

Combined Report of the Examination of
American Family Mutual Insurance company, S.I. and its Wisconsin-Domiciled Property and Casualty
Subsidiaries
As of December 31, 2021

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May 10, 2023

Honorable Nathan D. Houdek
Commissioner of Insurance
State of Wisconsin
125 South Webster Street
Madison, Wisconsin 53703

Commissioner:

In accordance with your instructions, a compliance examination has been made of the affairs and financial condition of the following Wisconsin-domiciled, multi-state property and casualty insurance companies, hereinafter referred to as the "Group":

AMERICAN FAMILY CONNECT INSURANCE COMPANY
AMERICAN FAMILY CONNECT PROPERTY AND CASUALTY INSURANCE COMPANY
De Pere, Wisconsin

AMERICAN FAMILY INSURANCE COMPANY
AMERICAN FAMILY MUTUAL INSURANCE COMPANY S.I.
AMERICAN STANDARD INSURANCE COMPANY OF OHIO
AMERICAN STANDARD INSURANCE COMPANY OF WISCONSIN
MIDVALE INDEMNITY COMPANY
Madison, Wisconsin

HOMESITE INDEMNITY COMPANY
HOMESITE INSURANCE COMPANY
HOMESITE INSURANCE COMPANY OF THE MIDWEST
Boston, Massachusetts

PERMANENT GENERAL ASSURANCE CORPORATION
PERMANENT GENERAL ASSURANCE CORPORATION OF OHIO
THE GENERAL AUTOMOBILE INSURANCE COMPANY, INC.
Nashville, Tennessee

and this report is respectfully submitted.

I. INTRODUCTION

The previous examination of the Group was conducted in 2017 as of December 31, 2016.

The current examination covered the intervening period ending December 31, 2021, and included a review of such subsequent transactions as deemed necessary to complete the examination.

The Group examination includes the examination of the following companies:

Company	State
American Family Connect Insurance Company (AFCIC)	Wisconsin
American Family Connect Property and Casualty Insurance Company (AFPCIC)	Wisconsin
American Family Insurance Company (AFIC)	Wisconsin
American Family Life Insurance Company (AFLIC)	Wisconsin
American Family Mutual Insurance Company, S.I. (AFMICS)	Wisconsin
American Standard Insurance Company of Ohio (ASICOH)	Wisconsin
American Standard Insurance Company of Wisconsin (ASICW)	Wisconsin
Austin Mutual Insurance Company (AMIC)	Minnesota
Grain Dealers Mutual Insurance Company (GDMIC)	Indiana
Homesite Indemnity Company (HIC)	Wisconsin
Homesite Insurance Company (HCT)	Wisconsin
Homesite Insurance Company of California (HICCA)	California
Homesite Insurance Company of Florida (HICFL)	Illinois
Homesite Insurance Company of Georgia (HICGA)	Georgia
Homesite Insurance Company of Illinois (HICIL)	Illinois
Homesite Insurance Company of New York (HICNY)	New York
Homesite Insurance Company of the Midwest (HICMW)	Wisconsin
Homesite Lloyds of Texas (HLT)	Texas
Main Street America Assurance Company (MSAAC)	Florida
Main Street America Protection Insurance Company (MSAPIC)	Florida
Midvale Indemnity Company (MIC)	Wisconsin
NGM Insurance Company (NGM)	Florida
Old Dominion Insurance Company (ODIC)	Florida
Permanent General Assurance Corporation (PGAC)	Wisconsin
Permanent General Assurance Corporation of Ohio (PGACO)	Wisconsin
Spring Valley Mutual Insurance Company (SVMIC)	Minnesota
The General Automobile Insurance Company Inc. (GAIC)	Wisconsin
Trusted Resource Underwriters Exchange (TRUE)	Florida

Representatives of all states that have domestic companies in the Group except South Carolina, participated in the examination, with Wisconsin acting in the capacity as the lead state for the coordinated examination.

The examination was conducted using a risk-focused approach in accordance with the National Association of Insurance Commissioners (NAIC) *Financial Condition Examiners Handbook*. This approach sets forth guidance for planning and performing the examination of an insurance company to evaluate the financial condition, assess corporate governance, identify current and prospective risks

(including those that might materially affect the financial condition, either currently or prospectively), and evaluate system controls and procedures used to mitigate those risks.

All accounts and activities of the companies were considered in accordance with the risk-focused examination process. This may include assessing significant estimates made by management and evaluating management's compliance with statutory accounting principles, annual statement instructions, and Wisconsin laws and regulations. The examination does not attest to the fair presentation of the financial statements included herein. If during the course of the examination an adjustment is identified, the impact of such adjustment will be documented separately at the end of the "Financial Data" section in the area captioned "Reconciliation of Surplus per Examination."

Emphasis was placed on those areas of the Group's operations accorded a high priority by the examiner-in-charge when planning the examination. Special attention was given to the actions taken by the Group to satisfy the recommendations and comments made in the previous examination reports.

The Group is annually audited by an independent public accounting firm as prescribed by s. Ins 50.05, Wis. Adm. Code. The Group is approved to file consolidated audited financial statements that include AFMICS and all of its wholly owned and affiliated property and casualty insurance companies except HICNY, pursuant to s. Ins. 50.09, Wis. Adm. Code. All of the property and casualty subsidiaries and affiliates included in the consolidated audited financial statements of the Group are participants in 100% reinsurance arrangements with AFMICS. An integral part of this compliance examination was the review of the independent accountant's work papers. Based on the results of the review of these work papers, alternative or additional examination steps deemed necessary for the completion of this examination were performed. The examination work papers contain documentation concerning the alternative or additional examination steps performed during the examination.

