

CONVERSION

of

**ASHLAND COUNTY TOWN INSURANCE COMPANY,
a Chapter 612 mutual insurance company,**

**DARLINGTON MUTUAL INSURANCE COMPANY,
a Chapter 612 mutual insurance company,**

**LIBERTY MUTUAL FIRE INSURANCE COMPANY,
a Chapter 612 mutual insurance company,**

**PRICE COUNTY TOWN MUTUAL INSURANCE COMPANY,
a Chapter 612 mutual insurance company,**

**RIVER FALLS MUTUAL INSURANCE COMPANY,
a Chapter 612 mutual insurance company,**

and

**STOCKHOLM TOWN MUTUAL INSURANCE COMPANY,
a Chapter 612 mutual insurance company,**

with and into

**RIVER VALLEY MUTUAL INSURANCE COMPANY,
a Chapter 612 mutual insurance company,**

which shall convert into

**RIVER VALLEY MUTUAL INSURANCE COMPANY,
a Chapter 611 mutual insurance company**

MOST RECENT YEAR-END ANNUAL STATEMENT - DARLINGTON MUTUAL

Filed with the Wisconsin Office of the Commissioner of Insurance

November 2, 2023

ANNUAL STATEMENT
OF THE

DARLINGTON MUTUAL INSURANCE COMPANY

For the Year Ended December 31, 2022

**TOWN MUTUAL INSURANCE COMPANY ANNUAL STATEMENT
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CliftonLarsonAllen LLP
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ACCOUNTANTS' COMPILATION REPORT

Board of Directors
Darlington Mutual Insurance Company
Darlington, Wisconsin

Management is responsible for the accompanying financial statements of Darlington Mutual Insurance Company, which comprise the statements of admitted assets, liabilities and policyholders' surplus as of December 31, 2022 and 2021, and the related statements of operations, policyholders' surplus, and cash flow for the years then ended, included in the accompanying prescribed form. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The financial statements included in the accompanying prescribed form are intended to comply with the accounting practices and procedures of the National Association of Insurance Commissioners, as prescribed or permitted by the Wisconsin Office of the Commissioner of Insurance, and are not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

The report is intended solely for the information and use of management, those charged with governance, others within the entity, and the Wisconsin Office of the Commissioner of Insurance and is not intended to be and should not be used by anyone other than these specified parties.

The supplementary information included in the accompanying prescribed form is presented for purposes of additional analysis. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Middleton, Wisconsin
February 2, 2023

This Statement Must be Filed
On Or Before February 15, 2023
 Section 601.42, Wis. Stat.
Late Filing Subject To Forfeiture
 Section 601.64(3), Wis. Stat.

State of Wisconsin
 Office of the Commissioner of Insurance
 PO Box 7873
 Madison, WI 53707-7873
ocifinancial@wisconsin.gov

TOWN MUTUAL ANNUAL STATEMENT

For the year ended December 31, 2022 of the condition and affairs of the

| | | | |
|---|-------|---------------------------------|-------------------|
| Name of Insurance Company | | | |
| Darlington Mutual Insurance Company | | | |
| Home Office Street Address | | | |
| 116 E. Louisa Street | | | |
| City | State | Zip Code | Telephone Number |
| Darlington | WI | 53530 | (608) 776-2319 |
| PO Box | City | State | Zip Code |
| 165 | | | |
| E-mail Address (if applicable) | | | NAIC Company Code |
| kerryb@darlingtonmutual.com | | | 11769 |
| Date Organized or Incorporated (MM/DD/YYYY) | | Commenced Business (MM/DD/YYYY) | |
| 05/18/1875 | | 05/18/1875 | |
| Office Manager Name | | Annual Salary | |
| Kerry Black | | 60,000 | |
| Annual Meeting Date | | | |
| 3/1/2023 | | | |

Officers

| Name | Address (Street/Route, City, State, Zip) | Telephone Number | Annual Salary |
|------------------------------|--|------------------|---------------|
| Donald Tuescher President | 17401 Hwy. 81, Darlington, WI 53530 | (608) 776-4928 | 5,000 |
| Herb Stone Vice-President | 14270 Ft. Definance Rd., Mineral Point, WI 53565 | (608) 482-0018 | 1,200 |
| Steve Fleming Secretary | 12241 Mt. Pleasant Rd., Darlington, WI 53530 | (608) 482-0420 | |
| Steve Fleming Treasurer | 12241 Mt. Pleasant Rd., Darlington, WI 53530 | (608) 482-0420 | |

Directors

| Name | Address (Street/Route, City, State, Zip) | Expiry |
|------------------|--|--------|
| Donald Tuescher | 17401 Hwy. 81, Darlington, WI 53530 | 2024 |
| Steven P. Malone | P.O. Box 44, Benton, WI 53803 | 2025 |
| Steve Fleming | 12241 Mt. Pleasant Rd., Darlington, WI 53530 | 2024 |
| Herb Stone | 14270 Ft. Definance Rd., Mineral Point, WI 53565 | 2025 |
| @Bruce Berget | 7274 State Rd. 78, Gratiot, WI 53541 | 2023 |
| @Robert Stoflet | 515 E. River St., Darlington, WI 53530 | 2023 |
| Tom Evenstad | 14020 Cty. Z, Darlington, WI 53530 | 2024 |
| Larry Teasdale | 6660 Cty. Hwy. E, Shullsburg, WI 53586 | 2025 |
| William McDaniel | 1211 Hillside Lane, Darlington WI 53530 | 2023 |

| | |
|--|-------------|
| Insurance Company | Year |
| DARLINGTON MUTUAL INSURANCE COMPANY | 2022 |

STATEMENT OF ADMITTED ASSETS

| Line | (1) As of 12/31/2022 | (2) As of 12/31/2021 |
|---|----------------------------|----------------------------|
| 1. Cash in Company's Office - P7 C3 L1 | 100 | 100 |
| 2. Cash Deposited in Checking Account - P7 C3 L2 | 72,869 | 147,832 |
| 3. Cash Deposited at Interest - P7 C3 L3 | 474,137 | 419,576 |
| 3.1 TOTAL CASH AND INVESTED CASH (L1 thru L3) | 547,106 | 567,508 |
| 4. Bonds - P7 C3 L4 | 681,634 | 461,977 |
| 5. Stock, Mutual Fund, and ETF Investments - P7 C3 L5 | 363,465 | 689,018 |
| 6. Mortgage Loans on Real Estate - P7 C3 L6 | | |
| 7. Real Estate - P7 C3 L7 | 6,957 | 7,912 |
| 8. Other Invested Assets - P7 C3 L8 | | |
| 8.1 TOTAL CASH AND INVESTMENTS (L3.1 thru L8) | 1,599,162 | 1,726,415 |
| 9. Premiums, Agents' Balances, and Installments: | | |
| a. In Course of Collection - P7 C3 L9a | 11,062 | 12,008 |
| b. Deferred and Not Yet Due - P7 C3 L9b | 186,056 | 167,819 |
| 10. Investment Income Accrued - P7 C3 L10 | 6,706 | 3,832 |
| 11. Assessments Receivable - P7 C3 L11 | | |
| 12. Reinsurance Recoverable on Paid Losses and LAE - P7 C3 L12 | | |
| 13. Electronic Data Processing Equipment - P7 C3 L13 | | |
| 14. Fire Dues Recoverable - P7 C3 L14 | 2,055 | |
| 15. Reinsurance Premium Recoverable - P7 C3 L15 | | |
| 16. Other Assets: (List) - P7 C3 L16 (a thru h) | | |
| a. Reinsurance Commission Receivable | 22,246 | 27,790 |
| b. | | |
| c. | | |
| d. | | |
| e. Federal Income Tax Recoverable | | |
| f. | | |
| g. | | |
| h. | | |
| 17. TOTAL ADMITTED ASSETS - P7 C3 L 19 (L8.1 thru L16) | 1,827,287 | 1,937,864 |
| | P3 C1 L15 | P3 C2 L15 |

STATEMENT OF LIABILITIES AND POLICYHOLDERS' SURPLUS

| Line | (1) As of 12/31/2022 | (2) As of 12/31/2021 |
|--|----------------------------|----------------------------|
| 1. Net Losses Unpaid - P25 C5 L18 | 125,000 | 190,000 |
| 2. Loss Adjustment Expenses Unpaid - P28 C2 L9 | 4,500 | 7,750 |
| 3. Commissions Payable | 39,900 | 41,900 |
| 4. Fire Department Dues Payable | | 1,827 |
| 5. Federal Income Taxes Payable | | |
| 6. Borrowed Money Unpaid | 100,000 | |
| 7. Interest Unpaid | | |
| 8. Unearned Premiums - P22 C3 L16 | 488,000 | 475,000 |
| 9. Reinsurance Payable | 127,884 | 35,109 |
| 10. Amounts Withheld for Account of Others | 3,465 | 3,322 |
| 11. Payroll Taxes Payable (Employer Portion Only) | | |
| 12. Other Liabilities: (List) | | |
| Expense Related: - Included in P28 C3+C4 L9 | | |
| a. Accounts Payable | 2,994 | 517 |
| b. Accrued Property Taxes | | |
| c. Return Commissions Due Reinsurers | | |
| d. | | |
| e. | | |
| Nonexpense Related: | | |
| f. Premiums Received in Advance | 97,558 | 90,902 |
| g. | | |
| h. | | |
| i. Policyholder Dividends | | |
| 13. TOTAL LIABILITIES (L1 thru L12i) | <u>989,301</u> | <u>846,327</u> |
| 14. Policyholders' Surplus - P5 C1 L7 | <u>837,986</u> | <u>1,091,537</u> |
| 15. TOTAL LIABILITIES AND POLICYHOLDERS' SURPLUS (L13+L14) | <u>1,827,287</u> | <u>1,937,864</u> |
| | P2 C1 L17 | P2 C2 L17 |

| | |
|--|-------------|
| Insurance Company | Year |
| DARLINGTON MUTUAL INSURANCE COMPANY | 2022 |

