
Cash, cash equivalents, and short-term investments	(5,195)	2,451	426	239	3,491	—		1,412	215	31	947	—		2,605
Receivables for securities	—	—	—	—	—	—		—	—	—	—	—		—
Securities lending collateral	—	—	—	—	—	—		—	—	—	—	—		—
Other invested assets	2,185	—	—	—	—	—		2,185	—	—	—	—		2,185
Total cash and invested assets	236,962	16,887	51,533	32,269	36,238	(131,313)		242,576	27,508	7,700	79,768	—		357,552
Property & casualty premiums receivable and agents' balances	199,627	—	—	—	—	(16,069)	(2)	183,558	—	—	—	(4,716)	(2)	178,842
Accrued investment income	727	208	361	369	211	—		1,876	167	76	480	—		2,599
Deferred tax assets	2,403	—	—	—	—	(80)	(3)	2,323	2,844	—	1,068	(9)	(3)	6,226
Income taxes receivable	8,413	—	15	—	—	(470)	(3)	7,958	—	—	—	—		7,958
Electronic data processing equipment and software (net)	—	—	—	—	—	—		—	—	—	—	—		—
Other assets	198,051	6,876	2,493	16,807	8,881	(59,006)	(2)	174,102	2,929	898	3,296	(9,968)	(2)	171,257
Total admitted assets	646,183	23,971	54,402	49,445	45,330	(206,938)		612,393	33,448	8,674	84,612	(14,693)		724,434
Liabilities														
Property & casualty loss and loss adjustment expense reserve	42,364	—	—	—	—	(34,182)	(2)	8,182	—	—	—	(5,947)	(2)	2,235
Property & casualty unearned premiums	—	—	—	—	—	—		—	—	—	—	—		—
Agent contract termination payments	—	—	—	—	—	—		—	—	—	—	—		—
Employee pension and other benefits	7,179	—	—	—	—	—		7,179	5,444	—	6,958	—		19,581
Income taxes payable	—	91	—	194	184	(469)	(3)	—	—	28	—	—		28
Deferred tax liability	—	8	41	24	7	(80)	(3)	—	—	9	—	(9)	(3)	—
Debt	846	—	—	—	—	—		846	—	—	—	—		846
Payable for securities	765	—	393	—	—	—		1,158	—	—	616	—		1,774
Securities lending payable	—	—	—	—	—	—		—	—	—	—	—		—
Accrued expenses and other liabilities	(24,990)	2,651	1,019	23,181	14,042	(40,894)	(2)	(24,991)	5,174	921	1,669	(8,737)	(2)	(25,964)
Total liabilities	26,164	2,750	1,453	23,399	14,233	(75,625)		(7,626)	10,618	958	9,243	(14,693)		(1,500)
Capital and surplus														
Common stock	5,250	3,000	1,500	10,000	7,500	(22,000)	(1)	5,250	—	—	—	—		5,250
Special surplus funds	—	—	—	—	—	—		—	—	—	1,500	—		1,500
Surplus notes	70,000	—	—	—	—	—		70,000	1,000	4,000	—	(5,000)	(4)	70,000
Gross paid-in and contributed surplus	101,890	16,741	46,500	8,400	8,122	(79,763)	(1)	101,890	—	—	—	—		101,890
Unassigned surplus	442,879	1,480	4,949	7,646	15,475	(29,550)	(1)	442,879	21,830	3,716	73,869	5,000	(4)	547,294
Total capital and surplus	620,019	21,221	52,949	26,046	31,097	(131,313)		620,019	22,830	7,716	75,369	—		725,934
Total liabilities, capital, and surplus	$ 646,183	$ 23,971	$ 54,402	$ 49,445	$ 45,330	$ (206,938)		$ 612,393	$ 33,448	$ 8,674	$ 84,612	$ (14,693)		$ 724,434

References
(1) Elimination of property & casualty subsidiaries' capital and surplus.
(2) Elimination of intercompany payables and receivables and intercompany balances related to premiums and losses.
(3) Net income taxes and deferred taxes.
(4) Elimination of surplus notes between affiliates.

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statutory Balance Sheet

December 31, 2024

(in thousands of dollars)

	AFCPCIC	AFCIC	Eliminations	Ref No.	AmFam-CONNECT Consolidated
Admitted assets					
Bonds	$ 479,420	$ 13,796	$ —		$ 493,216
Stocks, including investments in unconsolidated subsidiaries	14,576	—	(14,576)	(1)	—
Mortgage loans	—	—	—		—
Real estate	—	—	—		—
Cash, cash equivalents, and short-term investments	55,676	419	—		56,095
Receivables for securities	5,722	—	—		5,722
Securities lending collateral	—	—	—		—
Other invested assets	—	—	—		—
Total cash and invested assets	555,394	14,215	(14,576)		555,033
Property & casualty premiums receivable and agents' balances	306,663	—	—		306,663
Accrued investment income	1,625	147	—		1,772
Deferred tax assets	7,216	—	(18)	(2)	7,198
Income taxes receivable	67	—	(67)	(2)	—
Electronic data processing equipment and software (net)	—	—	—		—
Other assets	604,629	360	(285)	(3)	604,704
Total admitted assets	1,475,594	14,722	(14,946)		1,475,370
Liabilities					
Property & casualty loss and loss adjustment expense reserve	28,369	—	—		28,369
Property & casualty unearned premiums	—	—	—		—
Agent contract termination payments	—	—	—		—
Employee pension and other benefits	—	—	—		—
Income taxes payable	—	87	(67)	(2)	20
Deferred tax liability	—	18	(18)	(2)	—
Debt	—	—	—		—
Payable for securities	9,911	—	—		9,911
Securities lending payable	—	—	—		—
Accrued expenses and other liabilities	847,515	41	(285)	(3)	847,271
Total liabilities	885,795	146	(370)		885,571
Capital and surplus					
Common stock	5,000	8,000	(8,000)	(1)	5,000
Special surplus funds	—	—	—		—
Surplus notes	—	—	—		—
Gross paid-in and contributed surplus	533,903	5,523	(5,523)	(1)	533,903
Unassigned surplus	50,896	1,053	(1,053)	(1)	50,896
Total capital and surplus	589,799	14,576	(14,576)		589,799
Total liabilities, capital, and surplus	$ 1,475,594	$ 14,722	$ (14,946)		$ 1,475,370

References:
(1) Elimination of property & casualty subsidiaries' capital and surplus.
(2) Net income tax and deferred tax.
(3) Elimination of intercompany payables and receivables between affiliates.

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statement of Income

Year Ended December 31, 2025

(in thousands of dollars)

	ASIC	ASICO	AFIC	MIC	Homesite Consolidated	MSA Consolidated	AmFam-CONNECT Consolidated	AFMICSI	Eliminations	Ref No.	AFMICSI Consolidated
Premiums and other income											
Property & casualty premiums earned	$ —	$ —	$ —	$ —	$ 48,487	$ —	$ —	$ 17,148,464	$ —		$ 17,196,951
Net investment income	12,013	588	2,597	279	14,081	7,676	23,768	1,226,183	—		1,287,185
Net realized investment gains (losses)	(578)	—	—	—	(4,842)	(6,481)	(11,487)	(8,174)	—		(31,562)
Other income (expenses)	232	—	—	—	115	—	1,450	59,476	—		61,273
Total premiums and other income	11,667	588	2,597	279	57,841	1,195	13,731	18,425,949	—		18,513,847
Losses and expenses											
Property & casualty losses and loss adjustment expenses incurred	—	—	—	—	23,848	—	—	10,063,107	—		10,086,955
Underwriting expenses	—	—	—	—	11,990	(3,189)	—	4,595,377	—		4,604,178
Dividends to policyholders	—	—	—	—	—	—	—	537	—		537
Total losses and expenses	—	—	—	—	35,838	(3,189)	—	14,659,021	—		14,691,670
Income (loss) before income tax expense (benefit)	11,667	588	2,597	279	22,003	4,384	13,731	3,766,928	—		3,822,177
Income tax expense (benefit)	2,309	121	519	809	6,924	(5,070)	633	754,534	—		760,779
Net income (loss)	$ 9,358	$ 467	$ 2,078	$ (530)	$ 15,079	$ 9,454	$ 13,098	$ 3,012,394	$ —		$ 3,061,398
Common stock	$ 3,000	$ 1,000	$ 3,000	$ 3,500	$ 17,890	$ 5,250	$ 5,000	$ 3,000	$ (38,640)	(1)	$ 3,000
Special surplus funds											
Beginning balance	—	—	—	—	—	1,500	—	21,725	(1,500)	(1)	21,725
Change in special surplus funds	—	—	—	—	—	—	—	16,330			16,330
Ending balance	—	—	—	—	—	1,500	—	38,055	(1,500)		38,055
Surplus notes	—	—	—	—	—	70,000	—	—	—		70,000
Gross paid-in and contributed surplus											
Beginning balance	3,000	1,825	7,241	179,898	233,501	101,890	533,903	1,393,548	(1,051,289)	(1)	1,403,517
Contributed/paid in capital	—	—	—	—	8,000	2,500	—	34,726	(8,000)	(2)	37,226
Ending balance	3,000	1,825	7,241	179,898	241,501	104,390	533,903	1,428,274	(1,059,289)		1,440,743
Unassigned surplus											
Beginning balance	320,603	7,401	21,549	(164,065)	89,483	547,294	50,896	8,607,657	(847,213)	(1),(2), (3),(4)	8,633,605
Net income (loss)	9,358	467	2,078	(530)	15,079	9,454	13,098	3,012,394	—		3,061,398
Net change in unrealized capital gains (losses) of investments, net of deferred income tax	(199)	—	—	—	6,400	130	9,260	135,748	(66,141)	(1),(2), (4)	85,198
Change in nonadmitted assets*	(64)	—	(12)	(554)	1,441	22,486	5,363	110,781	—		139,441
Change in net deferred income tax*	(122)	—	6	742	1,677	(9,420)	(2,353)	(52,915)	—		(62,385)
Pension and contract termination payment adjustments	—	—	—	—	—	41	—	33,135	—		33,176
Distributions	—	—	—	—	—	—	—	(33,929)	—		(33,929)
Other*	(347)	—	—	—	(29)	(2,473)	(901)	(266,819)	—		(270,569)
Ending balance	329,229	7,868	23,621	(164,407)	114,051	567,512	75,363	11,546,052	(913,354)		11,585,935
Total capital and surplus	$ 335,229	$ 10,693	$ 33,862	$ 18,991	$ 373,442	$ 748,652	$ 614,266	$ 13,015,381	$ (2,012,783)		$ 13,137,733