Certain financial data in this report is rounded to the nearest thousand which may cause slight rounding differences for the totals. The report discloses which numbers are rounded.

Independent Actuary's Review

An independent actuarial firm was engaged under a contract with the Wisconsin Office of the Commissioner of Insurance. The actuary reviewed the adequacy of the Group's loss and loss adjustment

expense reserves. The actuary's results were reported to the examiner-in-charge. As deemed appropriate, reference is made in this report to the actuary's conclusion.

Investment Review

The Capital Markets Bureau of the NAIC was engaged by the Office of the Commissioner of Insurance to perform a review of the AFMICS's invested assets portfolio as of December 31, 2021. The results of that review were reported to the examiner-in-charge. As deemed appropriate, reference is made in this report to the findings of the review.

II. HISTORY AND PLAN OF OPERATION

American Family Mutual Insurance Company, S.I. owns 100% interest in property and casualty insurance subsidiaries through a downstream holding company, AmFam, Inc. AFMICS was organized in 1927 as Farmers' Mutual Automobile Insurance Company (Farmers' Mutual). In 1963, Farmers' Mutual changed its name to American Family Mutual Insurance Company (AFMIC). Effective January 1, 2017, AFMIC converted into a stock insurance company owned by a newly organized mutual insurance holding company and changed its name to American Family Mutual Insurance Company, S.I.

ASICW was incorporated on April 5, 1961, under the provisions of ch. 611, Wis. Stat., as American Standard Insurance Company. In 1962, American Standard Insurance Company adopted the name American Standard Insurance Company of Wisconsin. ASICOH was incorporated on November 21, 1995 under the laws of the state of Ohio and commenced business on January 1, 1996. Effective September 30, 2016, ASICOH redomiciled from Ohio to Wisconsin. Midvale Indemnity Company was incorporated in 1970. It was acquired by AFMICS in 2012 under its former name, Lumberman's Casualty Insurance Company (LCIC). LCIC changed its name to Midvale Indemnity Company in 2013. MIC redomiciled from Illinois to Wisconsin effective November 16, 2017.

On December 31, 2012, AFMIC, through its wholly owned subsidiary AmFam, Inc., acquired 100% of the ownership in PGC Holdings Corp (PGC Holdings), a Delaware corporation. PGC Holdings directly and indirectly owns three insurance companies: GAIC, PGAC, and PGACO. The three insurance companies are referred to as Permanent General Companies (PGC). In August 2017 all three companies redomiciled to Wisconsin from Ohio.

On December 31, 2013, AFMIC, through AmFam, Inc., acquired 100% ownership in Homesite Group Incorporated (HGI), a Delaware corporation. HGI directly and indirectly owns nine insurance companies: HIC, HCT, HICCA, HICFL, HICGA, HICIL, HICNY, HICMW, and HLT. Collectively, these nine insurance companies are referred to as the "Homesite" Group. In September 2016, HIC, HCT, and HICMW redomiciled to Wisconsin from Kansas, Connecticut, and North Dakota, respectively.

Effective January 1, 2017, the Group's corporate structure was reorganized as a mutual insurance holding company. As part of the reorganization, AFMIC formed two new holding company entities: a mutual holding company, American Family Insurance Mutual Holding Company (AFIMHC), and

a wholly owned subsidiary of AFIMHC, AmFam Holdings, Inc. (AmFam Holdings). AFMIC then converted to a stock insurer, changed its name to AFMICS, and issued three million shares of \$1 par common stock to AmFam Holdings. AmFam Holdings issued 100% of its voting securities to AFIMHC, which became the ultimate controlling party of the Group which includes all insurance and non-insurance entities in the holding company group. Existing and future mutual policyholders' membership interests in AFMIC were replaced with membership interests in AFIMHC. Policyholders of American Family Insurance Company and American Standard Insurance Company of Ohio were also granted membership rights in AFIMHC. There are no plans for AFMICS to sell stock publicly.

On October 31, 2018, Main Street America Group Mutual Holdings, Inc. (MSA Holdings), a mutual insurance holding company organized under the laws of the State of Florida, merged with and into AFIMHC, with AFIMHC being the surviving corporation. MSA Holdings was the ultimate owner of Main Street America Group, Inc. (MSAGI), a Florida corporation, which directly and indirectly owns 100% interest in five insurance companies and is affiliated with three mutual insurance companies through common management and affiliation agreements. The MSA Group insurance companies are NGM, MSAAC, ODIC, and MSAPIC, all domiciled in Florida, MSA Insurance Company (MSAIC), domiciled in South Carolina, affiliates GDMIC domiciled in Indiana, and SVMIC and AMIC both domiciled in Minnesota. Collectively, these companies are referred to as "the MSA Group". All insurance companies except MSAIC are included in the current financial examination. The MSA Group entities participated in a separate financial examination for the period of January 1, 2016, through December 31, 2020, with Florida, South Carolina, Minnesota, and Indiana. MSAIC Insurance Company was included in that exam, and South Carolina issued a final examination report with no adverse findings on September 4, 2021. As a result of the merger, all policyholders that had membership interest in MSA Holdings prior to the merger were converted into and granted membership interest in AFIMHC. Subsequent to the merger, AFIMHC contributed 100% of the issued and outstanding capital stock of MSAGI to AFMICS.