STATEMENT OF OPERATIONS

| Line | (1) As of 12/31/2022 | (2) As of 12/31/2021 |
|---|----------------------------|----------------------------|
| 1. Net Premiums and Assessments Earned - P22 C4 L16 | 774,068 | 791,949 |
| Deductions: | | |
| 2. Net Losses Incurred - P25 C7 L18 | 559,900 | 342,748 |
| 3. Net Loss Adjustment Expenses Incurred - P28 C2 L8 | 65,524 | 52,686 |
| 4. Net Other Underwriting Expenses Incurred - P28 C3 L8 | 438,041 | 419,252 |
| 5. NET LOSSES AND EXPENSES INCURRED (L2 thru L4) | <u>1,063,465</u> | <u>814,686</u> |
| 6. NET UNDERWRITING GAIN (LOSS) (L1 less L5) | (289,397) | (22,737) |
| 7. Net Investment Income: | | |
| a. Net Investment Income Earned - P24 C5 L9 | (185) | 21,472 |
| b. Net Realized Capital Gains (Losses) - P29 C5 L999 | (1,372) | 36,912 |
| c. NET INVESTMENT GAIN (LOSS) (L7a + L7b) | (1,557) | 58,384 |
| 8. Other Income (Expense): | | |
| a. Policy and Installment Fees | 134,934 | 126,754 |
| b. PPP Forgiveness | | 29,341 |
| c. | | |
| d. Gain (Loss) on Disposal of Fixed Assets | | |
| e. TOTAL OTHER INCOME (EXPENSE) (L8a thru L8d) | <u>134,934</u> | <u>156,095</u> |
| 9. NET INCOME (LOSS) BEFORE POLICYHOLDER DIVIDENDS AND BEFORE FEDERAL INCOME TAXES (L6+L7c+L8e) | (156,020) | 191,742 |
| 10. Policyholder Refunds or Dividends | | |
| 11. NET INCOME (LOSS) BEFORE FEDERAL INCOME TAXES (L9 less L10) | (156,020) | 191,742 |
| 12. Federal Income Taxes Incurred | 0 | |
| 13. NET INCOME (LOSS) (L11 less L12) | <u>(156,020)</u> | <u>191,742</u> |

| | | | |
|-------------------|--|------|-------------|
| Insurance Company | DARLINGTON MUTUAL INSURANCE COMPANY | Year | 2022 |
|-------------------|--|------|-------------|

STATEMENT OF CHANGES IN POLICYHOLDERS' SURPLUS

| Line | (1) As of 12/31/2022 | (2) As of 12/31/2021 |
|--|----------------------------|----------------------------|
| 1. Policyholders' Surplus, Beginning of Year | 1,091,537 | 902,297 |
| Gains and Losses in Surplus: | | |
| 2. Net Income (Loss) - P4 C1 L13 | (156,020) | 191,742 |
| 3. Net Unrealized Capital Gain (Loss) - P13 C7 L999 + P14.3 C6 L999 + P19 C7 L999 | (97,531) | (2,502) |
| 4. Change in Non-Admitted Assets - P8 C3 L7 | | |
| 5. Other Changes in Surplus: (List) | | |
| a. | | |
| b. | | |
| c. | | |
| d. | | |
| 6. NET CHANGE IN POLICYHOLDERS' SURPLUS (L2 thru L5d) | <u>(253,551)</u> | <u>189,240</u> |
| 7. POLICYHOLDERS' SURPLUS, END OF YEAR (L1+L6) - P3 C1 L14 | <u>837,986</u> | <u>1,091,537</u> |

| | |
|--|-------------|
| Insurance Company | Year |
| DARLINGTON MUTUAL INSURANCE COMPANY | 2022 |

STATEMENT OF CASH FLOW

| Line | (1) As of 12/31/2022 | (2) As of 12/31/2021 |
|---|----------------------------|----------------------------|
| 1. Net Premiums Collected - P21 C1 L16 | 862,552 | 800,680 |
| 2. Net Losses Paid - P25 C4 L19c | 624,900 | 318,748 |
| 3. Net Loss Adjustment Expenses Paid - P28 C2 L12 | 68,678 | 48,840 |
| 4. Other Underwriting Expenses Paid - P28 C3 L12 | 435,139 | 433,991 |
| 5. NET CASH FROM UNDERWRITING [L1 less (L2+L3+L4)] | (266,165) | (899) |
| 6. Net Investment Income: | | |
| a. Investment Income Received - P24 C1 L7 | 41,188 | 60,054 |
| b. Less Investment Expenses Paid - P28 C4 L12 | 38,253 | 36,663 |
| c. NET INVESTMENT RECEIPTS (L6a less L6b) | 2,935 | 23,391 |
| 7. Other Income (Expense) | 134,934 | 156,095 |
| 8. Policyholder Refunds (or Dividends) | | |
| 9. Federal Income Taxes Recovered (Paid) | 0 | |
| 10. NET CASH FROM OPERATIONS (L5+L6c+L7-L8+L9) | (128,296) | 178,587 |
| 11. Proceeds from Investments Disposed: | | |
| a. Bonds - P29 C4 L991 | 70,000 | 105,000 |
| b. Stocks, Mutual Funds, and ETFs - P29 C4 L992 thru L995 | 254,452 | 100,000 |
| c. Other - P29 C4 L996 thru L998 | | |
| d. TOTAL INVESTMENT PROCEEDS (L11a thru L11c) | 324,452 | 205,000 |
| 12. Other Cash Provided: | | |
| a. Amounts withheld for others | 143 | 224 |
| b. Premiums received in advance | 6,656 | 12,190 |
| c. Borrowed money unpaid | 100,000 | |
| d. | | |
| 13. TOTAL CASH PROVIDED (L10+L11d+12a thru L12d) | 302,955 | 396,001 |
| 14. Cost of Investments Acquired: | | |
| a. Bonds | 295,555 | |
| b. Stocks, Mutual Funds, and ETFs | 27,802 | 289,557 |
| c. Other | | |
| d. TOTAL INVESTMENTS ACQUIRED (L14a thru L14c) | 323,357 | 289,557 |
| 15. Other Cash Applied: | | |
| a. | | |
| b. | | |
| c. | | |
| d. | | |
| 16. TOTAL CASH APPLIED (L14d+L15a thru L15d) | 323,357 | 289,557 |
| 17. NET CHANGE IN CASH AND INVESTED CASH (L13 less L16) | (20,402) | 106,444 |
| 18. Reconciliation of Cash and Invested Cash: | | |
| a. Beginning of the Year - P2 C2 L3:1 | 567,508 | 461,064 |
| b. End of the Year - P2 C1 L3.1 | 547,106 | 567,508 |
| c. NET CHANGE IN CASH AND INVESTED CASH (L18a less L18b) | (20,402) | 106,444 |

| | | |
|-------------------|--|---------------------|
| Insurance Company | DARLINGTON MUTUAL INSURANCE COMPANY | Year 2022 |
|-------------------|--|---------------------|

**EXHIBIT I
ANALYSIS OF ASSETS**

| Line | (1) | (2) | (3) | (4) |
|--|------------------|------------------|----------------------------|---|
| | Total Assets | Non- Admitted | Net Admitted (1)-(2) | 2021 Assets Total Assets (P7 C1) |
| 1. Cash on Hand | 100 | | 100 | 100 |
| 2. Cash in Checking - P9 C6 L7 | 72,869 | | 72,869 | 147,832 |
| 3. Cash Deposited at Interest - P10 C6 L999 | 474,137 | | 474,137 | 419,576 |
| 4. Bonds - P11 C9 L999 | 681,634 | | 681,634 | 461,977 |
| 5. Stock, Mutual Fund, and ETF Investments - P14.2 C6 L999 | 363,465 | | 363,465 | 689,018 |
| 6. Mortgage Loans on Real Estate - P16 C4 L999 | | | | |
| 7. Real Estate - P18 C4 L999 | 6,957 | | 6,957 | 7,912 |
| 8. Other Invested Assets - P19 C6 L997 | | | | |
| 9. Premiums, Agents' Balances, and Installments | | | | |
| a. In Course of Collection | 11,062 | | 11,062 | 12,008 |
| b. Deferred and Not Yet Due | 186,056 | | 186,056 | 167,819 |
| 10. Investment Income Accrued - P24 C3 L7 | 6,706 | | 6,706 | 3,832 |
| 11. Assessments Receivable - P23 C7 L10 | | | | |
| 12. Reinsurance Recoverable on Paid Losses and LAE - P25 C3 L17 | | | | |
| 13. Electronic Data Processing Equipment | | | | |
| 14. Fire Dues Recoverable | 2,055 | | 2,055 | |
| 15. Reinsurance Premium Recoverable | | | | |
| 16. Other Expense Related: (List) | | | | |
| a. Reinsurance Commission Receivable | 22,246 | | 22,246 | 27,790 |
| b. | | | | |
| c. | | | | |
| d. | | | | |
| Other Non-Expense Related: (List) | | | | |
| e. Federal Income Tax Recoverable | | | | |
| f. | | | | |
| g. | | | | |
| h. | | | | |
| 17. Furniture and Fixtures | | | | |
| 18. Other Non-Expense Related Non-Admitted Assets: (List) | | | | |
| a. | | | | |
| b. | | | | |
| Other Expense Related Non-Admitted Assets: (List) | | | | |
| c. | | | | |
| d. | | | | |
| 19 TOTAL ASSETS (L1 thru L18d) | <u>1,827,287</u> | | <u>1,827,287</u> | <u>1,937,864</u> |

| | |
|---|---------------------|
| Insurance Company DARLINGTON MUTUAL INSURANCE COMPANY | Year 2022 |
|---|---------------------|

**EXHIBIT II
ANALYSIS OF NON-ADMITTED ASSETS**

| Line | (1) As of 12/31/2021 | (2) As of 12/31/2022 | (3) Surplus Change (1) - (2) |
|--|----------------------------|----------------------------|---------------------------------------|
| 1. Agents' Balances or Uncollected Premium | | | |
| 2. Assessments Receivable | | | |
| 3. Furniture and Fixtures | | | |
| 4. Electronic Data Processing Equipment | | | |
| 5. Invested Assets | | | |
| 6. Other Items: (List) | | | |
| a. | | | |
| b. | | | |
| c. | | | |
| d. | | | |
| 7. TOTAL NON-ADMITTED ASSETS (L1 thru L6d) | | | |

**SCHEDULE A
CASH DEPOSITED IN NON-INTEREST-BEARING CHECKING ACCOUNTS**

| Line | Name of Institution (1) | (2) Bank Balance 12/31/2022 | (3) Outstanding Checks | (4) Other Adjustments * | Add | Deduct | (6) Book Balance 12/31/2022 (2)-(3)+(4)-(5) |
|------|--|--------------------------------------|------------------------------|----------------------------|-----|--------|---|
| 1. | Benton State Bank | 345,701 | 281,584 | 2,719 | | | 66,836 |
| 2. | First National Bank of Darlington | 6,008 | | | | | 6,008 |
| 3. | Dupaco | 25 | | | | | 25 |
| 4. | | | | | | | |
| 5. | | | | | | | |
| 6. | | | | | | | |
| 7. | TOTAL CASH DEPOSITED (L1 thru L6) | | | | | | <u>72,869</u> <u>P7 C1 L2</u> |

* If deposited, give date(s) deposits were made.

| | | | | |
|---|------------|---|------------|---|
| Deposits listed in Schedules A and B exceeding insured limit in one financial institution | 12/31/2022 | 0 | 12/31/2021 | 0 |
|---|------------|---|------------|---|