References

(1) Elimination of property & casualty subsidiaries' surplus; (2) Elimination of contributions between affiliates; (3) Elimination of MSA surplus balances due to 2019 reorganization; (4) Elimination of unrealized gain(loss) between affiliates

* * See Note 1(n) for SSAP 3 adjustments impacting these financial statement line items

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statement of Income

Year Ended December 31, 2025

(in thousands of dollars)

	HCA	HCT	HIC	HIL	HMW	HNY	HGA	HLTX	HFL	Eliminations	Ref No.	Homesite Consolidated
Premiums and other income												
Property & casualty premiums earned	$ —	$ —	$ —	$ —	$ —	$ 48,487	$ —	$ —	$ —	$ —		$ 48,487
Net investment income	191	2,146	168	407	6,586	3,356	222	166	839	—		14,081
Net realized investment gains (losses)	—	111	—	—	(5,317)	311	—	11	42	—		(4,842)
Other income (expenses)	4	58	5	—	58	(5)	(12)	3	4	—		115
Total premiums and other income	195	2,315	173	407	1,327	52,149	210	180	885	—		57,841
Losses and expenses												
Property & casualty losses and loss adjustment expenses incurred	—	—	—	—	—	23,848	—	—	—	—		23,848
Underwriting expenses	(93)	(649)	(91)	(33)	(314)	13,533	(31)	(332)	—	—		11,990
Dividends to policyholders	—	—	—	—	—	—	—	—	—	—		—
Total losses and expenses	(93)	(649)	(91)	(33)	(314)	37,381	(31)	(332)	—	—		35,838
Income (loss) before income tax expense (benefit)	288	2,964	264	440	1,641	14,768	241	512	885	—		22,003
Income tax expense (benefit)	63	1,221	104	89	170	3,393	297	110	1,477	—		6,924
Net income (loss)	$ 225	$ 1,743	$ 160	$ 351	$ 1,471	$ 11,375	$ (56)	$ 402	$ (592)	$ —		$ 15,079
Common stock	$ 2,600	$ 4,540	$ 3,250	$ 1,000	$ 3,500	$ 1,000	$ 1,000	$ —	$ 1,000	$ —		$ 17,890
Special surplus funds	—	—	—	—	—	—	—	—	—	—		—
Surplus notes	—	—	—	—	—	—	—	—	—	—		—
Gross paid-in and contributed surplus												
Beginning balance	13,036	55,210	9,682	8,156	64,592	29,600	16,900	14,520	21,805	—		233,501
Contributed/paid in capital	—	—	—	—	—	8,000	—	—	—	—		8,000
Ending balance	13,036	55,210	9,682	8,156	64,592	37,600	16,900	14,520	21,805	—		241,501
Unassigned surplus												
Beginning balance	49	16,904	241	208	38,945	21,807	7,723	3,700	(94)	—		89,483
Net income (loss)	225	1,743	160	351	1,471	11,375	(56)	402	(592)	—		15,079
Net change in unrealized capital gains (losses) of investments, net of deferred income tax	—	—	—	—	6,400	—	—	—	—	—		6,400
Change in nonadmitted assets	49	(429)	33	(6)	1,965	2	(49)	(18)	(106)	—		1,441
Change in net deferred income tax	(13)	561	(7)	(2)	(302)	273	10	2	1,155	—		1,677
Pension and contract termination payment adjustments	—	—	—	—	—	—	—	—	—	—		—
Distributions	—	—	—	—	—	—	—	—	—	—		—
Other	—	—	—	—	(29)	—	—	—	—	—		(29)
Ending balance	310	18,779	427	551	48,450	33,457	7,628	4,086	363	—		114,051
Total capital and surplus	$ 15,946	$ 78,529	$ 13,359	$ 9,707	$ 116,542	$ 72,057	$ 25,528	$ 18,606	$ 23,168	$ —		$ 373,442

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries
Supplemental Schedule of Consolidation
Consolidated Property & Casualty Statement of Income
Year Ended December 31, 2025
(in thousands of dollars)

	NGM	ODIC	MSAIC	MSA PIC	MSAAC	Eliminations	Ref No.	NGM & Subsidiaries	GDM	SVM	AMIC	Eliminations	Ref No.	MSA Consolidated
Premiums and other income														
Property & casualty premiums earned	$ —	$ —	$ —	$ —	$ —	$ —		$ —	$ —	$ —	$ —	$ —		$ —
Net investment income	(1,062)	592	2,119	1,000	670	—		3,319	945	278	3,134	—		7,676
Net realized investment gains (losses)	(5,266)	(612)	238	(443)	(804)	—		(6,887)	24	(27)	409	—		(6,481)
Other income (expenses)	—	—	—	—	—	—		—	—	—	—	—		—
Total premiums and other income	(6,328)	(20)	2,357	557	(134)	—		(3,568)	969	251	3,543	—		1,195
Losses and expenses														
Property & casualty losses and loss adjustment expenses incurred	—	—	—	—	—	—		—	—	—	—	—		—
Underwriting expenses	—	—	—	—	—	—		—	(1,709)	(237)	(1,243)	—		(3,189)
Dividends to policyholders	—	—	—	—	—	—		—	—	—	—	—		—
Total losses and expenses	—	—	—	—	—	—		—	(1,709)	(237)	(1,243)	—		(3,189)
Income (loss) before income tax expense (benefit)	(6,328)	(20)	2,357	557	(134)	—		(3,568)	2,678	488	4,786	—		4,384
Income tax expense (benefit)	(5,643)	(20)	454	64	(32)	—		(5,177)	—	107	—	—		(5,070)
Net income (loss)	$ (685)	$ —	$ 1,903	$ 493	$ (102)	$ —		$ 1,609	$ 2,678	$ 381	$ 4,786	$ —		$ 9,454
Common stock	$ 5,250	$ 3,000	$ 1,500	$ 10,000	$ 7,500	$ (22,000)	(1)	$ 5,250	$ —	$ —	$ —	$ —		$ 5,250
Special surplus funds	—	—	—	—	—	—		—	—	—	1,500	—		1,500
Surplus notes	70,000	—	—	—	—	—		70,000	1,000	4,000	—	(5,000)	(2)	70,000
Gross paid-in and contributed surplus														
Beginning balance	101,890	16,741	46,500	8,400	8,122	(79,763)	(1)	101,890	—	—	—	—		101,890
Contributed/paid in capital	2,500	—	—	—	—	—		2,500	—	—	—	—		2,500
Ending balance	104,390	16,741	46,500	8,400	8,122	(79,763)		104,390	—	—	—	—		104,390
Unassigned surplus														
Beginning balance	442,879	1,480	4,949	7,646	15,475	(29,550)	(1)	442,879	21,830	3,716	73,869	5,000	(2)	547,294
Net income (loss)	(685)	—	1,903	493	(102)	—		1,609	2,678	381	4,786	—		9,454
Net change in unrealized capital gains (losses) of investments, net of deferred income tax	2,402	—	—	—	—	(2,275)	(1)	127	—	3	—	—		130
Change in nonadmitted assets	11,101	—	4	—	—	—		11,105	6,233	—	5,148	—		22,486
Change in net deferred income tax	(5,737)	8	(40)	10	—	—		(5,759)	(1,767)	(1)	(1,893)	—		(9,420)
Pension and contract termination payment adjustments	(918)	—	—	—	—	—		(918)	253	—	706	—		41
Distributions	—	—	—	—	—	—		—	—	—	—	—		—
Other	(2,473)	—	—	—	—	—		(2,473)	—	—	—	—		(2,473)
Ending balance	446,569	1,488	6,816	8,149	15,373	(31,825)		446,570	29,227	4,099	82,616	5,000		567,512
Total capital and surplus	$ 626,209	$ 21,229	$ 54,816	$ 26,549	$ 30,995	$ (133,588)		$ 626,210	$ 30,227	$ 8,099	$ 84,116	$ —		$ 748,652

References:
(1) Elimination of property & casualty subsidiaries' capital and surplus.
(2) Elimination of surplus note between NGM and affiliates.

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statement of Income

Year Ended December 31, 2025

(in thousands of dollars)

	AFCPCIC	AFCIC	Eliminations	Ref No.	AmFam-CONNECT Consolidated
Premiums and other income					
Property & casualty premiums earned	$ —	$ —	$ —		$ —
Net investment income	23,209	559	—		23,768
Net realized investment gains (losses)	(11,487)	—	—		(11,487)
Other income (expenses)	1,444	6	—		1,450
Total premiums and other income	13,166	565	—		13,731
Losses and expenses					
Property & casualty losses and loss adjustment expenses incurred	—	—	—		—
Underwriting expenses	—	—	—		—
Dividends to policyholders	—	—	—		—
Total losses and expenses	—	—	—		—
Income (loss) before income tax expense (benefit)	13,166	565	—		13,731
Income tax expense (benefit)	541	92	—		633
Net income (loss)	$ 12,625	$ 473	$ —		$ 13,098
Common stock	$ 5,000	$ 8,000	$ (8,000)	(1)	$ 5,000
Special surplus funds	—	—	—		—
Surplus notes	—	—	—		—
Gross paid-in and contributed surplus					
Beginning balance	533,903	5,523	(5,523)	(1)	533,903
Contributed/paid in capital	—	—	—		—
Ending balance	533,903	5,523	(5,523)		533,903
Unassigned surplus					
Beginning balance	50,896	1,053	(1,053)	(1)	50,896
Net income (loss)	12,625	473	—		13,098
Net change in unrealized capital gains (losses) of investments, net of deferred income tax	9,717	—	(457)	(1)	9,260
Change in nonadmitted assets	5,363	—	—		5,363
Change in net deferred income tax	(2,337)	(16)	—		(2,353)
Pension and contract termination payment adjustments	—	—	—		—
Distributions	—	—	—		—
Other	(901)	—	—		(901)
Ending balance	75,363	1,510	(1,510)		75,363
Total capital and surplus	$ 614,266	$ 15,033	$ (15,033)		$ 614,266

References:
(1) Elimination of property & casualty subsidiaries' capital and surplus.