On October 1, 2019, AFIMHC, through its indirect, wholly owned subsidiary AmFam, Inc., acquired 100% ownership of IDS Property Casualty Insurance Company and its wholly owned affiliate, Ameriprise Insurance Company from Ameriprise Financial, Inc. IDS Property Casualty Insurance Company's name was subsequently changed to American Family Connect Property and Casualty

Insurance Company, and Ameriprise Insurance Company's name was changed to American Family Connect Insurance Company.

The primary operating company brands in the Group are: American Family, Connect, Homesite, Permanent General Companies, and Main Street America (collectively the "Opcos".) The Opcos cede their business to AFMICS, either directly, or through the lead companies in their respective subgroups, which then retrocede all business to AMFICS. The only exception is HICNY which retains 20% of its business. Included below are the descriptions of the product offerings and distribution channels by each Opco. The descriptions include a general overview of each Opco and detailed information for each company included in this report. The MSA Group does not have a company domiciled in Wisconsin, however, a description of MSAGI is included to provide a holistic overview of the Group.

American Family Brand Entities

The American Family brand's property and casualty book of business is offered by five companies – AFMICS, AFIC, ASICOH, ASICW, and MIC. The major products are primarily marketed through a captive agency force of approximately 2,500 agents operating in 19 predominantly non-coastal states with a primary focus on the Midwest. The American Family brand products include personal automobile, homeowners, farm owners, mobile homeowners, and commercial multiple peril. In 2021, the companies in the American Family subgroup wrote direct premium in the following states:

American Family Mutual Insurance Company S.I.

Wisconsin	\$ 756,173,798	19.4%
Minnesota	637,965,268	16.4
Missouri	600,421,667	15.4
Illinois	320,658,900	8.2
Colorado	293,390,694	7.5
Kansas	277,800,976	7.1
Arizona	158,819,484	4.1
All others	<u>852,988,313</u>	<u>21.9</u>
Total	<u>\$3,898,219,103</u>	<u>100.0%</u>

AFMICS is licensed in 27 states and wrote business in 19 states in 2021. The major lines of business written by the AFMICS are homeowners multiple peril, auto physical damage, private passenger auto liability, and commercial multiple peril.

American Family Insurance Company

Colorado	\$ 360,288,685	13.9%
Missouri	339,168,590	13.1
Wisconsin	243,302,967	9.4
Illinois	223,170,414	8.6
Arizona	195,686,335	7.6
Minnesota	188,932,861	7.3
Kansas	170,681,506	6.6
All others	<u>866,090,833</u>	<u>33.5</u>
Total	<u>\$2,587,322,191</u>	<u>100.0%</u>

AFIC is licensed in 19 states and wrote business in all 19 states. The major lines of business written by AFIC are private passenger auto liability, homeowners multiple peril, auto physical damage, and commercial multiple peril.

American Standard Insurance Company of Ohio

Georgia	\$ 121,433,055	98.7%
Ohio	<u>1,626,785</u>	<u>1.3</u>
Total	<u>\$123,059,840</u>	<u>100.0%</u>

ASICOH is licensed in three states and wrote business in two states, but predominantly in Georgia. The major lines of business written by the ASICOH are private passenger auto liability, auto physical damage, and homeowners multiple peril.

American Standard Insurance Company of Wisconsin

Wisconsin	\$14,971,194	30.7%
Missouri	6,768,924	13.9
Minnesota	6,383,599	13.1
Kansas	4,045,858	8.3
Illinois	2,699,963	5.5
Iowa	2,636,189	5.4
Colorado	2,125,846	4.4
All others	<u>9,143,466</u>	<u>18.7</u>
Total	<u>\$48,775,039</u>	<u>100.0%</u>

ASICW is licensed in 23 states and wrote business in 17 states. The major lines of business written by the ASICW are private passenger auto liability and auto physical damage. Prior to 2021, ASICW offered reinsurance products to third party clients in various property and casualty lines, including

international business. Starting in 2021, all new and renewed reinsurance business is underwritten by AFCPCIC.

Midvale Indemnity Company

MIC writes small account commercial direct policies, direct personal auto business and personal umbrella insurance that support multiple personal lines auto and home products.

New York	\$ 25,466,151	10.3%
Massachusetts	23,129,885	9.4
Arizona	20,843,092	8.4
Colorado	20,192,479	8.2
Illinois	19,995,199	8.1
Missouri	13,968,002	5.7
Wisconsin	12,034,380	4.9
All others	<u>111,289,170</u>	<u>45.1</u>
Total	<u>\$246,918,358</u>	<u>100.0%</u>

MIC is licensed in 50 states and the District of Columbia and wrote business in all 50 states and the District of Columbia. The major lines of business written by MIC include commercial multiple peril, other liability, workers compensation, commercial auto liability, auto physical damage, and private passenger auto liability.

Connect Entities

The Connect operating companies offer personal lines products including personal auto, homeowners, and umbrella insurance products and are marketed through non-related affinity partnerships, the largest of which is Costco Wholesale Corporation. AFCPCIC also markets personal lines products to its affiliated company clients at Ameriprise Financial Advisors and on the internet. Starting in 2021, AFCPCIC began offering reinsurance products which was previously offered by ASICW.