SCHEDULE B

CASH DEPOSITED AT INTEREST

| (1) Line | (2a) Name of Institution | (2b) Type | (3a) CDARS | (3b) How Paid | (4) Rate | (5) Issue Date | (6) Maturity Date | (7) Book Value | (8) Received in 2022 | (9) Due & Accrd 12/31/2022 | (10) Due & Accrd 12/31/2021 | (11) Earned in 2022 (7)-(8)-(9) |
|-------------|-----------------------------------|--------------|---------------|------------------|-------------|-------------------|----------------------|-------------------|-------------------------|-------------------------------|--------------------------------|------------------------------------|
| | | | | | | | | | | | | |
| 1. | Benton State Bank | SV | | MTLY | 0.200% | Demand | Demand | 2,007 | 3 | | | 3 |
| 2. | BMO Harris Bank | CD | | MSJD-28 | 0.500% | 9/28/2020 | 3/28/2025 | 70,000 | 350 | 4 | 4 | 350 |
| 3. | Dupaco | CD | | JUN | 2.190% | 1/21/2020 | 10/17/2023 | 105,593 | 2,275 | 555 | 555 | 2,275 |
| 4. | First National Bank of Darlington | CD | | MTLY | 1.980% | 1/9/2020 | 1/8/2024 | 116,537 | 2,283 | | | 2,283 |
| 5. | Goldman Sachs Bank | CD | | MLTY | 2.900% | 5/28/2022 | 5/28/2024 | 50,000 | 850 | 28 | | 878 |
| 6. | JP Morgan Chase Bank | CD | | MA-1 | 0.750% | 9/28/2020 | 2/28/2028 | 100,000 | 750 | 257 | 257 | 750 |
| 7. | Wells Fargo Bank | CD | | MTLY | 3.550% | 12/14/2018 | 12/14/2023 | 30,000 | 1,065 | 53 | 53 | 1,065 |
| 8. | | | | | | | | | | | | |
| 9. | | | | | | | | | | | | |
| 10. | | | | | | | | | | | | |
| 11. | | | | | | | | | | | | |
| 12. | | | | | | | | | | | | |
| 13. | | | | | | | | | | | | |
| 14. | | | | | | | | | | | | |
| 15. | | | | | | | | | | | | |
| 16. | | | | | | | | | | | | |
| 17. | | | | | | | | | | | | |
| 18. | | | | | | | | | | | | |
| 19. | | | | | | | | | | | | |
| 20. | | | | | | | | | | | | |

998. INTEREST ON DEPOSITS MATURED OR DISPOSED OF DURING 2022

999. TOTAL CASH DEPOSITED AT INTEREST (L1 thru L998)

* Total Book Value of CDARS

| | | | | |
|----------|-----------|-----------|-----------|-----------|
| 474,137 | 7,576 | 897 | 869 | 7,604 |
| P7 C1 L3 | P24 C1 L1 | P24 C3 L1 | P24 C4 L1 | P24 C5 L1 |

**SCHEDULE C SECTION 1
BONDS**

| Line | (1) Name of Security | (2a) Bond Type | (2b) Inv. Type | (3) CUSIP # | (4) Maturity Date | (5) Book Value | (6) Par Value | (7) Market Value | (8) Actual Cost | (9) Statement Value | (10) Purchase Date | (11) Purchase | (12) Rating |
|------|-------------------------------------|-------------------|-------------------|----------------|----------------------|-------------------|------------------|---------------------|--------------------|------------------------|-----------------------|------------------|----------------|
| 1. | Allendale MI Public School District | | 1 | 018195QV2 | 05/01/30 | 30,132 | 30,000 | 23,831 | 30,167 | 30,132 | 11/09/20 | AA | AA |
| 2. | Clinton IA Go Cap LN NTS | | 1 | 187720YG6 | 06/01/30 | 25,642 | 25,000 | 22,403 | 25,917 | 25,642 | 07/15/20 | A2 | A2 |
| 3. | Corpus Christ TX | | 1 | 220121DL8 | 03/01/26 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 08/06/12 | A2 | A1 |
| 4. | Dane County Wisc | | 1 | 2360915J9 | 06/01/29 | 34,799 | 35,000 | 35,006 | 34,650 | 34,799 | 12/20/16 | AA1 | Aa1 |
| 5. | Federal Natl Mgt Assn | | 1 | 3135G05Y5 | 10/08/27 | 39,814 | 40,000 | 34,513 | 39,814 | 39,814 | 11/09/20 | Aaa | Aaa |
| 6. | Goldman Sachs | | 1 | 38141GWW2 | 04/23/28 | 26,913 | 25,000 | 22,876 | 27,698 | 26,913 | 02/07/20 | A3 | A2 |
| 7. | Iowa Fin Auth 4% | | 1 | 46246PMI0 | 07/01/26 | 29,966 | 30,000 | 30,145 | 29,910 | 29,966 | 11/08/13 | A1 | A1 |
| 8. | Iowa Fin Auth Health Care | | 1 | 46246PMR9 | 07/01/26 | 5,000 | 5,000 | 5,004 | 5,267 | 5,000 | 11/28/11 | A1 | A1 |
| 9. | Midland Tex Go Impt and Ref Bds | | 1 | 597749X88 | 03/01/32 | 55,730 | 50,000 | 52,248 | 56,688 | 55,730 | 02/08/22 | AA | AA |
| 10. | Minneapolis Minn Spl Sch Dist | | 1 | 603790LE4 | 02/01/32 | 56,216 | 50,000 | 52,321 | 57,279 | 56,216 | 02/08/22 | Aa1 | Aa1 |
| 11. | Muncie Ind San Dist | | 1 | 625847EW4 | 07/01/36 | 34,320 | 40,000 | 34,818 | 34,320 | 34,320 | 12/08/22 | A | A |
| 12. | Nebraska Invnt Fin Auth | | 1 | 63967HAA9 | 11/01/93 | - | 25,000 | - | 25,000 | - | Various | NR | NR |
| 13. | Northeast Wis Tech College | | 1 | 66440APH3 | 04/01/31 | 29,776 | 30,000 | 29,979 | 29,667 | 29,776 | 07/11/17 | AA1 | Aa1 |
| 14. | Oak Creek Wis Ref - Ser B | | 1 | 671137TX5 | 05/01/26 | 25,121 | 25,000 | 25,078 | 25,773 | 25,121 | 12/22/14 | AA2 | Aa2 |
| 15. | Ohio St Wtr Dev Auth Wtr Ln | | 1 | 67766WXW7 | 12/01/30 | 57,978 | 50,000 | 54,991 | 59,565 | 57,978 | 02/08/22 | Aaa | Aaa |
| 16. | Portland OR Swr Sys | | 1 | 736742ZY6 | 03/01/33 | 33,574 | 30,000 | 34,010 | 33,710 | 33,574 | 09/22/22 | Aa2 | Aa2 |
| 17. | Richland Wash Elec Util | | 1 | 76426PMR9 | 11/01/27 | 53,284 | 50,000 | 52,810 | 53,985 | 53,284 | 05/18/22 | A | A |
| 18. | Sioux Falls SD Tax | | 1 | 829594JR2 | 11/15/26 | 34,927 | 35,000 | 35,006 | 35,000 | 34,927 | 03/14/12 | AA2 | Aa2 |
| 19. | Washington St Univ Revs | | 1 | 9400938B6 | 10/01/26 | 38,442 | 35,000 | 36,999 | 41,197 | 38,442 | 04/06/20 | Aa3 | Aa3 |
| 20. | Wichita Kansas | | 1 | 9672444Q4 | 06/01/28 | 40,000 | 40,000 | 40,014 | 39,999 | 40,000 | 11/03/14 | AA1 | Aa2 |
| 21. | | | | | | | | | | | | | |
| 996. | TOTAL BONDS | | | | | 681,634 | 680,000 | 652,052 | 715,606 | 681,634 | | | |
| 997. | Total Type 1 Bonds | | | | | 681,634 | 680,000 | 652,052 | 715,606 | 681,634 | | | |
| 998. | Total Type 2 Bonds | | | | | | | | | | | | |
| 999. | TOTAL BONDS (L997+L998) | | | | | 681,634 | 680,000 | 652,052 | 715,606 | 681,634 | | | P7 C1 L4 |

| | | | |
|-------------------------------------|--|------|--|
| Insurance Company | | Year | |
| DARLINGTON MUTUAL INSURANCE COMPANY | | 2022 | |

| Line | (1) Name of Security | (2a) Interest Rate | (2b) Effective Rate | (3) How Paid | (5) Interest Due & Acrrd | | (6) Due & Acrrd 12/31/2021 | (7) Increase in 2022 | (8) Amortization Decrease in 2022 | (9) Interest Earned in 2022 (4)+(5)-(6)+(7)-(8) |
|------|--|-----------------------|------------------------|-----------------|-----------------------------|-------------------|-------------------------------|-------------------------|--------------------------------------|--|
| | | | | | (4) Received in 2022 | (5) 12/31/2022 | | | | |
| 1. | Allendale MI Public School District | 2.050% | 2.581% | MN-1 | 615 | 103 | 103 | | 17 | 598 |
| 2. | Clinton IA Go Cap LN | 2.000% | 2.232% | JD-1 | 500 | 42 | 42 | | 113 | 387 |
| 3. | Corpus Christ TX | 3.125% | 3.125% | MS-1 | 938 | 313 | 313 | | 7 | 931 |
| 4. | Dane County Wis | 3.125% | 3.125% | JD - 1 | 1,094 | 91 | 91 | 27 | | 1,121 |
| 5. | Federal Natl Mgt Assn | 0.750% | 0.869% | AO-8 | 300 | 69 | 69 | | | 300 |
| 6. | Goldman Sachs | 3.814% | 4.168% | AO-23 | 954 | 180 | 180 | | 277 | 677 |
| 7. | Iowa Fin Auth 4% | 4.000% | 3.981% | JJ-1 | 1,200 | 600 | 600 | 8 | | 1,208 |
| 8. | Iowa Fin Auth Health Care | 5.000% | 4.996% | JJ-1 | 250 | 125 | 125 | | | 250 |
| 9. | Midland Tex Go Impt and Ref Bds | 4.000% | 3.828% | MS-1 | 1,128 | 667 | 667 | | 958 | 837 |
| 10. | Minneapolis Minn Spl Sch Dist | 4.000% | 3.823% | FA-1 | 961 | 833 | 833 | | 1,063 | 731 |
| 11. | Muncie Ind San Dist | 3.000% | 3.447% | JJ-1 | (523) | 600 | 600 | | | 77 |
| 12. | Northeast Wis Tech College | 3.000% | 3.002% | AO-1 | 900 | 225 | 225 | 22 | | 922 |
| 13. | Oak Creek Wis Ref - Ser B | 3.000% | 2.991% | MN-1 | 750 | 125 | 125 | | 88 | 662 |
| 14. | Ohio St Wtr Dev Auth Wtr Ln | 5.000% | 4.546% | JD-1 | 2,035 | 208 | 208 | | 1,587 | 656 |
| 15. | Portland OR Swr Sys | 5.000% | 4.410% | MA-1 | (87) | 500 | 500 | | 136 | 277 |
| 16. | Richland Wash Elec Util | 5.000% | 4.734% | MN-1 | 1,132 | 417 | 417 | | 701 | 848 |
| 17. | Sioux Falls SD Tax | 3.000% | 2.999% | MN-15 | 1,050 | 134 | 134 | 17 | | 1,067 |
| 18. | Washington St Univ Revs Gen Rev | 5.000% | 4.730% | AO-1 | 1,750 | 438 | 438 | | 1,021 | 729 |
| 19. | Wichita Kansas | 3.000% | 2.999% | JD-1 | 1,200 | 100 | 100 | | | 1,200 |
| 20. | | | | | | | | | | |
| 998. | Interest on Bonds Matured or Disposed of During 2022 | | | | 1,675 | | 246 | | 4 | 1,425 |
| 999. | TOTAL BOND INVESTMENT INCOME (L1 thru L998) | | | | 17,822 | 5,770 | 2,791 | 74 | 5,972 | 14,903 |
| | | | | | P24 C1 L2 | P24 C3 L2 | P24 C4 L2 | P24 C2 L2 | P24 C2 L2 | P24 C5 L2 |