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries
Supplemental Schedule of Consolidation
Consolidated Property & Casualty Statement of Income
Year Ended December 31, 2024
(in thousands of dollars)

	ASIC	ASICO	AFIC	MIC	Homesite Consolidated	MSA Consolidated	AmFam-CONNECT Consolidated	AFMICSI	Eliminations	Ref No.	AFMICSI Consolidated
Premiums and other income											
Property & casualty premiums earned	$ —	$ —	$ —	$ —	$ 38,127	$ —	$ —	$ 17,649,585	$ —		$ 17,687,712
Net investment income	10,765	650	2,845	258	12,060	5,772	23,878	2,124,390	—		2,180,618
Net realized investment gains (losses)	(6,984)	—	—	—	(2,541)	(3,454)	(3,383)	113,746	—		97,384
Other income (expenses)	11	—	—	—	27	1	(725)	48,835	—		48,149
Total premiums and other income	3,792	650	2,845	258	47,673	2,319	19,770	19,936,556	—		20,013,863
Losses and expenses											
Property & casualty losses and loss adjustment expenses incurred	—	—	—	—	19,959	—	—	12,342,190	—		12,362,149
Underwriting expenses	—	—	—	—	8,130	(3,497)	—	4,838,798	—		4,843,431
Dividends to policyholders	—	—	—	—	—	—	—	1,059	—		1,059
Total losses and expenses	—	—	—	—	28,089	(3,497)	—	17,182,047	—		17,206,639
Income (loss) before income tax expense (benefit)	3,792	650	2,845	258	19,584	5,816	19,770	2,754,509	—		2,807,224
Income tax expense (benefit)	730	131	564	64	7,477	(5,861)	(34)	263,597	—		266,668
Net income (loss)	$ 3,062	$ 519	$ 2,281	$ 194	$ 12,107	$ 11,677	$ 19,804	$ 2,490,912	$ —		$ 2,540,556
Common stock	$ 3,000	$ 1,000	$ 3,000	$ 3,500	$ 17,890	$ 5,250	$ 5,000	$ 3,000	$ (38,640)	(1)	$ 3,000
Special surplus funds											—
Beginning balance	—	—	—	—	—	1,500	—	3,911	(1,500)	(1)	3,911
Change in special surplus funds	—	—	—	—	—	—	—	17,814			17,814
Ending balance	—	—	—	—	—	1,500	—	21,725	(1,500)		21,725
Surplus notes	—	—	—	—	—	70,000	—	—	—		70,000
Gross paid-in and contributed surplus											
Beginning balance	3,000	1,825	7,241	179,898	216,501	101,890	533,903	1,389,048	(1,034,289)	(1)	1,399,017
Contributed/paid in capital	—	—	—	—	17,000	—	—	4,500	(17,000)	(2)	4,500
Ending Balance	3,000	1,825	7,241	179,898	233,501	101,890	533,903	1,393,548	(1,051,289)		1,403,517
Unassigned surplus											
Beginning balance	317,471	6,882	19,274	(171,223)	85,327	535,079	30,225	5,625,587	(805,671)	(1),(2),(3),(4)	5,642,951
Net income (loss)	3,062	519	2,281	194	12,107	11,677	19,804	2,490,912	—		2,540,556
Net change in unrealized capital gains (losses) of investments, net of deferred income tax	(221)	—	—	—	(211)	235	115	577,334	(41,542)	(1),(2),(4)	535,710
Change in nonadmitted assets	(28)	(1)	(10)	8,494	(10,368)	4,797	4,284	(54,784)	—		(47,616)
Change in net deferred income tax	(73)	1	5	(1,531)	2,666	(8,031)	(4,298)	(88,389)	—		(99,650)
Pension and contract termination payment adjustments	—	—	—	—	—	3,445	—	91,171	—		94,616
Distributions	—	—	—	—	—	—	—	(38,740)	—		(38,740)
Other	392	—	(1)	1	(38)	92	766	4,566	—		5,778
Ending balance	320,603	7,401	21,549	(164,065)	89,483	547,294	50,896	8,607,657	(847,213)		8,633,605
Total capital and surplus	$ 326,603	$ 10,226	$ 31,790	$ 19,333	$ 340,874	$ 725,934	$ 589,799	$ 10,025,930	$ (1,938,642)		$ 10,131,847

References
(1) Elimination of property & casualty subsidiaries' surplus.
(2) Elimination of contributions between affiliates.
(3) Elimination of MSA surplus balances due to 2019 reorganization.
(4) Elimination of unrealized gain(loss) between affiliates.

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation
Consolidated Property & Casualty Statement of Income
Year Ended December 31, 2024

(in thousands of dollars)

	HCA	HCT	HIC	HIL	HMW	HNY	HGA	HLTX	HFL	Eliminations	Ref No.	Homesite Consolidated
Premiums and other income												
Property & casualty premiums earned	$ —	$ —	$ —	$ —	$ —	$ 38,127	$ —	$ —	$ —	$ —		$ 38,127
Net investment income	185	2,090	164	88	6,152	2,286	249	162	684	—		12,060
Net realized investment gains (losses)	—	(601)	—	—	(1,111)	(506)	(51)	(58)	(214)	—		(2,541)
Other income (expenses)	(95)	1	—	—	(15)	136	—	—	—	—		27
Total premiums and other income	90	1,490	164	88	5,026	40,043	198	104	470	—		47,673
Losses and expenses												
Property & casualty losses and loss adjustment expenses incurred	—	—	—	—	—	19,959	—	—	—	—		19,959
Underwriting expenses	(95)	(663)	(98)	(37)	(349)	9,787	(32)	(383)	—	—		8,130
Dividends to policyholders	—	—	—	—	—	—	—	—	—	—		—
Total losses and expenses	(95)	(663)	(98)	(37)	(349)	29,746	(32)	(383)	—	—		28,089
Income (loss) before income tax expense (benefit)	185	2,153	262	125	5,375	10,297	230	487	470	—		19,584
Income tax expense (benefit)	37	632	58	26	1,106	2,347	2,848	100	323	—		7,477
Net income (loss)	$ 148	$ 1,521	$ 204	$ 99	$ 4,269	$ 7,950	$ (2,618)	$ 387	$ 147	$ —		$ 12,107
Common stock	$ 2,600	$ 4,540	$ 3,250	$ 1,000	$ 3,500	$ 1,000	$ 1,000	$ —	$ 1,000	$ —		$ 17,890
Special surplus funds	—	—	—	—	—	—	—	—	—	—		—
Surplus notes	—	—	—	—	—	—	—	—	—	—		—
Gross paid-in and contributed surplus												
Beginning balance	13,036	55,210	9,682	4,156	64,592	19,600	16,900	14,520	18,805	—		216,501
Contributed/paid in capital	—	—	—	4,000	—	10,000	—	—	3,000	—		17,000
Ending Balance	13,036	55,210	9,682	8,156	64,592	29,600	16,900	14,520	21,805	—		233,501
Unassigned surplus												
Beginning balance	179	18,308	437	148	38,168	13,977	10,773	3,413	(76)	—		85,327
Net income (loss)	148	1,521	204	99	4,269	7,950	(2,618)	387	147	—		12,107
Net change in unrealized capital gains (losses) of investments, net of deferred income tax	—	—	—	—	(211)	—	—	—	—	—		(211)
Change in nonadmitted assets	(345)	(4,008)	(504)	(49)	(4,017)	(395)	(539)	(123)	(388)	—		(10,368)
Change in net deferred income tax*	68	1,083	104	10	774	275	107	23	222	—		2,666
Pension and contract termination payment adjustments	—	—	—	—	—	—	—	—	—	—		—
Distributions	—	—	—	—	—	—	—	—	—	—		—
Other*	—	—	—	—	(38)	—	—	—	—	—		(38)
Ending balance	50	16,904	241	208	38,945	21,807	7,723	3,700	(95)	—		89,483
Total capital and surplus	$ 15,686	$ 76,654	$ 13,173	$ 9,364	$ 107,037	$ 52,407	$ 25,623	$ 18,220	$ 22,710	$ —		$ 340,874

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statement of Income

Year Ended December 31, 2024

(in thousands of dollars)

	NGM	ODIC	MSAIC	MSA PIC	MSAAC	Eliminations	Ref No.	NGM & Subsidiaries	GDM	SVM	AMIC	Eliminations	Ref No.	MSA Consolidated
Premiums and other income														
Property & casualty premiums earned	$ —	$ —	$ —	$ —	$ —	$ —		$ —	$ —	$ —	$ —	$ —		$ —
Net investment income	(2,571)	563	1,954	1,210	897	—		2,053	824	232	2,663	—		5,772
Net realized investment gains (losses)	(1,307)	(16)	(946)	98	29	—		(2,142)	(102)	1	(1,211)	—		(3,454)
Other income (expenses)	—	—	—	1	—	—		1	—	—	—	—		1
Total premiums and other income	(3,878)	547	1,008	1,309	926	—		(88)	722	233	1,452	—		2,319
Losses and expenses														
Property & casualty losses and loss adjustment expenses incurred	—	—	—	—	—	—		—	—	—	—	—		—
Underwriting expenses	—	—	—	—	—	—		—	(1,998)	(195)	(1,304)	—		(3,497)
Dividends to policyholders	—	—	—	—	—	—		—	—	—	—	—		—
Total losses and expenses	—	—	—	—	—	—		—	(1,998)	(195)	(1,304)	—		(3,497)
Income (loss) before income tax expense (benefit)	(3,878)	547	1,008	1,309	926	—		(88)	2,720	428	2,756	—		5,816
Income tax expense (benefit)	(6,610)	91	189	194	184	—		(5,952)	(1)	92	—	—		(5,861)
Net income (loss)	$ 2,732	$ 456	$ 819	$ 1,115	$ 742	$ —		$ 5,864	$ 2,721	$ 336	$ 2,756	$ —		$ 11,677
Common stock	$ 5,250	$ 3,000	$ 1,500	$ 10,000	$ 7,500	$ (22,000)	(1)	$ 5,250	$ —	$ —	$ —	$ —		$ 5,250
Special surplus funds	—	—	—	—	—	—		—	—	—	1,500	—		1,500
Surplus notes	70,000	—	—	—	—	—		70,000	1,000	4,000	—	(5,000)	(2)	70,000
Gross paid-in and contributed surplus														
Beginning balance	101,890	16,741	46,500	8,400	8,122	(79,763)	(1)	101,890	—	—	—	—		101,890
Contributed/paid in capital	—	—	—	—	—	—		—	—	—	—	—		—
Ending Balance	101,890	16,741	46,500	8,400	8,122	(79,763)		101,890	—	—	—	—		101,890
Unassigned surplus														
Beginning balance	439,247	1,026	4,159	6,547	14,737	(26,470)	(1)	439,246	17,215	3,376	70,242	5,000	(2)	535,079
Net income (loss)	2,732	456	819	1,115	742	—		5,864	2,721	336	2,756	—		11,677
Net change in unrealized capital gains (losses) of investments, net of deferred income tax	3,311	—	—	—	—	(3,080)	(1)	231	—	4	—	—		235
Change in nonadmitted assets	3,344	—	(6)	—	—	—		3,338	1,565	—	(106)	—		4,797
Change in net deferred income tax	(5,868)	(2)	(23)	(14)	(4)	—		(5,911)	(892)	1	(1,229)	—		(8,031)
Pension and contract termination payment adjustments	18	—	—	—	—	—		18	1,221	—	2,206	—		3,445
Distributions	—	—	—	—	—	—		—	—	—	—	—		—
Other	95	—	—	(2)	—	—		93	—	(1)	—	—		92
Ending balance	442,879	1,480	4,949	7,646	15,475	(29,550)		442,879	21,830	3,716	73,869	5,000		547,294
Total capital and surplus	$ 620,019	$ 21,221	$ 52,949	$ 26,046	$ 31,097	$ (131,313)		$ 620,019	$ 22,830	$ 7,716	$ 75,369	$ —		$ 725,934

References:

(1) Elimination of property & casualty subsidiaries' capital and surplus.
(2) Elimination of surplus note between NGM and affiliates.