American Family Connect Property and Casualty Insurance Company

California	\$ 546,493,739	47.4%
Washington	96,576,660	8.4
Texas	61,955,058	5.4
Arizona	42,669,114	3.7
Michigan	32,891,903	2.9
Colorado	31,619,934	2.7
Oregon	31,146,644	2.7
All others	<u>309,957,516</u>	<u>26.9</u>
Total	<u>\$1,153,310,568</u>	<u>100.0%</u>

AFCPCIC is licensed in 50 states and the District of Columbia and wrote premium in 43 states and the District of Columbia. The major lines of business written by AFCPCIC include private passenger auto liability, auto physical damage, and homeowners multiple peril.

American Family Connect Insurance Company

New York	\$11,309,801	48.0%
Georgia	10,994,177	46.7
South Carolina	<u>1,241,481</u>	<u>5.3</u>
Total	<u>\$23,545,459</u>	<u>100.0%</u>

AFCIC is licensed in 38 states and the District of Columbia and wrote business in three states. AFCIC writes three lines of business - private passenger auto liability, auto physical damage, and homeowners multiple peril.

Homesite Entities

The Homesite Group of companies offers home, condominium, and renter insurance and writes most of its business through the direct online channel and through partnerships with other insurers and financial services companies.

Homesite Insurance Company of the Midwest

New Jersey	\$120,226,557	12.5%
Michigan	112,219,095	11.6
Ohio	110,102,355	11.4
California	75,955,958	7.9
Pennsylvania	54,877,175	5.7
Virginia	51,308,304	5.3
Maryland	48,146,799	5.0
All others	<u>390,784,251</u>	<u>40.6</u>
Total	<u>\$963,620,494</u>	<u>100.0%</u>

HICMW is licensed in 36 states and the District of Columbia and wrote business in 34 states and the District of Columbia. The major line written by HICMW is homeowners multiple peril.

Homesite Insurance Company

Texas	\$ 126,865,633	12.6%
California	92,175,366	9.2
Arizona	63,640,427	6.3
New Jersey	60,016,297	6.0
Indiana	56,542,988	5.6
Washington	56,440,745	5.6
Maryland	54,292,151	5.4

All others	<u>497,002,487</u>	<u>49.4</u>
Total	<u>\$1,006,976,094</u>	<u>100.0%</u>

HCT is licensed in 44 states and the District of Columbia and wrote business in all 44 states. The major lines written by the HCT are homeowners multiple peril, other liability, inland marine, allied lines, medical professional liability, and commercial multiple peril.

Homesite Indemnity Company

Oklahoma	\$ 36,692,422	34.4%
Kansas	19,568,285	18.4
Colorado	10,254,141	9.6
Arizona	9,816,480	9.2
Nevada	7,918,222	7.4
Missouri	6,443,906	6.0
Texas	5,169,928	4.9
All others	<u>10,689,518</u>	<u>10.1</u>
Total	<u>\$106,552,902</u>	<u>100.0%</u>

HIC is licensed in 15 states and wrote business in 13 states. The major line written by the company is homeowners multiple peril.

PGC Entities

Permanent General Companies offer non-standard automobile insurance distributed through a multi-channel distribution system which includes the agency channel, retail channel, and internet. The companies operate as one brand, "The General".

Permanent General Assurance Corporation

Florida	\$ 150,759,398	27.3%
California	73,023,593	13.2
Washington	24,861,267	4.5
Indiana	22,398,845	4.1
Alabama	22,064,428	4.0
Arizona	20,840,814	3.8
Pennsylvania	17,851,648	3.2
All others	<u>220,864,441</u>	<u>40.0</u>
Total	<u>\$552,664,434</u>	<u>100.0%</u>

PGAC is licensed in 49 states and the District of Columbia and wrote business in 43 states and the District of Columbia. PGAC writes two lines of business – private passenger auto liability and auto physical damage.

Permanent General Assurance Corporation of Ohio

Pennsylvania	\$ 47,457,677	19.0%
Ohio	42,588,664	17.1
Tennessee	41,752,005	16.7
North Carolina	27,760,494	11.1
Georgia	21,783,667	8.7
Colorado	20,987,103	8.4
Massachusetts	19,187,214	7.7
All others	<u>27,958,475</u>	<u>11.2</u>
Total	<u>\$249,475,299</u>	<u>100.0%</u>

PGACO is licensed in 39 states and wrote business in 16 states. PGACO writes two lines of business – private passenger auto liability and auto physical damage.

The General Automobile Insurance Company, Inc.

Virginia	\$26,072,511	39.6%
Ohio	10,239,726	15.5
Oregon	8,554,100	13.0
Pennsylvania	6,743,400	10.2
Alabama	5,315,464	8.1
Texas	3,510,243	5.3
South Carolina	2,288,535	3.5
All others	<u>3,189,491</u>	<u>4.8</u>
Total	<u>\$65,913,470</u>	<u>100.0%</u>

GAIC is licensed in 34 states and wrote business in 11 states. GAIC writes two lines of business – private passenger auto liability and auto physical damage.

MSA Entities

Companies in the MSA Group offer small business, personal insurance and fidelity and surety bonds through independent agents. None of the companies in the MSA Group domicile in Wisconsin.

The following table is a summary of the net insurance premiums written by the Group in 2021. AFMICS assumes 100% of the business of all of its property and casualty subsidiaries and affiliates on a quota share basis. The only exception is HICNY which retains 20% of its business. As such, substantially all of the Group net property and casualty results ultimately reside with AFMICS. The growth of the Group is discussed in the “Financial Data” section of this report.