SCHEDULE C SECTION 3
 UNREALIZED CAPITAL GAINS (LOSSES) ON BONDS WITH LESS THAN "BBB-" RATINGS

| Line | Name of Security (1) | CUSIP # (2) | Book Value (3) | Amortized Cost (4) | Market Value (5) | Statement Value (6) | Unrealized Gains (Losses) (7) | # of Years on Sch C-3 (8) |
|------|---|----------------|-------------------|-----------------------|---------------------|------------------------|----------------------------------|---------------------------------|
| 1. | None | | | | | | | |
| 2. | | | | | | | | |
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| 16. | | | | | | | | |
| 17. | | | | | | | | |
| 997. | TOTAL UNREALIZED GAINS (LOSSES) | | | | | | | |
| 998. | Less 2021 Unrealized Capital Gain (Loss) | | | | | | | |
| 999. | NET UNREALIZED CAPITAL GAIN (LOSS) (L997 less L998) | | | | | | | |

P5 C1 L3

DARLINGTON MUTUAL INSURANCE COMPANY

**SCHEDULE D SECTION 1 PART 1
PREFERRED STOCKS**

| Line | (1) Security Name | (2) CUSIP # | (3) Shares | (4) Cost | (5) Market Value 12/31/2021 | (6) Market Value 12/31/2022 | (7) Unrealized Gains (Losses) (6)-(5) | (8) Rating 12/31/2022 | (9) Purchase Date | (10a) Inv. Type | (10b) Foreign | (10c) Cumulative Dividends |
|------|--|----------------|---------------|---------------|-----------------------------------|-----------------------------------|--|-----------------------------|-------------------------|-----------------------|------------------|----------------------------------|
| 1. | Wisconsin Reinsurance Corp | 97689#126 | 15.00 | 15,000 | 15,000 | 15,000 | 0 | Not rated | 1/1/1997 | 2 | No | Yes |
| 2. | | | | | | | | | | | | |
| 3. | | | | | | | | | | | | |
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| 14. | | | | | | | | | | | | |
| 15. | | | | | | | | | | | | |
| 16. | | | | | | | | | | | | |
| 17. | | | | | | | | | | | | |
| 996. | TOTAL PREFERRED STOCKS | | | 15,000 | 15,000 | 15,000 | 0 | | | | | |
| 997. | Preferred Stocks Meeting Type 1 Definition | | | | | | | | | | | |
| 998. | All Other Preferred Stocks | | | 15,000 | 15,000 | 15,000 | | | | | | |
| 999. | TOTAL PREFERRED STOCKS (L997+L998) | | | 15,000 | 15,000 | 15,000 | | | | | | |
| | | | | P14.2 C5 L997 | P14.2 C6 L997 | P14.2 C7 L997 | | | | | | |

**SCHEDULE D SECTION 1 PART 2
MUTUAL FUNDS & ETFs**

| (1) Line | (2) Ticker Symbol | (2) Name of Fund | (3) Fund Type | (4) Cost | (5) 12/31/2021 | (6) Market Value 12/31/2022 | (7) Unrealized Gains (Losses) (6)-(5) | (8) Date Acquired | (9) Inv. Type |
|-------------|--|---------------------------------------|---------------------|-------------|-------------------|-----------------------------------|--|-------------------------|---------------------|
| 1. | AEPFX | Europacific Growth Fund | MFS | 44,355 | 72,303 | 49,387 | (22,916) | VAR | 2 |
| 2. | FINFX | Fundamental Investors F | MFS | 33,994 | 56,044 | 44,924 | (11,120) | VAR | 2 |
| 3. | ODVYX | Invesco Developing Markets - Y | MFS | 17,995 | 27,925 | 20,808 | (7,117) | VAR | 2 |
| 4. | SEEGX | JP Morgan Large Cap Growth | MFS | 60,179 | 107,696 | 78,391 | (29,305) | VAR | 2 |
| 5. | LUBAX | Lord Abbett Ultra Short Bond | MFB | 36 | 34 | 35 | 1 | VAR | 2 |
| 6. | MEIIX | MSF Value Fund | MFS | 56,871 | 68,571 | 60,467 | (8,104) | VAR | 2 |
| 7. | TRMCX | T Rowe Price Mid Cap Value | MFS | 25,858 | 33,510 | 28,720 | (4,790) | VAR | 2 |
| 8. | RPMGX | T. Rowe Price Mid Cap Growth | MFS | 17,932 | 31,282 | 23,769 | (7,513) | VAR | 2 |
| 9. | OTCFX | T. Rowe Price Small Cap Stock | MFS | 11,289 | 21,478 | 15,950 | (5,528) | VAR | 2 |
| 10. | | US Government Money Market Fund - RBC | MM | 4,863 | 4,863 | 4,863 | 0 | VAR | 1 |
| 11. | | | | | | | | | |
| 12. | | | | | | | | | |
| 13. | | | | | | | | | |
| 14. | | | | | | | | | |
| 15. | | | | | | | | | |
| 16. | | | | | | | | | |
| 17. | | | | | | | | | |
| 995. | TOTAL MUTUAL FUNDS AND ETFs | | | 273,372 | 423,706 | 327,314 | (96,392) | | |
| | | | | | P14.2 C6 L998 | P14.2 C6 L998 | P14.2 C7 L998 | | |
| 996. | Money Market Mutual Funds | | | | | 4,863 | | | |
| 997. | Type 1 Bond Mutual Funds and ETFs | | | | | | | | |
| 998. | Type 2 Mutual Funds and ETFs | | | | | 322,451 | | | |
| 999. | TOTAL MUTUAL FUNDS AND ETFs (L996+L997+L998) | | | | | 327,314 | | | |

**SCHEDULE D SECTION 1 PART 3
COMMON STOCKS**

| Line | (1) Name of Security | (2) CUSIP # | (3) Shares | (4) Cost | (5) 12/31/2021 | (6) 12/31/2022 | (7) Unrealized Gains (Losses) (6)-(5) | (8) Date Acquired |
|--|----------------------------|----------------|---------------|-------------|-------------------|-------------------|--|-------------------------|
| 1. | NAMIC | 62989*105 | 30.00 | 1,500 | 10,433 | 11,432 | 999 | 1/1/1987 |
| 2. | Wisconsin Reinsurance Corp | 97689#1479 | 100.00 | 12,208 | 12,208 | 9,719 | (2,489) | 5/3/2022 |
| 3. | | | | | | | | |
| 4. | | | | | | | | |
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| 15. | | | | | | | | |
| 16. | | | | | | | | |
| 17. | | | | | | | | |
| 996. TOTAL COMMON STOCKS | | | | | <u>13,708</u> | <u>22,641</u> | <u>21,151</u> | <u>(1,490)</u> |
| 997. Total Preferred Stocks - P14 C6 L999 | | | | | 15,000 | 15,000 | | |
| 998. Total Mutual Funds and ETFs - P14.1 C6 L999 | | | | | 273,372 | 423,706 | 327,314 | (96,392) |
| 999. TOTAL STOCK, MUTUAL FUND, and ETF INVESTMENTS (L996+L997+L998) | | | | | <u>302,080</u> | <u>461,347</u> | <u>363,465</u> | <u>(97,882)</u> |
| | | | | | P7 C1 L5 | P14.3 C6 L998 | | |

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| Insurance Company | Year |
| DARLINGTON MUTUAL INSURANCE COMPANY | 2022 |

**SCHEDULE D SECTION 2
STOCKS, MUTUAL FUNDS, and ETFs DISPOSED OF DURING THE YEAR**

| Line | Name of Security or Fund (1) | CUSIP # or Ticker Symbol (2) | Shares (3) | Cost (4) | Market Value 12/31/2021 (5) | Unrealized Gains (Losses) (6)-(4) (6) |
|--|---------------------------------|------------------------------------|---------------|-------------|-----------------------------------|--|
| 1. | Lord Abbett Ultra Short Bond | LUBAX | 8,511.01 | 85,376 | 85,025 | (351) |
| 2. | | | | | | |
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| 15. | | | | | | |
| 16. | | | | | | |
| 17. | | | | | | |
| 997. TOTAL UNREALIZED GAINS (LOSSES) ON DISPOSITIONS | | | | 85,376 | 85,025 | (351) |
| 998. Current Year Unrealized Capital Gain (Loss) - P14.2 C7 L999 | | | | | | (97,882) |
| 999. NET UNREALIZED CAPITAL GAIN (LOSS) (L998 less L997) | | | | | | (97,531) |
| | | | | | | <u>P5 C1 L3</u> |

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| Insurance Company | Year |
| DARLINGTON MUTUAL INSURANCE COMPANY | 2022 |

**SCHEDULE D SECTION 3
STOCKS, MUTUAL FUNDS, and ETFs DIVIDEND INCOME**

| (1) Line | (2) Name of Security or Fund | (3) CUSIP # or Ticker Symbol | (4) Received in 2022 | (5) Dividends Receivable 12/31/2022 | (6) Receivable 12/31/2021 | (7) Earned in 2022 (3)+(4)-(5) |
|-------------|--|------------------------------------|----------------------------|--|---------------------------------|---|
| 1. | Europacific Growth Fund | AEPFX | 939 | | | 939 |
| 2. | Fundamental Investors F | FINFX | 2,570 | 172 | | 2,398 |
| 3. | Invesco Developing Markets - Y | ODVYX | 193 | | | 193 |
| 4. | JP Morgan Large Cap Growth | SEEGX | 2,605 | | | 2,605 |
| 5. | Lord Abbett Ultra Short Bond | LUBAX | 221 | | | 221 |
| 6. | MSF Value Fund | MEIIX | 4,311 | | | 4,311 |
| 7. | T Rowe Price Mid Cap Value | TRMCX | 3,519 | | | 3,519 |
| 8. | T. Rowe Price Mid Cap Growth | RPMGX | 603 | | | 603 |
| 9. | T. Rowe Price Small Cap Stock | OTCFX | 633 | | | 633 |
| 10. | US Government Money Market Fund - RBC | | 196 | 39 | | 235 |
| 11. | | | | | | |
| 12. | | | | | | |
| 13. | | | | | | |
| 14. | | | | | | |
| 15. | | | | | | |
| 16. | | | | | | |
| 17. | | | | | | |
| 998. | Dividends on Stocks, Mutual Funds, or ETFs Disposed of in 2022 | | | | | |
| 999. | TOTAL DIVIDEND INCOME (L1 thru L998) | | 15,790 | 39 | 172 | 15,657 |
| | | | <u>P24 C1 L3</u> | <u>P24 C3 L3</u> | <u>P24 C4 L3</u> | <u>P24 C5 L3</u> |