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statement of Income

Year Ended December 31, 2024

(in thousands of dollars)

	AFCPCIC	AFCIC	Eliminations	Ref No.	AmFam-CONNECT Consolidated
Premiums and other income					
Property & casualty premiums earned	$ —	$ —	$ —		$ —
Net investment income	23,344	534	—		23,878
Net realized investment gains (losses)	(3,383)	—	—		(3,383)
Other income (expenses)	(733)	8	—		(725)
Total premiums and other income	19,228	542	—		19,770
Losses and expenses					
Property & casualty losses and loss adjustment expenses incurred	—	—	—		—
Underwriting expenses	—	—	—		—
Dividends to policyholders	—	—	—		—
Total losses and expenses	—	—	—		—
Income (loss) before income tax expense (benefit)	19,228	542	—		19,770
Income tax expense (benefit)	(120)	86	—		(34)
Net income (loss)	$ 19,348	$ 456	$ —		$ 19,804
Common stock	$ 5,000	$ 8,000	$ (8,000)	(1)	$ 5,000
Special surplus funds	—	—	—		—
Surplus notes	—	—	—		—
Gross paid-in and contributed surplus					—
Beginning balance	533,903	5,523	(5,523)	(1)	533,903
Contributed/paid in capital	—	—	—		—
Ending Balance	533,903	5,523	(5,523)		533,903
Unassigned surplus					
Beginning balance	30,225	613	(613)	(1)	30,225
Net income (loss)	19,348	456	—		19,804
Net change in unrealized capital gains (losses) of investments, net of deferred income tax	555	—	(440)	(1)	115
Change in nonadmitted assets	4,284	—	—		4,284
Change in net deferred income tax	(4,284)	(14)	—		(4,298)
Pension and contract termination payment adjustments	—	—	—		—
Distributions	—	—	—		—
Other	768	(2)	—		766
Ending balance	50,896	1,053	(1,053)		50,896
Total capital and surplus	$ 589,799	$ 14,576	$ (14,576)		$ 589,799

References:
(1) Elimination of property & casualty subsidiaries' capital and surplus.

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries
Supplemental Schedule of Consolidation
Consolidated Property & Casualty Statement of Cash Flows
Year Ended December 31, 2025
(in thousands of dollars)

	ASIC	ASICO	AFIC	MIC	Homesite Consolidated	MSA Consolidated	AmFam-CONNECT Consolidated	AFMICSI	Eliminations	Ref No.	AFMICSI Consolidated
Cash from operations											
Premiums collected net of reinsurance	$ 2,237	$ 6,042	$ 36,039	$ 9,348	$ 236,505	$ 373,501	$ (47,574)	$ 16,967,417	$ —		$ 17,583,515
Net investment income	10,838	553	2,486	258	11,875	5,675	23,886	1,151,922	—		1,207,493
Miscellaneous income (expenses)	4,928	—	—	—	115	—	25,008	117,404	—		147,455
Benefit and loss related payments	(4,199)	(1,375)	(62,647)	(17,781)	5,729	(71,356)	68,191	(9,020,393)	—		(9,103,831)
Commissions, expenses paid, and aggregate write-ins for deductions	47	(277)	(4,791)	4,971	(15,804)	(2,032)	(15,015)	(5,660,797)	1,404	(1)	(5,692,294)
Dividends paid to policyholders	—	—	—	—	—	—	—	(651)	—		(651)
Federal income taxes (paid) recovered, net of tax on capital gains (losses)	(2,158)	(131)	(565)	(750)	(9,428)	7,184	(455)	(847,742)	—		(854,045)
Net cash provided by (used in) operations	11,693	4,812	(29,478)	(3,954)	228,992	312,972	54,041	2,707,160	1,404		3,287,642
Cash from investments											
Proceeds from investments sold, matured, or repaid											
Bonds	130,054	125	2,450	75	262,294	308,454	444,163	20,053,641	—		21,201,256
Stocks	—	—	—	—	—	12	—	281,086	—		281,098
Mortgage loans	—	—	—	—	—	—	—	53,586	—		53,586
Real estate	—	—	—	—	—	—	—	9,170	—		9,170
Other invested assets	—	—	—	—	—	794	—	242,726	—		243,520
Net gains or (losses) on cash and ST investments	4	—	—	—	17	6	2	(69)	—		(40)
Miscellaneous proceeds	—	—	—	—	1,152	1,140	—	1,802	—		4,094
Total investment proceeds	130,058	125	2,450	75	263,463	310,406	444,165	20,641,942	—		21,792,684
Cost of investments acquired (long-term only)											
Bonds	128,567	—	3,463	851	300,104	324,517	481,673	23,457,179	—		24,696,354
Stocks	—	—	—	—	—	3	—	640,549	—		640,552
Mortgage loans	—	—	—	—	—	—	—	90,050	—		90,050
Capital contribution to unconsolidated affiliates	—	—	—	—	—	—	—	13,934	(8,000)	(2)	5,934
Real estate	—	—	—	—	—	—	—	15,402	—		15,402
Other invested assets	—	—	—	—	—	6,452	756	324,954	—		332,162
Miscellaneous applications	283	—	—	—	—	—	1,578	648,900	—		650,761
Total investments acquired	128,850	—	3,463	851	300,104	330,972	484,007	25,190,968	(8,000)		26,431,215
Net cash provided by (used in) investments	1,208	125	(1,013)	(776)	(36,641)	(20,566)	(39,842)	(4,549,026)	8,000		(4,638,531)
Cash from financing and miscellaneous sources											
Capital and paid-in surplus	—	—	—	—	8,000	—	—	30,835	(8,000)	(2)	30,835
Dividends to stockholders	—	—	—	—	—	—	—	(33,190)	—		(33,190)
Other cash provided (applied)	(318)	(4,660)	30,776	4,915	(187,984)	(295,943)	(37,106)	454,631	(1,404)	(1)	(37,093)
Net cash provided by (used in) financing and miscellaneous sources	(318)	(4,660)	30,776	4,915	(179,984)	(295,943)	(37,106)	452,276	(9,404)		(39,448)
Reconciliation of cash, cash equivalents, and short-term investments											
Net change in cash, cash equiv, and ST investments	12,583	277	285	185	12,367	(3,537)	(22,907)	(1,389,590)	—		(1,390,337)
Cash, cash equivalents, and short-term investments											
Beginning of year	3,237	15,469	62,400	2,652	55,940	2,605	56,095	2,668,973	—		2,867,371
End of year	$ 15,820	$ 15,746	$ 62,685	$ 2,837	$ 68,307	$ (932)	$ 33,188	$ 1,279,383	$ —		$ 1,477,034

References:
(1) Net depreciation expense against change in assets.
(2) Elimination of contributions between consolidated affiliates.

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statement of Cash Flows

Year Ended December 31, 2025

(in thousands of dollars)

	HCA	HCT	HIC	HIL	HMW	HNY	HGA	HLTX	HFL	Eliminations	Ref No.	Homesite Consolidated
Cash from operations												
Premiums collected net of reinsurance	$ 6,538	$ 38,853	$ 7,119	$ 266	$ 132,890	$ 58,261	$ 9,456	$ (1,967)	$ (14,911)	$ —		$ 236,505
Net investment income	180	1,579	163	342	5,926	2,659	233	146	647	—		11,875
Miscellaneous income (expenses)	4	58	5	—	58	(5)	(12)	3	4	—		115
Benefit and loss related payments	15,123	(37,451)	5,916	236	44,796	(23,909)	—	(2,466)	3,484	—		5,729
Commissions, expenses paid, and aggregate write-ins for deductions	555	(7,956)	(54)	23	3,715	(13,449)	(1,055)	1,031	1,386	—		(15,804)
Dividends paid to policyholders	—	—	—	—	—	—	—	—	—	—		—
Federal income taxes (paid) recovered, net of tax on capital gains (losses)	(44)	(1,178)	(119)	(91)	(165)	(3,421)	(2,849)	(104)	(1,457)	—		(9,428)
Net cash provided by (used in) operations	22,356	(6,095)	13,030	776	187,220	20,136	5,773	(3,357)	(10,847)	—		228,992
Cash from investments												
Proceeds from investments sold, matured, or repaid												
Bonds	150	47,229	75	620	142,216	52,744	550	2,926	15,784	—		262,294
Stocks	—	—	—	—	—	—	—	—	—	—		—
Mortgage loans	—	—	—	—	—	—	—	—	—	—		—
Real estate	—	—	—	—	—	—	—	—	—	—		—
Other invested assets	—	—	—	—	—	—	—	—	—	—		—
Net gains or (losses) on cash and short-term investments	—	4	—	—	6	6	—	—	1	—		17
Miscellaneous proceeds	—	201	—	—	224	622	—	16	89	—		1,152
Total investment proceeds	150	47,434	75	620	142,446	53,372	550	2,942	15,874	—		263,463
Cost of investments acquired (long-term only)												
Bonds	—	48,808	—	4,640	155,435	69,736	—	2,696	18,789	—		300,104
Stocks	—	—	—	—	—	—	—	—	—	—		—
Mortgage loans	—	—	—	—	—	—	—	—	—	—		—
Capital contribution to unconsolidated affiliates	—	—	—	—	—	—	—	—	—	—		—
Real estate	—	—	—	—	—	—	—	—	—	—		—
Other invested assets	—	—	—	—	—	—	—	—	—	—		—
Miscellaneous applications	—	—	—	—	—	—	—	—	—	—		—
Total investments acquired	—	48,808	—	4,640	155,435	69,736	—	2,696	18,789	—		300,104
Net cash provided by (used in) investments	150	(1,374)	75	(4,020)	(12,989)	(16,364)	550	246	(2,915)	—		(36,641)
Cash from financing and miscellaneous sources												
Capital and paid-in surplus	—	—	—	—	—	8,000	—	—	—	—		8,000
Borrowed funds, net of repayments	—	—	—	—	—	—	—	—	—	—		—
Dividends to stockholders	—	—	—	—	—	—	—	—	—	—		—
Other cash provided (applied)	(22,163)	7,828	(12,852)	(431)	(181,053)	(2,966)	8,617	3,517	11,519	—		(187,984)
Net cash provided by (used in) financing and miscellaneous sources	(22,163)	7,828	(12,852)	(431)	(181,053)	5,034	8,617	3,517	11,519	—		(179,984)
Reconciliation of cash, cash equivalents, and short-term investments												
Net change in cash, cash equivalents, and short-term investments	343	359	253	(3,675)	(6,822)	8,806	14,940	406	(2,243)	—		12,367
Cash, cash equivalents, and short-term investments												
Beginning of year	96	740	82	4,220	10,441	33,707	3,255	105	3,294	—		55,940
End of year	$ 439	$ 1,099	$ 335	$ 545	$ 3,619	$ 42,513	$ 18,195	$ 511	$ 1,051	$ —		$ 68,307