Line of Business	Direct Premium	Reinsurance Assumed	Reinsurance Ceded	Net Premium
Fire	\$ 1,796,599	\$ 114,214,243	\$ 1,537,757	\$ 114,473,085
Allied lines	12,878,513	19,934,402	11,329,902	21,483,013
Farmowners multiple peril	113,290,389	46,586,251	13,373,399	146,503,241
Homeowners multiple peril	1,538,244,896	3,549,178,851	160,318,374	4,927,105,373
Commercial multiple peril	267,115,952	573,720,550	36,738,211	804,098,291
Mortgage guaranty		5,342,306		5,342,306
Inland marine	2,894,340	48,547,405	4,088	51,437,657
Medical professional liability - claims made		16,636,019	14,845,756	1,790,263
Earthquake	17,377,277	10,557,529	4,108,271	23,826,535
Other accident and health	22,020,475	4,427,271	14,234,013	12,213,733
Workers' compensation	15,043,643	73,820,977	(77,495)	88,942,115
Other liability – occurrence	141,211,201	223,078,653	97,622,083	266,667,771
Other liability – claims made	2,964,542	119,993,976	111,880,816	11,077,702
Products liability – occurrence	173,113	8,295,969		8,469,082
Private passenger auto liability	912,489,479	2,572,790,923		3,485,280,402
Commercial auto liability	42,428,648	170,285,146	47,373	212,666,421
Auto physical damage	807,078,607	1,554,152,422	12,085,158	2,349,145,871
Fidelity		1,765,615	43,925	1,721,690
Surety		40,375,443	2,886,666	37,488,777
Burglary and theft	1,211,428	444,592		1,656,020
Boiler and machinery		13	4,072	(4,059)
Reinsurance – non-proportional assumed property		72,931,214	8,078,580	64,852,634
Reinsurance – non-proportional assumed liability		5,233,110	5,233,110	
Reinsurance – non-proportional assumed financial lines		<u>2,732,157</u>		<u>2,732,157</u>
Total All Lines	<u>\$3,898,219,102</u>	<u>\$9,235,045,037</u>	<u>\$494,294,059</u>	<u>\$12,638,970,080</u>

III. MANAGEMENT AND CONTROL

Board of Directors

The board of directors of AFIMHC, the ultimate parent of American Family Mutual Insurance Company, S.I., consists of 16 members. There are three classes of directors, each class is elected annually to serve a three-year term. Officers are elected at the board's annual meetings to serve one-year terms. Directors serving on the boards of AFIMHC's insurance subsidiaries are elected at the annual meetings of shareholders for a term of one year.

Currently, the AFIMHC board of directors consists of the people listed in the table below.

Appendix A lists directors comprising the boards of all insurance companies included in the report.

Name and Residence	Principal Occupation	Term Expires
Christine M. Cumming Brooklyn, New York	Retired First Vice President and Chief Operating Officer Federal Reserve Bank	2024
Londa J. Dewey Madison, Wisconsin	Chief Executive Officer The QTI Group	2025
Fabian J. Fondriest Boston, Massachusetts	Retired Chief Executive Officer Homesite Group Incorporated	2024
Leslie Ann Howard Madison, Wisconsin	United Way Independent Consultant United Way Worldwide	2026
Idalene F. Kesner Bloomington, Indiana	Dean Emeritus of Indiana University Kelley School of Business	2025
Rakesh Khurana Newton, Massachusetts	Danoff Dean Harvard College	2026
Michael M. Knetter Madison, Wisconsin	President & CEO University of Wisconsin Foundation	2024
Antoinette (Tonie) Leatherberry Chadds Ford, Pennsylvania	Retired Partner, Deloitte Partner; Chief Executive Officer, Amplify Advisors, LLC	2024
Rosa G. Rios Danville, California	Former United States Treasurer; Chief Executive Officer Red River Associates	2026
Jack C. Salzwedel Madison, Wisconsin	Executive Chair AFIMHC	2025
Paul S. Shain Verona, Wisconsin	President, Chief Executive Officer Singlewire Software, LLC	2025

Name and Residence	Principal Occupation	Term Expires
Thomas M. Tefft Dellwood, Minnesota	Former Executive Medtronic, Inc.	2024
William B. Westrate Lake Mills, Wisconsin	Chief Executive Officer AFIMHC	2026
Scott A. Wrobbel Oconomowoc, Wisconsin	Retired Central Region Market Leader, Milwaukee Managing Partner, Deloitte LLP	2026
Telisa L. Yancy Middleton, Wisconsin	Enterprise President AFIMHC	2024
Thomas J. Zimbrick Madison, Wisconsin	Chief Executive Officer Zimbrick, Inc.	2024

Officers of AFIMHC

The principal officers currently serving are as follows:

Name	Office
Jack Salzwedel	Executive Chair
William B. Westrate	Chief Executive Officer
Telisa L. Yancy	Enterprise President
Troy P. Van Beek	Enterprise Chief Financial Officer; Treasurer
David C. Holman	Chief Administration Officer; Secretary
Michael D. Lorion	AmFam Direct President
Jeffrey J. Swalve	Agency President
Elicia L. Azali	Enterprise Chief Marketing Officer
Timothy D. Constien	Chief Claims Officer
David A. Graham	Chief Investment Officer
Daniel J. Kelly	Enterprise Chief Underwriting Officer
Anthony M. Scavongelli	Enterprise Chief Partnerships Officer
Jessica J. Stauffacher	Enterprise Chief People Officer
Tracy L. Schweitzer	Enterprise Chief Transformation Officer
Peter B. Settel	Enterprise Chief Strategy and Technology Officer
Rondale L. Dunn	Chief Sales Officer
Candy S. Embray	Commercial & Farm Ranch President
William Todd Fancher	Life President
Richard M. Steffen	Personal Lines President
Theresa K. Sztuczko	Assistant Treasurer
Mary A. Theilen	Assistant Treasurer
Lauren K. Powell	Assistant Secretary

Committees of the Board

The AFIMHC bylaws allow for the formation of certain committees by the AFIMHC board of directors. The committees currently serving are listed below:

Audit Committee

Thomas M. Tefft, Chair
Idalene F. Kesner
Michael M. Knetter
Rosa G. Rios
Scott A. Wrobbel

Risk Committee

Christine M. Cumming, Chair
Fabian J. Fondriest
Antoinette Leatherberry
Thomas M. Tefft
Scott A. Wrobbel
Jack C. Salzwedel
Rakesh Khurana
William B. Westrate

Finance and Investment Committee

Michael M. Knetter, Chair
Jack C. Salzwedel
Christine M. Cumming
Londa J. Dewey
Rosa G. Rios
Paul S. Shain
Fabian J. Fondriest
William B. Westrate
Troy Van Beek (ex officio)

Nominating & Governance Committee

Idalene F. Kesner, Chair
Jack C. Salzwedel
Thomas J. Zimbrick
Leslie Ann Howard
Rakesh Khurana
William B. Westrate

People, Culture, and Reward Committee

Londa J. Dewey, Chair
Jack C. Salzwedel
Leslie Ann Howard
Antoinette Leatherberry
Paul S. Shain
William B. Westrate
Thomas J. Zimbrick

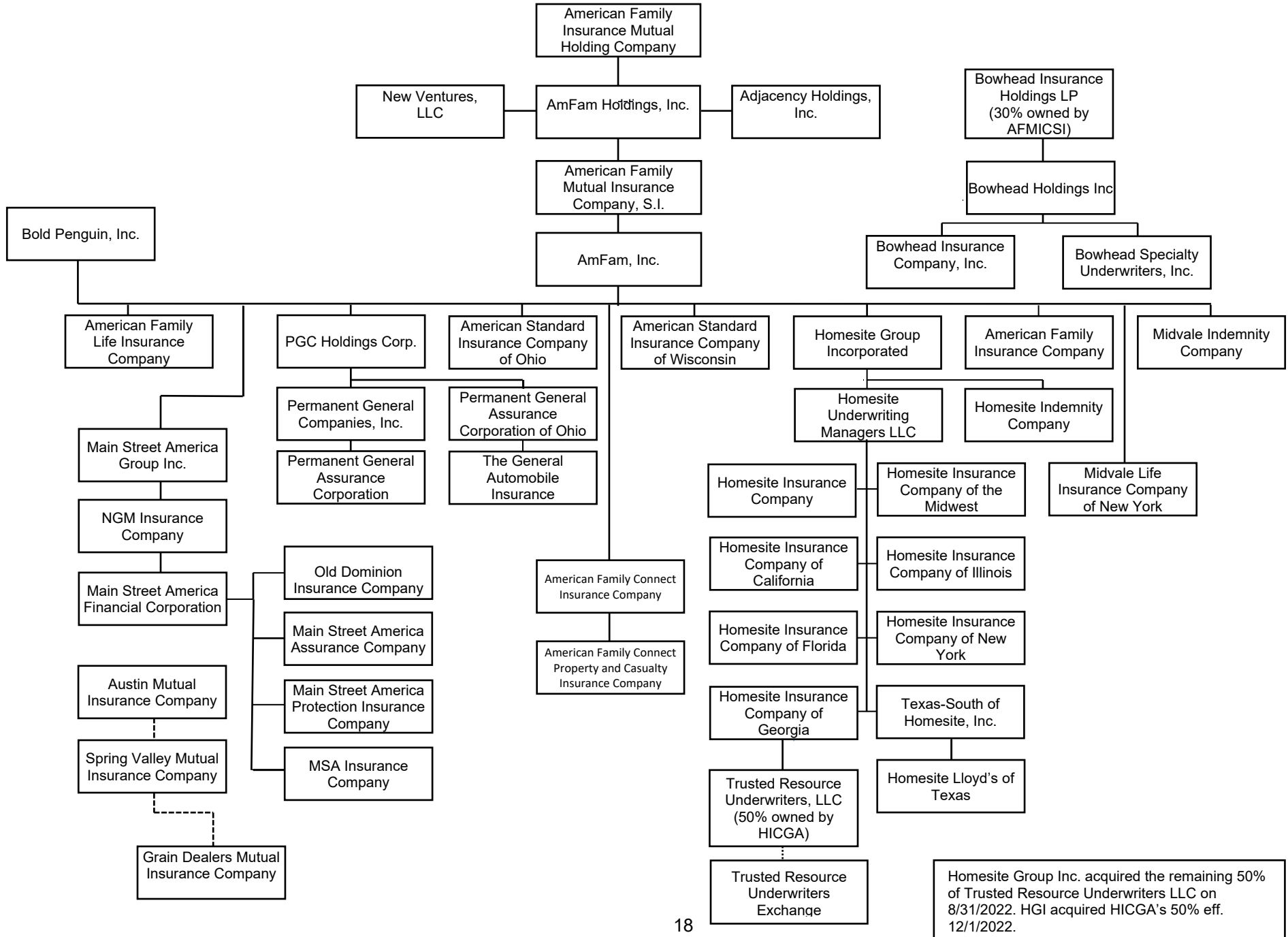
Executive Committee

Jack C. Salzwedel, Chair
William B. Westrate
Christine M. Cumming
Londa J. Dewey
Idalene F. Kesner
Michael M. Knetter
Paul S. Shain
Thomas M. Tefft