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| Insurance Company | Year |
| DARLINGTON MUTUAL INSURANCE COMPANY | 2022 |

**SCHEDULE E SECTION 1
MORTGAGE LOANS ON REAL ESTATE**

| | (1) Year Mortgage Given | (2) Due | (3) Original Amount of Loan | (4) Unpaid Balance 12/31/2022 |
|--|-------------------------------|------------|--------------------------------------|--|
|--|-------------------------------|------------|--------------------------------------|--|

| | (1) Year Mortgage Given | (2) Due | (3) Original Amount of Loan | (4) Unpaid Balance 12/31/2022 |
|------|-------------------------------|------------|--------------------------------------|--|
| Line | | | | |
| 1. | None | | | |
| 2. | | | | |
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| 16. | | | | |
| 17. | | | | |

999. TOTAL MORTGAGE LOANS ON REAL ESTATE

P7 C1 L6

**SCHEDULE E SECTION 2
MORTGAGE LOANS ON REAL ESTATE INTEREST INCOME**

| (1) | (2a) | (2b) | (3) | (4) | (5) | (6) |
|--|----------|------|------------------|------------------------|------------------------|----------------|
| Mortgagor | How Paid | Rate | Received in 2022 | Due & Accrd 12/31/2022 | Due & Accrd 12/31/2021 | Earned in 2022 |
| | | | INTEREST | | | |
| | | | in 2022 | 12/31/2022 | 12/31/2021 | in 2022 |
| | | | | | | (3)+(4)-(5) |
| 1. None | | | | | | |
| 2. | | | | | | |
| 3. | | | | | | |
| 4. | | | | | | |
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| 14. | | | | | | |
| 15. | | | | | | |
| 16. | | | | | | |
| 17. | | | | | | |
| 998. Interest Received on Mortgages Repaid or Sold in 2022 | | | | | XXX | |
| 999. TOTAL MORTGAGE INTEREST (L1 thru L998) | | | | | P24 C4 L4 | P24 C5 L4 |

P24 C1 L4

**SCHEDULE F
REAL ESTATE**

| | (1) Description of Real Estate | (2) Depreciation for 2022 | (3) Book Value Less Encumbrances 12/31/2021 | (4) 12/31/2022 | (5) Rental Income Earned |
|------|-----------------------------------|---------------------------------|--|-------------------|-----------------------------------|
| Line | Actual Cost | | | | |
| 1. | Home office building | 955 | 4,412 | 3,457 | |
| 2. | Land | | 3,500 | 3,500 | |
| 3. | | | | | |
| 4. | | | | | |
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| 14. | | | | | |
| 15. | | | | | |
| 16. | | | | | |
| 17. | | | | | |
| 999. | TOTAL REAL ESTATE (L1 thru L17) | 955 | 7,912 | 6,957 | |
| | | <u>P27 C5 LSD</u> | <u>P7 C1 L7</u> | <u>P24 C5 L5</u> | |

**SCHEDULE G SECTION 1
OTHER INVESTED ASSETS**

| Line | Name of Security | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|------|--|-----|--------|---------------|-------------|----------------------------|----------------------------|--------------------------|---------------|
| | | | Shares | Purchase Date | Actual Cost | Market Value 12/31/2021 | Market Value 12/31/2022 | Unrealized Gains(Losses) | Maturity Date |
| 1. | None | | | | | | | | |
| 2. | | | | | | | | | |
| 3. | | | | | | | | | |
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| 16. | | | | | | | | | |
| 17. | | | | | | | | | |
| 997. | TOTALS | | | | | | | | |
| 998. | Less 2021 Unrealized Capital Gain (Loss) | | | | | | | P7 C1 L8 | |
| 999. | NET UNREALIZED CAPITAL GAIN (LOSS) (L997 less L998) | | | | | | | P5 C1 L3 | |

| | |
|--|-------------|
| Insurance Company | Year |
| DARLINGTON MUTUAL INSURANCE COMPANY | 2022 |

**SCHEDULE G SECTION 2
OTHER INVESTED ASSET INTEREST OR DIVIDEND INCOME**

| Line | Name of Security (1) | Income Type (2) | INCOME | | | Earned in 2022 (3)+(4)-(6) |
|------|---|--------------------|-------------------------|-------------------------------|-------------------------------|-------------------------------|
| | | | Received in 2022 (3) | Due & Accrd 12/31/2022 (4) | Due & Accrd 12/31/2021 (5) | |
| 1. | None | | | | | |
| 2. | | | | | | |
| 3. | | | | | | |
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| 16. | | | | | | |
| 17. | | | | | | |
| 998. | Interest Received on Other Invested Assets Repaid or Sold in 2022 | | | | | |
| 999. | TOTAL OTHER INVESTED ASSET INTEREST (L.1 thru L.998) | | | | | |
| | | | P24 C1 L6 | P24 C3 L6 | P24 C4 L6 | P24 C5 L6 |

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|---|---------------------|
| Insurance Company DARLINGTON MUTUAL INSURANCE COMPANY | Year 2022 |
|---|---------------------|

**SCHEDULE H SECTION 1
PREMIUMS IN-FORCE**

| Line | (1) Line of Business | (2) Direct Premiums in Force 12/31/2021 | (3) Premiums Written | (4) Expirations | (5) Direct Premiums in Force 12/31/2022 (1)+(2)-(3) |
|------|-------------------------------|---|----------------------------|-------------------------|--|
| 1. | Fire | 391,240 | 413,082 | 391,240 | 413,082 |
| 2. | Extended Coverage | 853,901 | 897,802 | 853,901 | 897,802 |
| 3. | Mechanical Breakdown Coverage | | | | |
| 4. | Other Coverage | 42,306 | 40,991 | 42,306 | 40,991 |
| 5. | SUBTOTAL (L1+L2+L3+L4) | <u>1,287,447</u> | <u>1,351,875</u> | <u>1,287,447</u> | <u>1,351,875</u> |
| 6. | Nonproperty | 253,911 | 248,906 | 253,911 | 248,906 |
| 7. | PREMIUMS IN FORCE (L5+L6) | <u><u>1,541,358</u></u> | <u><u>1,600,781</u></u> | <u><u>1,541,358</u></u> | <u><u>1,600,781</u></u> |

What method did the company use to compute Direct Premiums In-Force as of 12/31/2022?

(Inventory or Data Accumulated) Year End Inventory Method

Is Mechanical Breakdown Coverage reported in Line 4, Other Coverage?

YES NO x

Please identify the 'Other' coverages provided, if applicable.

Inland Marine

| | |
|--|-------------|
| Insurance Company | Year |
| DARLINGTON MUTUAL INSURANCE COMPANY | 2022 |

**SCHEDULE H SECTION 2
RECONCILIATION OF PREMIUM RECEIPTS TO PREMIUM WRITTEN**

| Line | Direct Premium | (1) Premiums and * Assessments Received In 2022 | (2) Premiums and* Assessments Receivable 12/31/2021 | (3) Premiums and* Assessments Receivable 12/31/2022 | (4) Premiums and Assessments Written ** (1)+(2)-(3) |
|------|---------------------------------|---|---|--|---|
| 1. | Fire | | | | 412,737 |
| 2. | Extended Coverage | | | | 888,164 |
| 3. | Mechanical Breakdown Coverage | | | | |
| 4. | Other Coverage | | | | <u>37,372</u> |
| 5. | SUBTOTAL (L1+L2+L3+L4) | | | | 1,338,273 |
| 6. | Nonproperty | | | | <u>239,465</u> |
| 7. | DIRECT PREMIUMS (L5+L6) | <u>1,560,447</u> | <u>179,827</u> | <u>197,118</u> | <u>1,577,738</u> |
| | | | P7 C5 L9a+L9b+ L11 | P7 C1 + C2 L9a +L9b+L11 | P22 C1 L7 |
| | | | Net Reinsurance Premiums Payable or Receivable in 2022 | Net Reinsurance Premiums Payable or Receivable 12/31/2022 | Reinsurance Premiums Ceded in 2022 (1)+(2)-(3) |
| | Reinsurance Ceded | | | | |
| 8. | Property - Mechanical Breakdown | | | | |
| 9. | Property - Pro Rata | | | | 383,133 |
| 10. | Property - Excess | | | | <u>298,700</u> |
| 11. | PROPERTY PREMIUMS (L8+L9+L10) | | | | 681,833 |
| 12. | Nonproperty - Pro Rata | | | | |
| 13. | Nonproperty - Excess | | | | <u>108,837</u> |
| 14. | NONPROPERTY PREMIUMS (L12+L13) | | | | <u>108,837</u> |
| 15. | TOTAL PREMIUMS CEDED (L11+L14) | <u>697,895</u> | <u>35,109</u> | <u>127,884</u> | <u>790,670</u> |
| | | | P3 C2 L9 less P7 C5 L15 | P3 C1 L9 less P7 C1&2 L15 | P22 C1 L15 |
| 16. | NET PREMIUMS (L7 less L15) | <u>862,552</u> | <u>144,718</u> | <u>69,234</u> | <u>787,068</u> |
| | | P6 C1 L1 | | | P22 C1 L16 |

| | |
|--|-------------|
| Insurance Company | Year |
| DARLINGTON MUTUAL INSURANCE COMPANY | 2022 |

**SCHEDULE H SECTION 3
NET PREMIUMS AND ASSESSMENTS EARNED**

| Line | Direct Premium | (1) Premiums and * Assessments Written in 2022 | (2) Unearned Premium 12/31/2021 | (3) Unearned Premium 12/31/2022 | (4) Premiums and Assessments Earned in 2022 (1)+(2)-(3) |
|------|---------------------------------|---|--|--|---|
| 1. | Fire | 412,737 | 156,000 | 168,000 | 400,737 |
| 2. | Extended Coverage | 888,164 | 336,000 | 360,000 | 864,164 |
| 3. | Mechanical Breakdown Coverage | | | | |
| 4. | Other Coverage | 37,372 | 7,000 | 6,000 | 38,372 |
| 5. | SUBTOTAL (L1+L2+L3+L4) | 1,338,273 | 499,000 | 534,000 | 1,303,273 |
| 6. | Nonproperty | 239,465 | 104,000 | 102,000 | 241,465 |
| 7. | DIRECT PREMIUMS (L5+L6) | <u>1,577,738</u> | <u>603,000</u> | <u>636,000</u> | <u>1,544,738</u> |
| | Reinsurance Ceded | Written Reinsurance Premiums Ceded in 2022 | Unearned Premium Ceded 12/31/2021 | Unearned Premium Ceded 12/31/2022 | Earned Reinsurance Premiums Ceded in 2022 |
| 8. | Property - Mechanical Breakdown | | | | |
| 9. | Property - Pro Rata | 383,133 | 128,000 | 148,000 | 363,133 |
| 10. | Property - Excess | 298,700 | | | 298,700 |
| 11. | PROPERTY PREMIUMS (L8+L9+10) | 681,833 | 128,000 | 148,000 | 661,833 |
| 12. | Nonproperty - Pro Rata | | | | |
| 13. | Nonproperty - Excess | 108,837 | | | 108,837 |
| 14. | NONPROPERTY PREMIUMS (L12+L13) | 108,837 | | | 108,837 |
| 15. | TOTAL PREMIUMS CEDED (L11+L14) | <u>790,670</u> | <u>128,000</u> | <u>148,000</u> | <u>770,670</u> |
| | | P21 C4 L15 | | | |
| 16. | NET PREMIUMS (L7 less L15) | <u>787,068</u> | <u>475,000</u> | <u>488,000</u> | <u>774,068</u> |
| | | P21 C4 L16 | P3 C2 L8 | P3 C1 L8 | P4 C1 L1 |