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statement of Cash Flows

Year Ended December 31, 2025

(in thousands of dollars)

	NGM	ODIC	MSAIC	MSA PIC	MSAAC	Eliminations	NGM & Subsidiaries	GDM	SVM	AMIC	Eliminations	Ref No.	MSA Consolidated
Cash from operations													
Premiums collected net of reinsurance	$ 389,330	$ (2,233)	$ (18)	$ (8,664)	$ (1,123)	$ —	$ 377,292	$ (2,437)	$ (60)	$ (1,294)	$ —		$ 373,501
Net investment income	(2,293)	723	1,596	1,268	826	—	2,120	897	274	2,384	—		5,675
Miscellaneous income (expenses)	—	—	—	—	—	—	—	—	—	—	—		—
Benefit and loss related payments	(79,141)	1,823	1,713	1,341	937	—	(73,327)	1,549	677	(255)	—		(71,356)
Commissions, expenses paid, and aggregate write-ins	(5,221)	—	—	—	—	—	(5,221)	1,709	237	1,243	—		(2,032)
Dividends paid to policyholders	—	—	—	—	—	—	—	—	—	—	—		—
Federal income taxes (paid) recovered, net of tax on capital gains (losses)	8,163	(91)	(423)	(194)	(184)	—	7,271	—	(87)	—	—		7,184
Net cash provided by (used in) operations	310,838	222	2,868	(6,249)	456	—	308,135	1,718	1,041	2,078	—		312,972
Cash from investments													
Proceeds from investments sold, matured, or repaid													
Bonds	108,956	16,171	49,004	34,992	27,629	—	236,752	3,421	687	67,594	—		308,454
Stocks	12	—	—	—	—	—	12	—	—	—	—		12
Mortgage loans	—	—	—	—	—	—	—	—	—	—	—		—
Real estate	—	—	—	—	—	—	—	—	—	—	—		—
Other invested assets	794	—	—	—	—	—	794	—	—	—	—		794
Net gains or (losses) on cash and short-term investments	1	—	4	—	—	—	5	—	—	1	—		6
Miscellaneous proceeds	614	—	105	—	—	—	719	—	—	421	—		1,140
Total investment proceeds	110,377	16,171	49,113	34,992	27,629	—	238,282	3,421	687	68,016	—		310,406
Cost of investments acquired (long-term only)													
Bonds	144,979	18,217	49,593	21,801	18,322	—	252,912	1,752	898	68,955	—		324,517
Stocks	3	—	—	—	—	—	3	—	—	—	—		3
Mortgage loans	—	—	—	—	—	—	—	—	—	—	—		—
Capital contribution to unconsolidated affiliates	—	—	—	—	—	—	—	—	—	—	—		—
Real estate	—	—	—	—	—	—	—	—	—	—	—		—
Other invested assets	6,452	—	—	—	—	—	6,452	—	—	—	—		6,452
Miscellaneous applications	—	—	—	—	—	—	—	—	—	—	—		—
Total investments acquired	151,434	18,217	49,593	21,801	18,322	—	259,367	1,752	898	68,955	—		330,972
Net cash provided by (used in) investments	(41,057)	(2,046)	(480)	13,191	9,307	—	(21,085)	1,669	(211)	(939)	—		(20,566)
Cash from financing and miscellaneous sources													
Capital and paid-in surplus	—	—	—	—	—	—	—	—	—	—	—		—
Borrowed funds, net of repayments	—	—	—	—	—	—	—	—	—	—	—		—
Dividends to stockholders	—	—	—	—	—	—	—	—	—	—	—		—
Other cash provided (applied)	(269,747)	(572)	(1,936)	(7,118)	(13,169)	—	(292,542)	(2,624)	(793)	16	—		(295,943)
Net cash provided by (used in) financing and miscellaneous sources	(269,747)	(572)	(1,936)	(7,118)	(13,169)	—	(292,542)	(2,624)	(793)	16	—		(295,943)
Reconciliation of cash, cash equivalents, and short-term investments													
Net change in cash, cash equivalents, and short-term investments	34	(2,396)	452	(176)	(3,406)	—	(5,492)	763	37	1,155	—		(3,537)
Cash, cash equivalents, and short-term investments													
Beginning of year	(5,195)	2,451	426	239	3,491	—	1,412	215	31	947	—		2,605
End of year	$ (5,161)	$ 55	$ 878	$ 63	$ 85	$ —	$ (4,080)	$ 978	$ 68	$ 2,102	$ —		$ (932)

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries
Supplemental Schedule of Consolidation
Consolidated Property & Casualty Statement of Cash Flows
Year Ended December 31, 2025
(in thousands of dollars)

	AFCPCIC	AFCIC	Eliminations	Ref No.	AmFam-CONNECT Consolidated
Cash from operations					
Premiums collected net of reinsurance	$ (47,574)	$ —	$ —		$ (47,574)
Net investment income	23,401	485	—		23,886
Miscellaneous income (expenses)	25,003	5	—		25,008
Benefit and loss related payments	68,191	—	—		68,191
Commissions, expenses paid, and aggregate write-ins	(15,064)	49	—		(15,015)
Dividends paid to policyholders	—	—	—		—
Federal income taxes (paid) recovered, net of tax on capital gains (losses)	(368)	(87)	—		(455)
Net cash provided by (used in) operations	53,589	452	—		54,041
Cash from investments					
Proceeds from investments sold, matured, or repaid					
Bonds	442,833	1,330	—		444,163
Stocks	—	—	—		—
Mortgage loans	—	—	—		—
Real estate	—	—	—		—
Other invested assets	—	—	—		—
Net gains or (losses) on cash and short-term investments	2	—	—		2
Miscellaneous proceeds	—	—	—		—
Total investment proceeds	442,835	1,330	—		444,165
Cost of investments acquired (long-term only)					
Bonds	480,375	1,298	—		481,673
Stocks	—	—	—		—
Mortgage loans	—	—	—		—
Capital contribution to unconsolidated affiliates	—	—	—		—
Real estate	—	—	—		—
Other invested assets	756	—	—		756
Miscellaneous applications	1,578	—	—		1,578
Total investments acquired	482,709	1,298	—		484,007
Net cash provided by (used in) investments	(39,874)	32	—		(39,842)
Cash from financing and miscellaneous sources					
Capital and paid-in surplus	—	—	—		—
Borrowed funds, net of repayments	—	—	—		—
Dividends to stockholders	—	—	—		—
Other cash provided (applied)	(37,140)	34	—		(37,106)
Net cash provided by (used in) financing and miscellaneous sources	(37,140)	34	—		(37,106)
Reconciliation of cash, cash equivalents, and short-term investments					
Net change in cash, cash equivalents, and short-term investments	(23,425)	518	—		(22,907)
Cash, cash equivalents, and short-term investments					
Beginning of year	55,676	419	—		56,095
End of year	$ 32,251	$ 937	$ —		$ 33,188

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statement of Cash Flows

Year Ended December 31, 2024

(in thousands of dollars)

	ASIC	ASICO	AFIC	MIC	Homesite Consolidated	MSA Consolidated	AmFam-CONNECT Consolidated	AFMICSI	Eliminations	Ref. No	AFMICSI Consolidated
Cash from operations											
Premiums collected net of reinsurance	$ 3,888	$ (1,689)	$ (28,322)	$ 114,656	$ 173,744	$ 56,762	$ (106,036)	$ 18,194,452	$ —		$ 18,407,455
Net investment income	9,428	669	2,999	220	10,998	5,202	22,761	1,947,789	—		2,000,066
Miscellaneous income (expenses)	1,662	—	—	—	27	—	4,510	89,884	—		96,083
Benefit and loss related payments	2,744	5,940	40,162	(4,594)	(119,040)	8,351	20,604	(10,761,886)	—		(10,807,719)
Commissions, expenses paid, and aggregate write-ins for deductions	45	900	(11,921)	233	28,394	(3,749)	8,839	(5,522,330)	9,486	(2)	(5,490,103)
Dividends paid to policyholders	—	—	—	—	—	—	—	(1,147)	—		(1,147)
Federal income taxes (paid) recovered, net of tax on capital gains (losses)	(671)	(122)	(511)	(74)	(4,002)	21,286	2,968	(69,385)	—		(50,511)
Net cash provided by (used in) operations	17,096	5,698	2,407	110,441	90,121	87,852	(46,354)	3,877,377	9,486		4,154,124
Cash from investments											
Proceeds from investments sold, matured, or repaid											
Bonds	259,605	—	—	—	269,051	334,736	296,520	12,754,952	—		13,914,864
Stocks	—	—	—	—	—	63	—	484,859	—		484,922
Mortgage loans	—	—	—	—	—	—	—	28,122	—		28,122
Real estate	—	—	—	—	—	—	855	8,237	—		9,092
Other invested assets	—	—	—	—	—	421	—	221,409	—		221,830
Net gains or (losses) on cash and short-term investments	6	—	—	—	—	—	(1)	410	—		415
Miscellaneous proceeds	1,065	—	—	—	1,582	6,411	3,065	834,071	—		846,194
Total investment proceeds	260,676	—	—	—	270,633	341,631	300,439	14,332,060	—		15,505,439
Cost of investments acquired (long-term only)											
Bonds	271,246	541	2,456	1,647	293,789	353,603	308,475	15,558,127	—		16,789,884
Stocks	—	—	—	—	—	4	—	364,041	—		364,045
Mortgage loans	—	—	—	—	—	—	—	100,161	—		100,161
Capital contribution to unconsolidated affiliates	—	—	—	—	—	—	—	35,283	(17,000)	(1)	18,283
Real estate	—	—	—	—	—	—	—	8,134	—		8,134
Other invested assets	—	—	—	—	—	60	—	298,255	—		298,315
Miscellaneous applications	—	—	—	—	—	—	—	1,972	—		1,972
Total investments acquired	271,246	541	2,456	1,647	293,789	353,667	308,475	16,365,973	(17,000)		17,580,794
Net cash provided by (used in) investments	(10,570)	(541)	(2,456)	(1,647)	(23,156)	(12,036)	(8,036)	(2,033,913)	17,000		(2,075,355)
Cash from financing and miscellaneous sources											
Capital and paid-in surplus	—	—	—	—	17,000	—	—	4,500	(17,000)	(1)	4,500
Dividends to stockholders	—	—	—	—	—	—	—	(35,462)			(35,462)
Other cash provided (applied)	(6,733)	(2,769)	5,689	(110,580)	(72,088)	(79,890)	84,652	(19,715)	(9,486)	(2)	(210,920)
Net cash provided by (used in) financing and miscellaneous sources	(6,733)	(2,769)	5,689	(110,580)	(55,088)	(79,890)	84,652	(50,677)	(26,486)		(241,882)
Reconciliation of cash, cash equivalents, and short-term investments											
Reporting entity not included in the consolidation in current year - Note 1a	—	—	—	—	—	—	—	—	(22,996)	(3)	(22,996)
Net change in cash, cash equivalents, and short-term investments	(207)	2,388	5,640	(1,786)	11,877	(4,074)	30,262	1,792,787	(22,996)		1,813,891
Cash, cash equivalents, and short-term investments											
Beginning of year	3,444	13,081	56,760	4,438	44,063	6,679	25,833	876,186	22,996	(3)	1,053,480
End of year	$ 3,237	$ 15,469	$ 62,400	$ 2,652	$ 55,940	$ 2,605	$ 56,095	$ 2,668,973	$ —		$ 2,867,371