IV. AFFILIATED COMPANIES

The ultimate parent of the American Family Insurance Mutual Group is American Family Insurance Mutual Holding Company. The simplified organizational chart below depicts the relationships among the affiliates in the Group. A brief description of the significant affiliates follows the organizational chart.

**Organizational Chart
As of December 31, 2021**



American Family Insurance Mutual Holding Company

AFIMHC was incorporated on January 1, 2017, under the provisions of ch. 644, Wis. Stat. Membership of AFIMHC consists of policyholders of AFMICSI, AFIC, ASICOH, and NGM. AFIMHC's business is owning the stock and other equity interests of its subsidiaries. As of December 31, 2021, the consolidated GAAP audited financial statements of AFIMHC and subsidiaries reported assets of \$36,852,585,000, liabilities of \$25,443,731,000, and members' equity of \$11,408,854,000. Operations for 2021 produced a net income of \$898,090,000.

AmFam Holdings, Inc.

AmFam Holdings, Inc. was incorporated on January 1, 2017, under the provisions of ch. 180, Wis. Stat. AmFam Holdings is a Wisconsin intermediary stock holding company wholly owned by AFIMHC.

AmFam Inc.

AmFam, Inc., was incorporated in 1981 to serve as a downstream holding company for the Group.

Bowhead Insurance Holdings LP (Bowhead Holdings)

Bowhead Holdings is a Delaware limited partnership which owns, through Bowhead Holdings Inc, all the issued and outstanding shares of Bowhead Insurance Company, Inc. The limited partnership interests in Bowhead Holdings are divided among three parties as follows: 68.34% interest held by GPC Partners Investments (SPV III) LP, a Delaware limited partnership; 29.29% interest held by AFMICSI; and 2.37% interest is held by individuals.

Bowhead Insurance Company, Inc. (BICI)

BICI was incorporated in Wisconsin on October 12, 2020. On December 18, 2020, Bowhead Holdings, Inc, a Delaware corporation, acquired 100% interest in BICI. BICI is licensed in Wisconsin only. BICI provides reinsurance for its affiliates, including MIC, HCT, and HICFL on professional, casualty, and medical professional business produced, and managed by Bowhead Specialty Underwriters, Inc. As of December 31, 2021, the statutory audited financial statements of BICI reported total admitted assets of \$228,611,563, liabilities of \$168,115,288, and policyholders' surplus of \$60,496,275. Operations for 2021 produced a net loss of \$19,620,787.

Bowhead Specialty Underwriters, Inc. (BSU)

BSU is a Delaware corporation serving as a producer and a managing general agent. BSU acts as the managing general agent for MIC, HCT, and HICFL to produce, and manage professional, casualty, and medical professional insurance business.

New Ventures, LLC

New Ventures, LLC (New Ventures), a Wisconsin limited liability company, was formed in 2010 and is a direct, wholly owned subsidiary of AmFam Holdings, Inc. New Ventures owns 100% of three downstream subsidiaries and is a partial owner of four affiliate companies. Through New Ventures and its subsidiaries, the Group conducts minority venture capital investments in certain technology companies, focusing on insurance and financial sectors.

Adjacency Holdings, Inc.

Adjacency Holdings, Inc., is a Wisconsin stock corporation formed in 2019, and is a direct, wholly owned subsidiary of AmFam Holdings. Adjacency Holdings, Inc., holds majority interests in a small number of subsidiary entities that are involved in ancillary business providing complementary value to the core insurance products of the Group.

Main Street America Group Inc. (MSAGI)

MSAGI is a Florida stock intermediate holding company and a wholly owned direct subsidiary of AmFam, Inc. MSAGI became part of the Group on October 31, 2018. MSAGI owns 100% of NGM, a Florida stock insurance company, which owns 100% of the outstanding stock of Main Street Financial Corporation which in turn owns 100% of MSA Insurance Company, MSAAC, MASPIC, and ODIC. MSAGI has affiliated agreements with AMIC, GDMIC, and SVMIC. Collectively, these companies are referred to as “the MSA Group”. The MSA Group utilizes independent agents to write small business and personal insurance in 37 states, and fidelity and surety bonds in 47 states and the District of Columbia.

NGM Insurance Company (NGM)

NGM is a stock insurance company domiciled in the State of Florida, and is a direct, wholly owned subsidiary of MSAGI. NGM primarily writes homeowners multiple peril, commercial auto liability and auto physical damage insurance business. NGM assumes 100% of the business from all insurance subsidiaries and affiliates in the MSA Group. This business is then ceded to AFMICSI under a 100%

Quota Share Reinsurance Agreement. As of December 31, 2021, the statutory financial statements of NGM reported total admitted assets of \$846,361,216, liabilities of \$278,366,014, and policyholders' surplus of \$567,995,202. Operations for 2021 produced net income of \$19,277,828.