SCHEDULE H SECTION 4
NET ASSESSMENT INCOME AND RECEIVABLE

| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
|------|------------------------|------|-------------------------------|----------------------|-------------------------|--------------------------|---------------------------------|
| Line | Assessment Due Date | Rate | Amount of Insurance Base * | Assessment Levied | Assessments Received | Assessments Cancelled | Unpaid Balance (C4-C5-C6) |

| | | | | | | | |
|--------------------------------|---|--|--|--|--------|--|--|
| Fire and Supplemental Coverage | | | | | | | |
| 1. | None | | | | DEDUCT | | |
| 2. | | | | | | | |
| 3. | Extended Coverage, Tornado, Windstorm, Hail, and Multiple Peril | | | | | | |
| 4. | | | | | | | |
| 5. | | | | | | | |
| 6. | | | | | | | |
| 7. | CURRENT YEAR ASSESSMENT (L1 thru L6) | | | | | | |
| 8. | Previous Assessments (Balance Receivable Beginning of Year) | | | | | | |
| 9. | TOTAL ASSESSMENT RECEIVED DURING THE YEAR (C5 L7+L8) | | | | | | |
| 10. | ASSESSMENT RECEIVABLE (C7 L7+L8) | | | | | | |

* Identify base used (In Force or Premium) NONE

DARLINGTON MUTUAL INSURANCE COMPANY

Year

2022

SCHEDULE I
NET INVESTMENT INCOME EARNED

| Line | Asset | (1) Received in 2022 * | (2) Bond | | (4) Income Due & Accrd 12/31/2021 | (5) Earned in 2022 (1)+(2)+(3)-(4) | (6) Earned in 2021 |
|------|---|------------------------------|-------------------------------|---------------------------|--|---|--------------------------|
| | | | Prem/Discount Amortization | Due & Accrd 12/31/2022 | | | |
| 1. | Cash at Interest - P10 L999 | 7,576 | 897 | 869 | 7,604 | 6,544 | |
| 2. | Bonds - P12 L999 | 17,822 | (5,898) | 2,791 | 14,903 | 14,280 | |
| 3. | Stocks, Mutual Funds, and ETFs - P15 L999 | 15,790 | 39 | 172 | 15,657 | 37,407 | |
| 4. | Mortgage Loans on Real Estate - P17 L999 | | | | | | |
| 5. | Real Estate - P18 L999 | | | | | | |
| 6. | Other Invested Assets - P19 L997 | | | | | | |
| 7. | TOTAL INVESTMENT INCOME (L1 thru L6) | <u>41,188</u> | <u>(5,898)</u> | <u>3,832</u> | <u>38,164</u> | <u>58,231</u> | |
| | | | P7 C1 L10 | P7 C4 L10 | | | |
| 8. | Investment Expenses - P28 C4 L8 | | | | 38,349 | 36,759 | |
| 9. | NET INVESTMENT INCOME EARNED (L7 less L8) | | | | <u>(185)</u> | <u>21,472</u> | |
| | | | | | <u>P4 C1 L7a</u> | <u>P4 C2 L7a</u> | |

* Net of any accrued interest purchased.

**SCHEDULE J SECTION 1
NET LOSSES INCURRED**

| Line | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
|---|---|---|---|--|---|---|--|
| Direct Losses | Paid In 2022 Less Salv/Sub Received | Losses Unpaid 12/31/2022 | Losses Unpaid 12/31/2021 | Losses * Incurred in 2022 (4)+(5)-(6) | | | |
| 1. Fire | 476,981 | 17,669 | | 494,650 | | | |
| 2. Extended Coverage | 485,280 | 111,447 | | 418,632 | | | |
| 3. Mechanical Breakdown Coverage | | | | | | | |
| 4. Other Coverage | | | | | | | |
| 5. SUBTOTAL (L1+L2+L3+L4) | 962,261 | 129,116 | | 913,282 | | | |
| 6. Nonproperty | 59,978 | 30,113 | | (54,722) | | | |
| 7. DIRECT LOSSES (L5+L6) | 1,022,239 | 159,229 | | 858,560 | | | |
| | Reinsurance Recoveries | | | | | | |
| | Recoveries Received on Losses Paid | Recoverable on Losses Paid 12/31/2021 | Recoverable on Losses Paid 12/31/2022 | Recoverable Losses Paid (1)+(2)+(3) | Recoverable on Losses Unpaid 12/31/2022 | Recoverable on Losses Unpaid 12/31/2021 | Recoveries Incurred in 2022 (4)+(5)-(6) |
| 8. Property - Mechanical Breakdown | | | | | | | |
| 9. Property - Pro Rata | 74,096 | | | 74,096 | 19,229 | 14,408 | 78,917 |
| 10. Property - Excess | 306,243 | | | 306,243 | | | 306,243 |
| 11. TOTAL PROPERTY (L8+L9+L10) | 380,339 | | | 380,339 | 19,229 | 14,408 | 385,160 |
| 12. Nonproperty - Pro Rata | | | | | | | |
| 13. Nonproperty - Excess | 17,000 | | | 17,000 | 15,000 | 118,500 | (86,500) |
| 14. TOTAL NONPROPERTY (L12+L13) | 17,000 | | | 17,000 | 15,000 | 118,500 | (86,500) |
| 15. PAID (L11+L14) | 397,339 | | | 397,339 | 34,229 | 132,908 | 298,660 |
| 16. Plus LAE Reinsurance Recoverable on Losses Paid | | | | | | | |
| 17. AND LAE PAID (L15+L16) | 397,339 | | | 397,339 | | | |
| 18. NET LOSSES (L7 less L15) | 624,900 | 125,000 | | 624,900 | 190,000 | | 559,900 |
| 19. Net Losses Paid | | | | | | | |
| a. Direct Losses Paid (L7 C4) | 1,022,239 | | | 1,022,239 | | | |
| b. Reinsurance Recoveries Received (L15 C1) | 397,339 | | | 397,339 | | | |
| c. Net Losses Paid (L19a less L19b) | 624,900 | | | 624,900 | | | |
| | P6 C1 L2 | | | P6 C1 L2 | | | |
| | | P3 C1 L1 | | P3 C1 L1 | | | |
| | | | P3 C2 L1 | P3 C2 L1 | | | |
| | | | | | | | P4 C1 L2 |

* Total of anticipated salvage and subrogation (net of reinsurance) included in total amounts above: 0

| | |
|---|---------------------|
| Insurance Company DARLINGTON MUTUAL INSURANCE COMPANY | Year 2022 |
|---|---------------------|

**SCHEDULE J SECTION 2
NET LOSSES UNPAID**

| Line | (1) Line of Business | (2) (3) (4) | | |
|--------------------------------|---|---------------|--------|--------------------|
| | | Losses Unpaid | | |
| | | Case Basis | IBNR* | Total** (2)+(3) |
| 1. | Fire | 15,000 | 2,669 | 17,669 |
| 2. | Extended Coverage | 100,169 | 11,278 | 111,447 |
| 3. | Mechanical Breakdown Coverage | | | |
| 4. | Other Coverage | | | |
| 5. | PROPERTY LOSSES U+B12NPAID (L1+L2+L3+L4) | 115,169 | 13,947 | 129,116 |
| 6. | NonProperty | 29,170 | 943 | 30,113 |
| 7. | DIRECT LOSSES UNPAID (L5+L6) | 144,339 | 14,890 | 159,229 |
| Reinsurance Recoverable | | | | |
| | | Case Basis | IBNR* | Total (2)+(3) |
| 8. | Property - Mechanical Breakdown | | | |
| 9. | Property - Pro Rata | 19,229 | | 19,229 |
| 10. | Property - Excess | | | |
| 11. | PROPERTY LOSSES RECOVERABLE (L8+L9+L10) | 19,229 | | 19,229 |
| 12. | Nonproperty - Pro Rata | | | |
| 13. | Nonproperty - Excess | 15,000 | | 15,000 |
| 14. | NON-PROPERTY RECOVERABLE (L12+L13) | 15,000 | | 15,000 |
| 15. | TOTAL REINSURANCE RECOVERABLE ON LOSSES UNPAID (L11+L14) | 34,229 | | 34,229 |
| 16. | NET LOSSES UNPAID (L7-L15) | 110,110 | 14,890 | 125,000 |

P25 C5 L18

* IBNR = Estimate of Incurred But Not Reported Losses

**SCHEDULE K
NET EXPENSES INCURRED**

| Line | (1) Type of Expense | (2) Loss Adjustment | (3) Other Underwriting | (4) Investment | (5) Total 12/31/2022 (2)+(3)+(4) | (6) Total 12/31/2021 |
|------|---|---------------------------|------------------------------|-------------------|---|----------------------------|
| 1. | Loss Adjustment Expenses: | | | | | |
| | a. Direct | 32,380 | | | 32,380 | 21,866 |
| | b. Less Reinsurance Ceded | | | | | |
| | c. NET LOSS ADJUSTMENT EXPENSES (L1a-L1b) | 32,380 | | | 32,380 | 21,866 |
| 2. | Commissions: | | | | | |
| | a. Direct | | 255,384 | | 255,384 | 247,504 |
| | b. Less Reinsurance Ceded | | 118,030 | | 118,030 | 106,726 |
| | c. NET COMMISSIONS (L2a-L2b) | | 137,354 | | 137,354 | 140,778 |
| 3. | Directors Fees and Expenses: | | | | | |
| | a. Meeting Fees | 960 | 7,680 | 960 | 9,600 | 10,200 |
| | b. Meeting Expenses | 65 | 521 | 65 | 651 | 661 |
| | c. Loss Adjusting Fees | | | | | |
| | d. Underwriting and Inspection Fees | | | | | |
| | e. Directors and Officers Insurance | 706 | 5,646 | 706 | 7,058 | 10,191 |
| | f. TOTAL DIRECTORS FEES (L3a thru L3e) | 1,731 | 13,847 | 1,731 | 17,309 | 21,052 |
| 4. | Personnel Costs: | | | | | |
| | a. Salaries and Wages | 15,992 | 127,933 | 15,992 | 159,917 | 154,204 |
| | b. Health Insurance/Benefits | 4,189 | 33,511 | 4,189 | 41,889 | 35,511 |
| | c. Payroll Taxes | 1,154 | 9,229 | 1,154 | 11,537 | 12,406 |
| | d. Retirement Plans | | | | | |
| | e. Other | | | | | |
| | f. TOTAL PERSONNEL COSTS (L4a thru L4e) | 21,335 | 170,673 | 21,335 | 213,343 | 202,121 |
| 5. | Real Estate Costs: | | | | | |
| | a. Rental of Office Space | | | | | |
| | b. Utilities: Heat and Electric | 333 | 2,660 | 333 | 3,326 | 2,579 |
| | c. Property Taxes | 270 | 2,162 | 270 | 2,702 | 2,336 |
| | d. Depreciation/Real Estate | 96 | 763 | 96 | 955 | 956 |
| | e. Insurance | 55 | 440 | 55 | 550 | 550 |
| | f. Building/Maintenance | 59 | 470 | 59 | 588 | 278 |
| | g. TOTAL REAL ESTATE COSTS (L5a thru L5f) | 813 | 6,495 | 813 | 8,121 | 6,699 |