Reference

(1) Net depreciation expense against change in assets; (2) Elimination of contributions between consolidated affiliates; (3) Reestablish and remove ending cash from reporting entity not included in consolidation in current year - Note 1a

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statement of Cash Flows

Year Ended December 31, 2024

(in thousands of dollars)

	HCA	HCT	HIC	HIL	HMW	HNY	HGA	HLTX	HFL	Eliminations	Ref No.	Homesite Consolidated
Cash from operations												
Premiums collected net of reinsurance	$ (764)	$ 112,060	$ 7,658	$ 559	$ 12,084	$ 49,883	$ (2,751)	$ 2,856	$ (7,841)	$ —		$ 173,744
Net investment income	171	1,856	156	72	5,740	1,970	257	154	622	—		10,998
Miscellaneous income (expenses)	(94)	—	—	—	(15)	136	—	—	—	—		27
Benefit and loss related payments	175	(4,013)	(10,089)	(427)	(88,678)	(17,977)	7	1,011	951	—		(119,040)
Commissions, expenses paid, and aggregate write-ins for deductions	(776)	22,637	2,632	105	9,229	(10,871)	1,724	953	2,761	—		28,394
Dividends paid to policyholders	—	—	—	—	—	—	—	—	—	—		—
Federal income taxes (paid) recovered, net of tax on capital gains (losses)	(62)	(583)	(61)	(24)	(852)	(2,160)	(58)	(114)	(88)	—		(4,002)
Net cash provided by (used in) operations	(1,350)	131,957	296	285	(62,492)	20,981	(821)	4,860	(3,595)	—		90,121
Cash from investments												
Proceeds from investments sold, matured, or repaid												
Bonds	4,115	65,335	115	115	96,471	68,942	11,204	3,915	18,839	—		269,051
Stocks	—	—	—	—	—	—	—	—	—	—		—
Mortgage loans	—	—	—	—	—	—	—	—	—	—		—
Real estate	—	—	—	—	—	—	—	—	—	—		—
Other invested assets	—	—	—	—	—	—	—	—	—	—		—
Net gains or (losses) on cash and short-term investments	—	—	—	—	—	—	—	—	—	—		—
Miscellaneous proceeds	—	427	—	—	621	289	—	30	215	—		1,582
Total investment proceeds	4,115	65,762	115	115	97,092	69,231	11,204	3,945	19,054	—		270,633
Cost of investments acquired (long-term only)												
Bonds	4,310	67,243	476	3,619	98,998	84,249	11,403	4,026	19,465	—		293,789
Stocks	—	—	—	—	—	—	—	—	—	—		—
Mortgage loans	—	—	—	—	—	—	—	—	—	—		—
Capital contribution to unconsolidated affiliates	—	—	—	—	—	—	—	—	—	—		—
Real estate	—	—	—	—	—	—	—	—	—	—		—
Other invested assets	—	—	—	—	—	—	—	—	—	—		—
Miscellaneous applications	—	—	—	—	—	—	—	—	—	—		—
Total investments acquired	4,310	67,243	476	3,619	98,998	84,249	11,403	4,026	19,465	—		293,789
Net cash provided by (used in) investments	(195)	(1,481)	(361)	(3,504)	(1,906)	(15,018)	(199)	(81)	(411)	—		(23,156)
Cash from financing and miscellaneous sources												
Capital and paid-in surplus	—	—	—	4,000	—	10,000	—	—	3,000	—		17,000
Borrowed funds, net of repayments	—	—	—	—	—	—	—	—	—	—		—
Dividends to stockholders	—	—	—	—	—	—	—	—	—	—		—
Other cash provided (applied)	1,635	(129,848)	64	3,412	68,372	(7,969)	(7,287)	(4,700)	4,233	—		(72,088)
Net cash provided by (used in) financing and miscellaneous sources	1,635	(129,848)	64	7,412	68,372	2,031	(7,287)	(4,700)	7,233	—		(55,088)
Reconciliation of cash, cash equivalents, and short-term investments												
Net change in cash, cash equivalents, and short-term investments	90	628	(1)	4,193	3,974	7,994	(8,307)	79	3,227	—		11,877
Cash, cash equivalents, and short-term investments												
Beginning of year	6	112	83	27	6,467	25,713	11,562	26	67	—		44,063
End of year	$ 96	$ 740	$ 82	$ 4,220	$ 10,441	$ 33,707	$ 3,255	$ 105	$ 3,294	$ —		$ 55,940

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Schedule of Consolidation

Consolidated Property & Casualty Statement of Cash Flows

Year Ended December 31, 2024

(in thousands of dollars)

	NGM	ODIC	MSAIC	MSA PIC	MSAAC	Eliminations	NGM & Subsidiaries	GDM	SVM	AMIC	Eliminations	Ref No.	MSA Consolidated
Cash from operations													
Premiums collected net of reinsurance	$ 83,699	$ (1,401)	$ (451)	$ (12,396)	$ (10,672)	$ —	$ 58,779	$ (1,059)	$ (108)	$ (850)	$ —		$ 56,762
Net investment income	(2,704)	605	1,811	1,225	1,076	—	2,013	720	220	2,249	—		5,202
Miscellaneous income (expenses)	—	—	—	—	—	—	—	—	—	—	—		—
Benefit and loss related payments	(4,234)	4,806	(1,673)	3,464	3,717	—	6,080	(122)	(331)	2,724	—		8,351
Commissions, expenses paid, and aggregate write-ins for deductions	(7,246)	—	—	—	—	—	(7,246)	1,998	195	1,304	—		(3,749)
Dividends paid to policyholders	—	—	—	—	—	—	—	—	—	—	—		—
Federal income taxes (paid) recovered, net of tax on capital gains (losses)	21,591	(81)	46	(109)	(111)	—	21,336	—	(50)	—	—		21,286
Net cash provided by (used in) operations	91,106	3,929	(267)	(7,816)	(5,990)	—	80,962	1,537	(74)	5,427	—		87,852
Cash from investments													
Proceeds from investments sold, matured, or repaid													
Bonds	153,326	6,791	68,317	9,014	3,024	—	240,472	5,856	1,160	87,248	—		334,736
Stocks	6	—	—	—	—	—	6	—	—	57	—		63
Mortgage loans	—	—	—	—	—	—	—	—	—	—	—		—
Real estate	—	—	—	—	—	—	—	—	—	—	—		—
Other invested assets	421	—	—	—	—	—	421	—	—	—	—		421
Net gains or (losses) on cash and short-term investments	—	—	—	—	—	—	—	—	—	—	—		—
Miscellaneous proceeds	1,589	—	628	—	3,300	—	5,517	—	—	894	—		6,411
Total investment proceeds	155,342	6,791	68,945	9,014	6,324	—	246,416	5,856	1,160	88,199	—		341,631
Cost of investments acquired (long-term only)													
Bonds	144,009	4,073	71,669	10,221	12,014	—	241,986	12,607	2,230	96,780	—		353,603
Stocks	2	—	—	—	—	—	2	—	—	2	—		4
Mortgage loans	—	—	—	—	—	—	—	—	—	—	—		—
Capital contribution to unconsolidated affiliates	—	—	—	—	—	—	—	—	—	—	—		—
Real estate	—	—	—	—	—	—	—	—	—	—	—		—
Other invested assets	60	—	—	—	—	—	60	—	—	—	—		60
Miscellaneous applications	—	—	—	—	—	—	—	—	—	—	—		—
Total investments acquired	144,071	4,073	71,669	10,221	12,014	—	242,048	12,607	2,230	96,782	—		353,667
Net cash provided by (used in) investments	11,271	2,718	(2,724)	(1,207)	(5,690)	—	4,368	(6,751)	(1,070)	(8,583)	—		(12,036)
Cash from financing and miscellaneous sources													
Capital and paid-in surplus	—	—	—	—	—	—	—	—	—	—	—		—
Borrowed funds	—	—	—	—	—	—	—	—	—	—	—		—
Dividends to stockholders	—	—	—	—	—	—	—	—	—	—	—		—
Other cash provided (applied)	(104,488)	(6,187)	3,328	7,325	13,172	—	(86,850)	2,678	516	3,766	—		(79,890)
Net cash provided by (used in) financing and miscellaneous sources	(104,488)	(6,187)	3,328	7,325	13,172	—	(86,850)	2,678	516	3,766	—		(79,890)
Reconciliation of cash, cash equivalents, and short-term investments													
Net change in cash, cash equivalents, and short-term investments	(2,111)	460	337	(1,698)	1,492	—	(1,520)	(2,536)	(628)	610	—		(4,074)
Cash, cash equivalents, and short-term investments													
Beginning of year	(3,084)	1,991	89	1,937	1,999	—	2,932	2,751	659	337	—		6,679
End of year	$ (5,195)	$ 2,451	$ 426	$ 239	$ 3,491	$ —	$ 1,412	$ 215	$ 31	$ 947	$ —		$ 2,605