(Continued)

**SCHEDULE K
NET EXPENSES INCURRED (cont)**

| Line | (1) Type of Expense | (2) Loss Adjustment | (3) Other Underwriting | (4) Investment | (5) Total 12/31/2022 (2)+(3)+(4) | (6) Total 12/31/2021 |
|------|---|---------------------------|------------------------------|-------------------|---|----------------------------|
| 6. | Office Costs: | | | | | |
| a. | Telephone | 989 | 7,910 | 989 | 9,888 | 9,286 |
| b. | Advertising | 222 | 1,771 | 222 | 2,215 | 2,575 |
| c. | Printing and Stationery | 735 | 5,882 | 735 | 7,352 | 5,804 |
| d. | Office Maintenance/Supplies | 1,055 | 8,438 | 1,055 | 10,548 | 7,137 |
| e. | Equipment Lease/Maintenance | 1,470 | 11,758 | 1,470 | 14,698 | 16,037 |
| f. | Depreciation: Furniture and Fixtures | | | | | |
| g. | Depreciation: EDP Equipment and Software | | | | | |
| h. | Computer Software | | | | | |
| i. | Automobile Expenses | | | | | |
| j. | TOTAL OFFICE COSTS (L6a thru L6i) | 4,471 | 35,759 | 4,471 | 44,701 | 40,839 |
| 7. | Other: | | | | | |
| a. | Loss Prevention/Inspection | | | | | |
| b. | Rating Bureaus | | | | | |
| c. | Trade Association Dues | | 27,210 | | 27,210 | 23,945 |
| d. | Legal and Accounting | 2,583 | 20,664 | 2,583 | 25,830 | 21,851 |
| e. | Interest Expense | | | | | 24 |
| f. | Fire Department Dues | | 8,355 | | 8,355 | 7,977 |
| g. | Agent Licensing | | | | | |
| h. | Investment Management Fees | | | 5,205 | 5,205 | 5,939 |
| i. | Other Investment Fees | | | | | |
| j. | Seminars and Conventions | 1,018 | 8,139 | 1,018 | 10,175 | 5,632 |
| k. | | | | | | |
| l. | Other | 1,193 | 9,545 | 1,193 | 11,931 | 9,974 |
| m. | | | | | | |
| n. | TOTAL OTHER (L7a thru L7l) | 4,794 | 73,913 | 9,999 | 88,706 | 75,342 |
| 8. | NET EXPENSES INCURRED (L1 thru L7) | 65,524 | 438,041 | 38,349 | 541,914 | 508,697 |
| | | P4 C1 L3 | P4 C1 L4 | P24 C5 L8 | | |
| 9. | Less Expense Related Accruals - 12/31/2022 | 4,500 | 18,593 | | 23,093 | 24,204 |
| 10. | Plus Expense Related Accruals - 12/31/2021 | 7,750 | 16,454 | | 24,204 | 35,957 |
| 11. | Other Adjustments | | | | | |
| a. | Less Depreciation - P27 L5d+P28 L6f+P28 L6g | 96 | 763 | 96 | 955 | 956 |
| b. | Plus Reins Recoverable LAE CY - P25 C3 L16 | | | | | |
| c. | Less Reins Recoverable LAE PY - P25 C2 L16 | | | | | |
| 12. | NET EXPENSES PAID (L8-L9+L10-L11a+L11b-L11c) | 68,678 | 435,139 | 38,253 | 542,070 | 519,494 |

**SCHEDULE L
NET REALIZED CAPITAL GAINS (LOSSES) ON INVESTED ASSETS**

| Line | Description | Asset Type | (1) Date Purchased | (2) Date Sold | (3) Cost or Other Basis | (4) Consideration Received | (5) Net Realized Capital Gains (4)-(3) |
|------|---------------------------------------|------------|-----------------------|------------------|----------------------------|-------------------------------|---|
| 1. | Lord Abbett Ultra Short Bond | MFUNDS | VAR | 05/17/2022 | 85,376 | 84,004 | (1,372) |
| 2. | Oshkosh WI Rev | BONDS | 03/02/2011 | 12/01/2022 | 30,000 | 30,000 | 0 |
| 3. | US Government Money Market Fund - RBC | MFUNDS | VAR | VAR | 170,448 | 170,448 | 0 |
| 4. | Waukee IA Ref-Sch-Ser | BONDS | 10/30/2014 | 06/01/2022 | 20,000 | 20,000 | 0 |
| 5. | West Fargo ND Ref & Impt | BONDS | 10/09/2013 | 05/02/2022 | 20,000 | 20,000 | 0 |
| 6. | | | | | | | |
| 7. | | | | | | | |
| 8. | | | | | | | |
| 9. | | | | | | | |
| 10. | | | | | | | |
| 11. | | | | | | | |
| 12. | | | | | | | |
| 13. | | | | | | | |
| 14. | | | | | | | |
| 15. | | | | | | | |
| 16. | | | | | | | |
| 17. | | | | | | | |
| 18. | | | | | | | |
| 19. | | | | | | | |
| 20. | | | | | | | |
| 990. | NET REALIZED CAPITAL GAIN (LOSS) | | | | 325,824 | 324,452 | (1,372) |
| | Summary by Asset Type: | | | | | | |
| 990. | Cash Deposited At Interest | | | | | | |
| 991. | Bonds | | | | 70,000 | 70,000 | 0 |
| 992. | Preferred Stock | | | | | | |
| 993. | Common Stock | | | | | | |
| 994. | Mutual Funds | | | | 255,824 | 254,452 | (1,372) |
| 995. | ETFs | | | | | | |
| 996. | Mortgage Loans | | | | | | |
| 997. | Real Estate | | | | | | |
| 998. | Other Invested Assets | | | | | | |
| 999. | TOTAL OF SUMMARY (L991 thru L998) | | | | 325,824 | 324,452 | (1,372) |

P4 C1 L7b

| | | | |
|-------------------|--|------|-------------|
| Insurance Company | DARLINGTON MUTUAL INSURANCE COMPANY | Year | 2022 |
|-------------------|--|------|-------------|

**SCHEDULE M
POLICIES AND RISK IN-FORCE**

| Line | (1) Number Of Policies | (2) Fire & Supplemental Coverage | (3) Extended Coverage | (4) Mechanical Breakdown & Other Coverage |
|--|------------------------------|---|-----------------------------|--|
| 1. Gross In-Force Beginning of Year- PY Stmt. P30 L5 | 1,276 | 519,964,472 | 519,964,472 | |
| 2. Add Insurance Written or Renewed | 1,226 | 535,395,810 | 535,395,810 | |
| 3. TOTAL RISK IN-FORCE (L1+L2) | 2,502 | 1,055,360,282 | 1,055,360,282 | |
| 4. Deduct Insurance Expired and Cancelled | 1,276 | 519,964,472 | 519,964,472 | |
| 5. GROSS RISK IN-FORCE END OF YEAR (L3 less L4) | 1,226 | 535,395,810 | 535,395,810 | |
| 6. Deduct Reinsurance in Force | | 119,526,616 | 119,526,616 | |
| 7. NET RISK IN-FORCE END OF YEAR (L5 less L6) | | 415,869,194 | 415,869,194 | |
| 8. Average Gross Insurance in Force per Policy (C2 L5 / C1 L5) | | 436,701 | | |
| 9. Average Net Insurance in Force per Policy (C2 L7 / C1 L5) | | 339,208 | | |

GENERAL INTERROGATORIES

1. Have any amendments been made to the articles and bylaws during the past year?

Yes No

If so, have such amendments been filed with the Commissioner (OCI)?

Yes No

2 a. Were new directors or officers elected or appointed during the year?

Yes No

If yes, was biographical data submitted to the Office of the Commissioner of Insurance?

Yes No

b. Identify the number of internal and external board of director members.

Internal 2 External 7

3. Amount of directors' compensation?

Fees per meeting: \$100 Mileage: 0.585/mile

4. How often do directors meet? Monthly

5. Has the company established an annual procedure to disclose to its board of directors any material interest or affiliation on the part of any of its officers, directors, or responsible employees which is in or is likely to conflict with the official duties of each person?

Yes No

6. Has there been a change in management during the past year? If yes, explain the reason for the change.

Yes No

7. List number of employees on the payroll as of year-end:

Full Time 3 Part-Time 1

8. a. The company's board of directors is required to have adopted a written investment plan. Please indicate the date this plan was adopted and the most recent amendment, if applicable

Adopted 10/1/2000 Amended

b. Does the company use an outside investment advisor?

Yes No

If yes:

Name of Advisor: Andrew Hensen
Name of Firm: RBC Wealth Management
Address of Firm: 1250 MW 128th St, Ste 200
City, State and Zip of Firm: Clive, IA 53025
Telephone number: (866) 974-7323

Does the investment management agreement comply with Chapter 6.20(6), WI Adm Code?

Yes No

c. Does the company have a custodial account to hold its securities (stocks and bonds)?

Yes No Effective Date: 1/26/2001

If yes:

Name of Custodian: Comerica Bank
Address of Custodian: P.O. Box 7500
City, State and Zip of custodian: Detroit, MI 48275

9. Describe any summons and complaints received or other legal proceedings pending at year-end or any other contingent liabilities, noting all material potential exposures to the company.

None

GENERAL INTERROGATORIES (cont)

16. Has there been a change in reinsurers during the current year?

Yes No

If yes, provide reason for the change in reinsurers.

17a. What are the names of the companies with whom you reinsure property (not mechanical breakdown) and liability coverages.

Wisconsin Reinsurance Corporation
2810 City View Drive
Madison, WI 53707

Are you in compliance with ss. 612.31 and 612.33, Wis. Stat., and ss. Ins 13.06 and 13.09, Wis. Adm. Code, regarding reinsurance requirements?