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries
Supplemental Schedule of Consolidation
Consolidated Property & Casualty Statement of Cash Flows
Year Ended December 31, 2024
(in thousands of dollars)

	AFCPCIC	AFCIC	Eliminations	Ref No.	AmFam-CONNECT Consolidated
Cash from operations					
Premiums collected net of reinsurance	$ (106,036)	$ —	$ —		$ (106,036)
Net investment income	22,279	482	—		22,761
Miscellaneous income (expenses)	4,502	8	—		4,510
Benefit and loss related payments	20,604	—	—		20,604
Commissions, expenses paid, and aggregate write-ins	8,833	6	—		8,839
Dividends paid to policyholders	—	—	—		—
Federal income taxes (paid) recovered, net of tax on capital gains (losses)	3,178	(210)	—		2,968
Net cash provided by (used in) operations	(46,640)	286	—		(46,354)
Cash from investments					
Proceeds from investments sold, matured, or repaid					
Bonds	296,220	300	—		296,520
Stocks	—	—	—		—
Mortgage loans	—	—	—		—
Real estate	855	—	—		855
Other invested assets	—	—	—		—
Net gains or (losses) on cash and short-term investments	(1)	—	—		(1)
Miscellaneous proceeds	3,065	—	—		3,065
Total investment proceeds	300,139	300	—		300,439
Cost of investments acquired (long-term only)					
Bonds	307,973	502	—		308,475
Stocks	—	—	—		—
Mortgage loans	—	—	—		—
Capital contribution to unconsolidated affiliates	—	—	—		—
Real estate	—	—	—		—
Other invested assets	—	—	—		—
Miscellaneous applications	—	—	—		—
Total investments acquired	307,973	502	—		308,475
Net cash provided by (used in) investments	(7,834)	(202)	—		(8,036)
Cash from financing and miscellaneous sources					
Capital and paid-in surplus	—	—	—		—
Borrowed funds, net of repayments	—	—	—		—
Dividends to stockholders	—	—	—		—
Other cash provided (applied)	84,997	(345)	—		84,652
Net cash provided by (used in) financing and miscellaneous sources	84,997	(345)	—		84,652
Reconciliation of cash, cash equivalents, and short-term investments					
Net change in cash, cash equivalents, and short-term investments	30,523	(261)	—		30,262
Cash, cash equivalents, and short-term investments					
Beginning of year	25,153	680	—		25,833
End of year	$ 55,676	$ 419	$ —		$ 56,095

SUPPLEMENTAL INFORMATION

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries
Supplemental Summary Investment Schedule
December 31, 2025 — Schedule I
(in thousands of dollars)

		Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
		1	2	3	4	5	6
		Amount	Percentage of Column 1 Line 14	Amount	Securities Lending Reinvested Collateral Amount	Total (Col. 3 + 4) Amount	Percentage of Column 5 Line 14
1	Issuer credit obligations						
1.01	U.S. government obligations	$ 2,846,768	8.92 %	$ 2,846,768	$ —	$ 2,846,768	8.92 %
1.02	Other U.S. government obligations	59,535	0.19	59,535	—	59,535	0.19
1.03	Non-U.S. sovereign jurisdiction securities	—	—	—	—	—	—
1.04	Municipal bonds - general obligations (direct & guaranteed)	1,158,137	3.63	1,158,137	—	1,158,137	3.63
1.05	Municipal bonds - special revenue	2,934,331	9.20	2,934,331	—	2,934,331	9.20
1.06	Project finance bonds issued by operating entities	—	—	—	—	—	—
1.07	Corporate bonds	5,779,786	18.12	5,779,786	—	5,779,786	18.12
1.08	Mandatory convertible bonds	—	—	—	—	—	—
1.09	Single entity backed obligations	46,109	0.14	46,109	—	46,109	0.14
1.10	SVO-Identified bond exchange traded funds - fair value	2,210,206	6.93	2,210,206	—	2,210,206	6.93
1.11	SVO-Identified bond exchange traded funds - systematic value	—	—	—	—	—	—
1.12	Bonds issued by funds representing operating entities	20,000	0.06	20,000	—	20,000	0.06
1.13	Bank loans - issued	—	—	—	—	—	—
1.14	Bank loans - acquired	40,915	0.13	40,915	—	40,915	0.13
1.15	Mortgage loans that qualify as SVO-Identified credit tenant loans	—	—	—	—	—	—
1.16	Certificates of deposit	—	—	—	—	—	—
1.17	Other issuer credit obligations	—	—	—	—	—	—
1.18	Total issuer credit obligations	15,095,787	47.32	15,095,787	—	15,095,787	47.33
2	Asset-backed securities						
2.01	Financial asset-backed securities - self-liquidating	8,427,857	26.42	8,427,857	—	8,427,857	26.42
2.02	Financial asset-backed securities - not self-liquidating	—	—	—	—	—	—
2.03	Non-financial asset-backed securities	579,563	1.82	579,563	—	579,563	1.82
2.04	Total asset-backed securities	9,007,420	28.23	9,007,420	—	9,007,420	28.24
3	Preferred stocks						
3.01	Industrial and miscellaneous (Unaffiliated)	78,523	0.25	78,523	—	78,523	0.25
3.02	Parent, subsidiaries, and affiliates	—	—	—	—	—	—
3.03	Total preferred stocks	78,523	0.25	78,523	—	78,523	0.25
4	Common stocks						
4.01	Industrial and miscellaneous Publicly traded (Unaffiliated)	1,635,277	5.13	1,635,277	—	1,635,277	5.13
4.02	Industrial and miscellaneous Other (Unaffiliated)	2,115	0.01	2,115	—	2,115	0.01
4.03	Parent, subsidiaries and affiliates Publicly traded	131,481	0.41	131,481	—	131,481	0.41
4.04	Parent, subsidiaries and affiliates Other	883,963	2.77	882,963	—	882,963	2.77
4.05	Mutual funds	46	—	46	—	46	—
4.06	Unit investment trusts	—	—	—	—	—	—
4.07	Closed-end funds	—	—	—	—	—	—
4.08	Exchange traded funds	182,081	0.57	182,081	—	182,081	0.57
4.09	Total common stocks	2,834,963	8.89	2,833,963	—	2,833,963	8.88

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Summary Investment Schedule

December 31, 2025 — Schedule I

(in thousands of dollars)

		Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
		1	2	3	4	5	6
		Amount	Percentage of Column 1 Line 14	Amount	Securities Lending Reinvested Collateral Amount	Total (Col. 3 + 4) Amount	Percentage of Column 5 Line 14
5	Mortgage loans						
5.01	Farm mortgages	—	—	—	—	—	—
5.02	Residential mortgages	—	—	—	—	—	—
5.03	Commercial mortgages	562,272	1.76	562,272	—	562,272	1.76
5.04	Mezzanine real estate loans	—	—	—	—	—	—
5.05	Total valuation allowance	—	—	—	—	—	—
5.06	Total mortgage loans	562,272	1.76	562,272	—	562,272	1.76
6	Real estate						
6.01	Properties occupied by company	123,019	0.39	123,019	—	123,019	0.39
6.02	Properties held for production of income	25	—	25	—	25	—
6.03	Properties held for sale	5,720	0.02	5,720	—	5,720	0.02
6.04	Total real estate	128,764	0.40	128,764	—	128,764	0.40
7	Cash, cash equivalents and short-term investments						
7.01	Cash	96,006	0.30	96,006	—	96,006	0.30
7.02	Cash equivalents	1,337,034	4.19	1,337,034	38,505	1,375,539	4.31
7.03	Short-term investments	43,994	0.14	43,994	—	43,994	0.14
7.04	Total cash, cash equivalents and short-term investments	1,477,034	4.63	1,477,034	38,505	1,515,539	4.75
8	Contract loans	—	—	—	—	—	—
9	Derivatives	3,925	0.01	—	—	—	—
10	Other invested assets	2,673,860	8.38	2,671,958	—	2,671,958	8.38
11	Receivables for securities	3,518	0.01	3,518	—	3,518	0.01
12	Securities lending	38,505	0.12	38,505	XXX	XXX	XXX
13	Aggregate write-ins for invested assets	290	—	290	—	290	—
14	Total invested assets	$31,904,861	100.00 %	$31,898,034	$ 38,505	$31,898,034	100.00 %

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries
Supplemental Investment Risk Interrogatories
December 31, 2025 — Schedule II
(in thousands of dollars)

1. Reporting entity's total admitted assets as reported on Page 2 of this annual statement. $ 35,578,291

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

	1 Issuer	2 Description of Exposure	3 Amount	4 Percentage of Total Admitted Assets
2.01	Federal National Mortgage Association	Bonds, CMO, MBS	$ 2,259,830	6.352 %
2.02	AmFam Inc.	Affiliate Stock	880,767	2.476
2.03	Federal Home Loan Mortgage Corporation	Bonds, ABS, CMO, MBS	694,772	1.953
2.04	Prime Notes Llc	Bonds	442,000	1.242
2.05	State of California	Municipal	388,437	1.092
2.06	JPMorgan Chase & Co.	Bonds, Equity	213,671	0.601
2.07	New York City Transitional Finance Authority	Municipal	211,605	0.595
2.08	AmFam VC Fund IV, GP LLC	Joint Venture	196,674	0.553
2.09	Bank of America Corporation	Bonds, Equity	183,030	0.514
2.10	Florida Hurricane Catastrophe Fund Finance Corporation	Municipal	179,643	0.505

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

	Bonds	1	2		Preferred Stocks	3	4
3.01	NAIC-1	$ 18,659,854	52.447 %	3.07	NAIC-1	$ —	— %
3.02	NAIC-2	4,485,734	12.608	3.08	NAIC-2	—	—
3.03	NAIC-3	133,489	0.375	3.09	NAIC-3	—	—
3.04	NAIC-4	1,830,302	5.144	3.10	NAIC-4	—	—
3.05	NAIC-5	18,301	0.051	3.11	NAIC-5	78,523	0.221
3.06	NAIC-6	2,002	0.006	3.12	NAIC-6	—	—

4. Assets held in foreign investments:

4.01	Are assets held in foreign investments less than 2.5% of the reporting entity’s total admitted assets? If response to 4.01 above is yes, responses are not required for interrogatories 5 -10.		Yes [ ] No [X]
4.02	Total admitted assets held in foreign investments	$ 2,449,131	6.884 %
4.03	Foreign currency-denominated investments	—	—
4.04	Insurance liabilities denominated in that same foreign currency	—	—

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

		1	2
5.01	Countries designated NAIC-1	$ 2,447,354	6.879 %
5.02	Countries designated NAIC-2	16	—
5.03	Countries designated NAIC-3 or below	1,761	0.005

(in thousands of dollars)

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

			1	2
	Countries designated NAIC-1:			
6.01	Country 1:	Cayman Islands	$ 1,073,123	3.016 %
6.02	Country 2:	United Kingdom	361,085	1.015
	Countries designated NAIC-2:			
6.03	Country 1:	Italy	16	—
6.04	Country 2:		—	—
	Countries designated NAIC-3 or below:			
6.05	Country 1:	Brazil	1,557	0.004
6.06	Country 2:	Monaco	85	—

	1	2
7. Aggregate unhedged foreign currency exposure	$ —	— %

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

		1	2
8.01	Countries designated NAIC-1	$ —	— %
8.02	Countries designated NAIC-2	—	—
8.03	Countries designated NAIC-3 or below	—	—

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

		1	2
	Countries designated NAIC-1:		
9.01	Country 1:	$ —	— %
9.02	Country 2:	—	—
	Countries designated NAIC-2:		
9.03	Country 1:	—	—
9.04	Country 2:	—	—
	Countries designated NAIC-3 or below:		
9.05	Country 1:	—	—
9.06	Country 2:	—	—

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

	1 Issuer	2 NAIC Designation	3 Amount	4 Percent
10.01	Partners Group, USA Inc	Joint Venture	$ 80,220	0.225 %
10.02	HSBC Holdings plc	1,2	79,736	0.224
10.03	UBS Group AG	1	79,307	0.223
10.04	Barclays PLC	2	78,824	0.222
10.05	SFP Funding (International) Designated Activity	1	61,107	0.172
10.06	BNP Paribas SA	1,2	52,625	0.148
10.07	Banco Santander, S.A.	1	35,100	0.099
10.08	Black Diamond Clo 2025-1 Ltd.	1	32,250	0.091
10.09	Fortress Credit Bsl Xviii Ltd.	1	31,750	0.089
10.10	720 East CLO 2023-I Ltd.	1	30,250	0.085

(in thousands of dollars)

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

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

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

		1	2
11.02	Total admitted assets held in Canadian investments	$ —	— %
11.03	Canadian-currency-denominated investments	—	—
11.04	Canadian-denominated insurance liabilities	—	—
11.05	Unhedged Canadian currency exposure	—	—

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

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

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

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

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

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

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

	1 Issuer	2	3
13.02	AmFam Inc.	$ 880,767	2.476 %
13.03	AmFam VC Fund IV, GP LLC	196,674	0.553
13.04	Bowhead Specialty Holdings Inc.	131,481	0.370
13.05	NVIDIA Corporation	119,243	0.335
13.06	AmFam VC Fund III, GP LLC	109,700	0.308
13.07	Apple Inc.	108,532	0.305
13.08	Microsoft Corporation	97,981	0.275
13.09	IFM Global Infrastructure US GP LLC	96,854	0.272
13.10	Alphabet Inc.	90,274	0.254
13.11	Partners Group, USA Inc	80,220	0.225

(in thousands of dollars)

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

	1	2	3
14.01	Are assets held in nonaffiliated, privately placed equities less than 2.5% of the reporting entity's total admitted assets?		Yes [X] No [ ]
	If response to 14.01 is yes, responses are not required for 14.02 through 14.05.		
14.02	Aggregate statement value of investments held in nonaffiliated, privately placed equities		— %
	Largest three investments held in nonaffiliated, privately placed equities:		
14.03			—
14.04			—
14.05			—

Ten largest fund managers:

	1 Fund Manager	2 Total Invested	3 Diversified	4 Nondiversified
14.06	DBX ETF Trust - Xtrackers USD High Yield BB-B ex Financials	$ 1,461,007	$ 1,461,007	$ —
14.07	Northern Institutional Funds - Treasury Portfolio	350,362	—	350,362
14.07	SPDR Series Trust - State Street SPDR Portfolio Intermediate	293,978	293,978	—
14.08	SPDR Series Trust - State Street SPDR Bloomberg High Yield	191,018	191,018	—
14.10	VanEck ETF Trust - VanEck High Yield Muni ETF	148,607	—	148,607
14.11	iShares Trust - iShares Russell 3000 ETF	105,161	—	105,161
14.12	Vanguard Scottsdale Funds - Vanguard Intermediate-Term	102,594	102,594	—
14.13	iShares Trust - iShares Russell Mid-Cap Growth ETF	76,920	76,920	—
14.14	iShares Trust - iShares iBoxx $ Investment Grade Corporate	13,002	13,002	—
14.15	State Street Master Funds - State Street U.S. Government Money Market Portfolio	3,418	—	3,418

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

	1	2	3
15.01	Are assets held in general partnership interests less than 2.5% of the reporting entity's total admitted assets?		Yes [X] No [ ]
	If response to 15.01 is yes, responses are not required for the remainder of Interrogatory 15.		
15.02	Aggregate statement value of investments held in general partnership interests	$ —	— %
	Largest three investments in general partnership interests:		
15.03		—	—
15.04		—	—
15.05		—	—

(in thousands of dollars)

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

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

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

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

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

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

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

		Residential		Commercial		Agricultural	
	Loan to Value	1	2	3	4	5	6
17.01	Above 95%	$ —	— %	$ —	— %	$ —	— %
17.02	91% to 95%	—	—	—	—	—	—
17.03	81% to 90%	—	—	—	—	—	—
17.04	71% to 80%	—	—	—	—	—	—
17.05	Below 70%	—	—	—	—	—	—

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

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

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

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

	Description 1	2	3
18.02		$ —	— %
18.03		—	—
18.04		—	—
18.05		—	—
18.06		—	—

(in thousands of dollars)

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

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

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

	1 Description	2 Amount	3 Percent
19.02	Aggregate statement value of investments held in mezzanine real estate loans	$ —	— %
	Largest three investments held in mezzanine real estate loans:		
19.03		—	—
19.04		—	—
19.05		—	—

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

		At Year End		At End of Each Quarter		
				1st Quarter	2nd Quarter	3rd Quarter
	Description	1	2	3	4	5
20.01	Securities lending agreements (do not include assets held as collateral for such transactions)	$ 1,794,169	5.043 %	$ 1,032,068	$ 1,306,208	$ 1,738,157
20.02	Repurchase agreements	—	—	—	—	—
20.03	Reverse repurchase agreements	—	—	—	—	—
20.04	Dollar repurchase agreements	—	—	—	—	—
20.05	Dollar reverse repurchase agreements	—	—	—	—	—

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

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

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

		At Year End		At End of Each Quarter		
				1st Quarter	2nd Quarter	3rd Quarter
		1	2	3	4	5
22.01	Hedging	$ —	— %	$ —	$ —	$ —
22.02	Income generation	—	—	—	—	—
22.03	Replications	—	—	—	—	—
22.04	Other	—	—	11	—	—

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

		At Year End		At End of Each Quarter		
				1st Quarter	2nd Quarter	3rd Quarter
		1	2	3	4	5
23.01	Hedging	$ 730	0.002 %	$ 27,222	$ 2,706	$ 613
23.02	Income generation	—	—	—	—	—
23.03	Replications	—	—	—	—	—
23.04	Other	—	—	—	—	—

1	Disclose any risks reinsured under a quota share reinsurance contract, entered into, renewed, or amended on or after January 1, 1994, with any other entity 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)? If yes, indicate the number of reinsurance contracts containing such provisions and if the amount of reinsurance credit taken reflects the reduction in quota share coverage caused by any applicable limiting provision(s).	Yes
	Applicable for one quota share program. This treaty has a loss cap and limitation on development on already reported losses from 2023 and prior policies. Because of the loss limitation, this treaty was determined to fail risk transfer and therefore is accounted for under deposit accounting.	
2	Disclose if the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), entered into, renewed or amended on or after January 1, 1994, 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 that would have similar results:	No
	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. An unconditional or unilateral right by either party to commute the reinsurance contract, 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 schedules, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity.	
3	Disclose if 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), entered into, renewed or amended on or after January 1, 1994, 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:	Yes
	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.	
	Quota share with Bowhead Insurance Company, Inc. cedes effectively 100% of what is reported as direct or assumed written premium on that entity as of September 30, 2025, the most recently available financial statement date.	
4	If affirmative disclosure is required for items 2 or 3 above, provide the following information for each reinsurance contracts entered into, renewed or amended on or after January 1, 1994:	Yes
	a. A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting items 2 or 3;	
	b. A brief discussion of management's principal objectives in entering into the reinsurance contract including the economic purposes to be achieved; and	
	c. The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income.	
	Refer to the Supplemental Reinsurance Summary Filing for Reinsurance Interrogatory 4 on the following page for details.	
5	Except for transactions meeting the requirements of paragraph 32 of SSAP No. 62R - Property and Casualty Reinsurance, disclose if the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates), entered into, renewed or amended on or after January 1, 1994, during the period covered by the financial statement, and either:	No
	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?	
6	If affirmative disclosure is required for item 5 above, explain why the contract(s) is (are) treated differently for GAAP and SAP.	N/A

American Family Mutual Insurance Company, S.I. and Consolidated Property & Casualty Subsidiaries

Supplemental Reinsurance Summary Filing for Reinsurance Interrogatory 4

December 31, 2025 **Schedule IV**

(in thousands of dollars)

4(A) Financial Impact			
	1	2	3
	As Reported	Reinsurance Effect	Restated Without Reinsurance
A01. Assets	$ 35,578,291	$ (1,709,480)	$ 37,287,771
A02. Liabilities	22,440,558	(1,694,701)	24,135,259
A03. Surplus as regards to policyholders	13,137,733	(14,779)	13,152,512
A04. Income before taxes	3,822,177	(6,247)	3,828,424

4(B) Summary of Reinsurance Contract Terms	4(C) Management's Objectives
This is a 100% quota share agreement, effective November 2020, between AFMICSI and Bowhead Insurance Company, Inc. for policies produced by or through Bowhead Specialty Underwriters, Inc. Agency or its appointed sub-agents or designated representatives.	This agreement was entered into for investment-purposes, with expectation of retention of fronting fees paid to the Company, along with a share of underwriting results through the Company's investment in the holding company owning Bowhead Insurance Company, Inc.