Yes No

17b. What are the names of the companies with whom you reinsure mechanical breakdown coverage.

Coverage not provided

18. Is the Town Mutual a member of an Insurance Holding company System as defined by Ins 40.01 (6), Wis. Adm. Code?

Yes No

19. Is the company a member of a solvency fund?

Yes No

If yes, list the amounts of any commitments or contingencies related to the fund:

Commitment of premium: 2% DWP - PMIC
Other:

20. What is the town mutual's method of federal income taxation?

Exempt, Investment Income Only, or As a Mutual Company As a Mutual Company

21. Indicate date of last examination by Commissioner of Insurance Last examined as of: 12/31/2018

22. Management Comments/Material Events

Describe any events during the year resulting in major changes in the company's financial position, results of operations, etc. (compared to previous year).

See Annual Statement Instructions for further description

None.

(If there were no material events or changes, indicate 'NONE'.)

Insurance Company

DARLINGTON MUTUAL INSURANCE COMPANY

Year

2022

GENERAL INTERROGATORIES (cont)

23. Was this financial statement completed based on an (A)udit or a (C)ompilation **A**

Name of Firm: CliftonLarsonAllen LLP
Street Address of Firm: 8215 Greenway Blvd, Suite 600
City, State and Zip of Firm: Middleton, WI 53562
Telephone Number: (608) 662-8600

24. Market value of Wisconsin Reinsurance Corporation stock as of 12/31/2022 reported in this statement.

| | |
|------------------------------------|--------|
| Preferred Stock (Page 14 Column 6) | 15,000 |
| Common Stock (Page 14.2 Column 6) | 9,719 |

RATIO ANALYSIS

| Line | Data | (1) | (2) | (3) | (4) |
|------|--|------------------|---------|------------------|---------|
| | | As of 12/31/2022 | | As of 12/31/2021 | |
| | | Direct | Net | Direct | Net |
| 1. | Premium/Assessments Written | 1,577,738 | 787,068 | 1,535,227 | 800,949 |
| 2. | Premium/Assessments Earned | 1,544,738 | 774,068 | 1,518,227 | 791,949 |
| 3. | Reinsurance Ceded | 790,670 | | 734,278 | |
| 4. | Losses Incurred | 858,560 | 559,900 | 369,949 | 342,748 |
| 5. | LAE Incurred | 65,524 | 65,524 | 52,686 | 52,686 |
| 6. | Other Underwriting Expenses | 556,071 | 438,041 | 525,978 | 419,252 |
| 7. | Total Expenses | 541,914 | | 508,697 | |
| 8. | Net Investment Income | (185) | | 21,472 | |
| 9. | Policyholders' Surplus, 12/31/2022 | 837,986 | | 1,091,537 | |
| 10. | Cash and Investments, 1/1/2022 | 1,726,415 | | 1,503,452 | |
| 11. | Cash and Investments, 12/31/2022 | 1,599,162 | | 1,726,415 | |
| | Ratios | | | | |
| 12. | Premium Written to Surplus (L1/L9) | 188.28% | 93.92% | 140.65% | 73.38% |
| 13. | Change in Writings [(L1C1-L1C3)/L1C3] [(L1C2-L1C4)/L1C4] | 2.77% | -1.73% | 1.10% | |
| 14. | Loss and LAE Ratio (To Earned) [(L4+L5)/L2] | 59.82% | 80.80% | 27.84% | 49.93% |
| 15. | Underwriting Expense (To Written) (L6/L1) | 35.24% | 55.65% | 34.26% | 52.34% |
| 16. | Combined Ratio (L14+L15) | 95.07% | 136.45% | 62.10% | 102.28% |
| 17. | Reinsurance Ratio (L3/L1) | 50.11% | | 47.83% | |
| 18. | Total Expense Ratio (L7/L1) | 34.35% | | 33.13% | |
| 19. | Average Investment Return [L8/((L10+L11)/2)] | -0.01% | | 1.33% | |

| | |
|--|-------------|
| Insurance Company | Year |
| DARLINGTON MUTUAL INSURANCE COMPANY | 2022 |

INVESTMENT LIMITATIONS

| List of Type 1 Investments [Per s. Ins 6.20 (6) (b), WI Adm Code] | 2022 | 2021 |
|---|-------------------------|-------------------------|
| 1 Cash Deposited in Non-Interest-Bearing Checking Accounts - P9 C6 L7 | 72,869 | 147,832 |
| 2 Cash Deposited at Interest - P10 C6 L999 | 474,137 | 419,576 |
| 3 Deposits Exceeding Insured Limit in one Financial Institution - P9 Footnote | | |
| 4 TOTAL CASH (L1 + L2 - L3) | <u>547,006</u> | <u>567,408</u> |
| 5 Type 1 Bonds - P11 C9 L997 | 681,634 | 461,977 |
| 6 Type 1 Preferred Stock * - P14 C6 L997 (limited to 5% of Admitted Assets) | | |
| 7 Money Market Mutual Funds * - P14.1 C6 L996 | 4,863 | 175,310 |
| 8 Type 1 Bond Mutual Funds and ETFs - P14.1 C6 L997 | | |
| 9 TOTAL TYPE 1 INVESTMENTS (L4 + L5 + L6 + L7 + L8) | <u><u>1,233,503</u></u> | <u><u>1,204,695</u></u> |

| Minimum Expected Assets [s. Ins. 6.20 (6) (c), WI Adm Code] | 2022 | 2021 |
|--|-------------------------|-------------------------|
| 10 33% of Direct Premiums Written -P21 C4 L7 | 525,913 | 511,742 |
| 11 100% of Net Premiums Written -P21 C4 L16 | 787,068 | 800,949 |
| 12 Minimum Surplus per Ins 6.20 (6) (c), WI Adm Code | <u>300,000</u> | <u>300,000</u> |
| 13 Enter the Highest Value of Lines 10, 11, and 12 | <u>787,068</u> | <u>800,949</u> |
| 14 Add: Total Liabilities | <u>989,301</u> | <u>846,327</u> |
| 15 Minimum Expected Assets (Type 1 Investment Threshold) (L13 + L14) | <u>1,776,369</u> | <u>1,647,276</u> |
| 16 Excess/Deficiency (L9 - L15) | <u>(542,866)</u> | <u>(442,581)</u> |

If Line 16 is positive (or zero) - no action is necessary. Additional Type 2 Investments may be purchased.
If Line 16 is negative - see information below Line 23.

| Minimum Assets Before Divestment [s. Ins. 6.20 (6) (g), WI Adm Code] | 2022 | 2021 |
|--|-------------------------|-------------------------|
| 17 33% of Direct Premiums Written - P21 C4 L7 | 525,913 | 511,742 |
| 18 75% of Net Premiums Written - P21 C4 L16 | 590,301 | 600,712 |
| 19 Minimum Surplus per Ins 6.20 (6) (g), WI Adm Code | <u>300,000</u> | <u>300,000</u> |
| 20 Enter the Highest Value of Lines 17, 18, and 19 | <u>590,301</u> | <u>600,712</u> |
| 21 Add: Total Liabilities | <u>989,301</u> | <u>846,327</u> |
| 22 Type 1 Investment Threshold Before Divestiture (L20 + L21) | <u>1,579,602</u> | <u>1,447,039</u> |
| 23 Excess/Deficiency (L9 - L22) | <u>(346,099)</u> | <u>(242,344)</u> |

If Line 23 is positive (or zero) - no additional Type 2 investments may be purchased.
If Line 23 is negative - the company must divest of excess Type 2 investments per s. Ins 6.20 (6) (g), Wis. Adm. Code.

- 24 Was the company Type 1 sufficient as of 12/31/2021?
(Refer to Line 16 above) No
- 25 Were additional Type 2 assets purchased in the 2022 reporting year? Yes

| | | | |
|-------------------|--|------|-------------|
| Insurance Company | DARLINGTON MUTUAL INSURANCE COMPANY | Year | 2022 |
|-------------------|--|------|-------------|

**OFFICERS' FIDELITY BOND
SECTION INS 13.05 (6), WIS. ADM. CODE**

Computation of Fidelity Bond:

Town Mutual Annual Statement References:

| | |
|--|-------------------------|
| Admitted Assets - P2 C1 L17 | 1,827,287 |
| Direct Premiums Received - P21 C1 L7 | 1,560,447 |
| Gross Investment Income Received - P24 C1 L7 | 41,188 |
| TOTAL | <u><u>3,428,922</u></u> |
| Fidelity Bond Requirement | 110,000 |

NAIC Fire & Casualty Annual Statement References:

| | |
|---|------------------------------------|
| Admitted Assets - P2 C3 L26 | |
| Direct Premiums Written - P8 C1 L35 | |
| Gross Investment Income Received - P12 C1 L10 | |
| TOTAL | <u><u> </u></u> |

| Officer Name and Title | Amount of Bond | Date Last Renewed | Name of Bonding Company |
|------------------------|-------------------|----------------------|----------------------------|
| Employees | 500,000 | 12/5/2022 | Cuna Mutual Group (1 year) |

If fidelity bond is deficient, then fill out the following:

(company name) has increased their fidelity bond to
(new amount) with (fidelity bond insurer).

Documentation of this increase in coverage will be sent to the Office of the Commissioner of Insurance by April 1, 2023.

| | |
|---|---------------------|
| Insurance Company DARLINGTON MUTUAL INSURANCE COMPANY | Year 2022 |
|---|---------------------|

CPA AUDIT REQUIREMENT TEST

Is the Town Mutual audited annually by an independent CPA firm? YES

If no, is the Town Mutual exempt per Admin. Code Ins. 50.02 because either

(A) Direct premium written is less than \$100,000 and the number of policyholders is less than 1,000?

| Direct Premium | Policyholders |
|----------------|---------------|
| 1,577,738 | 1,226 |

(B) Or "Exempt" because of the following?

Direct premium written is less than \$500,000 and the company meets the following three criterion:

Direct premium written: \$1,577,738

(1) Net premium to surplus ratio less than 3 to 1,

Net premium to surplus ratio: 93.9%

(2) Authorized to do business in eight (8) or less counties,

Number of counties authorized? 14

(3) Non-property coverage is 90% reinsured. Yes

| | |
|------------------------|----------|
| IS CPA AUDIT REQUIRED? | Required |
| CPA AUDIT COMPLIANCE | Complies |

The undersigned President, Secretary and Manager of the

DARLINGTON MUTUAL INSURANCE COMPANY

being duly sworn, each for himself on oath says that he is one of the above described officers of said company, and that on the thirty-first day of December last, all of the above-described assets were the absolute property of said company free and clear from any liens or claims thereon except as above stated; and that the foregoing statements, schedules, and explanations are a full and correct exhibit of all the Assets, Liabilities, Income and Disbursements and of the general condition and affairs of said company on said thirty-first day of December last and for the year ended on that day, according to the best of his/her information, knowledge and belief.

President

Date

Secretary

Date

Manager

Date