PGC Holdings Corp. (PGC Holdings)

PGC Holdings is a Delaware corporation that was acquired by the company through AmFam, Inc., on December 31, 2012. PGC Holdings is the direct parent of PGACO, which in turn owns GAIC. PGC Holdings is also the direct parent of Permanent General Companies, Inc., an intermediate holding company which owns PGAC. PGAC, PGACO, and GAIC are collectively known as the "Permanent General Group."

The Permanent General Group specializes in private passenger non-standard automobile insurance, primarily to consumers interested in acquiring an insurance policy to comply with state-level minimum insurance requirements. The Permanent General Group writes in 48 states and the District of Columbia and relies heavily on television advertising to promote the purchase of products through their internet distribution channel and call centers. Effective August 31, 2017, the Permanent General Group redomiciled from Ohio to Wisconsin.

Homesite Group Incorporated (HGI)

Homesite Group Incorporated is a Delaware corporation that was acquired by the company through AmFam, Inc., on December 31, 2013.

The purpose of the HGI acquisition was to broaden AFMICS's distribution channels and to expand its geographic footprint. HGI is an intermediate holding company which directly owns Homesite Indemnity Company and Homesite Underwriting Managers LLC, another intermediate holding company. Homesite Underwriting Managers LLC is the direct owner of HICMW, HCT, HICIL, HICNY, HICCA, HICFL, HICGA, and Texas-South of Homesite, Inc., which acts as the Attorney-in-Fact for Homesite Lloyd's of Texas. These nine insurance companies are collectively known as the "Homesite Group." The Homesite Group specializes in direct-to-consumer homeowners, renters, and condominium insurance. Its products are marketed nationally through its website, call centers, and partnerships with large financial institutions.

American Family Life Insurance Company (AFLIC)

American Family Life Insurance Company was incorporated in 1957. AFLIC is currently licensed in 49 states and the District of Columbia and writes primarily whole life, term life, and fixed universal life products. AFLIC markets its business through AFMICS's agency force. As of December 31, 2021, the statutory audited financial statements for AFLIC reported total admitted assets of \$5,473,414,756, liabilities of \$5,028,038,893 (both amounts include \$392.7 million from separate accounts), and surplus of \$445,375,863. Operations for 2021 produced a net income of \$39,581,179 million.

Bold Penguin, Inc. (Bold Penguin)

Bold Penguin is an Ohio-based technology company that aids in obtaining small business insurance. The Bold Penguin digital exchange is used by insurance agents, brokers, and other distributors to match, quote, and bind policies from a range of insurers to meet customer needs. Bold Penguin was acquired by AFMIHC on February 16, 2021.

Agreements with Affiliates

Second Amended and Restated Intercompany Services and Cost Allocation Agreement

Effective July 1, 2020, AFMICS and certain of its subsidiaries and affiliates entered into a Second Amended and Restated Intercompany Services and Cost Allocation Agreement. Under this agreement, AFMICS may provide to the other parties and one or more of the other parties may provide to AFMICS goods, third party services, and management and other direct services, including executive, corporate strategy, legal, corporate governance, product development, underwriting, marketing, customer service, sales, policy administration, billing, claims, reserving, financial, treasury, investment, enterprise risk, reinsurance, internal audit, and other services used by the parties in the conduct of their business operations. The costs of services provided under this agreement are reimbursed based on the actual costs of the services provided or on a pass-through basis for the services provided by third parties. Settlement of all charges is done on a net basis and no less frequently than on a quarterly basis. This agreement replaced an Amended and Restated Intercompany Services and Cost Allocation Agreement between AFMICS and certain of its affiliates that was effective January 1, 2017. Currently, all companies included in this report are parties to this agreement.

Service and Cost Allocation Agreement between AFCIC and AFCPCIC

There is a Service and Cost Allocation Agreement between AFCIC and AFCPCIC effective January 1, 2006. Under this agreement, AFCPCIC provides all services essential to the day-to-day operation of AFCIC as requested by AFCIC. AFCIC reimburses AFCPCIC for expenses calculated to reflect only the actual value and cost to AFCPCIC for providing such services. Settlement of fees and expenses are made within 30 days of the end of each quarterly period of the fiscal year.

Second Restated Tax Allocation Agreement between AFMICS and Subsidiaries and Affiliates

AFMICS and certain of its subsidiaries and affiliates, including ASICW, AFIC, ASICOH, MIC, AFCIC, PGC Holdings, and HGI, are parties to a tax allocation agreement executed in 2002 and later amended multiple times to reflect the additions of various affiliated parties to the agreement. The agreement was amended in 2023 to become the Second Amended and Restated Tax Allocation Agreement. AFCPCIC was added to the agreement effective January 1, 2023.

The agreement provides the basis for computation and the method of settlement of federal income tax payments and refunds within the Group. The method for allocation is the percentage method under Treas. Reg. § 1.1502-33(d)(3) using the 100% allocation method. Under this agreement, AFMICS prepares and files a consolidated federal income tax return that includes all affiliates of the Group. Final settlement is due within 90 days of the filing of the consolidated federal tax return.

Tax Allocation Agreement between Homesite Group Incorporated and Subsidiaries

Companies in the Homesite Group, including Homesite Group Incorporated, HCT, HICMW, and HIC are parties to a Consolidated Federal Income Tax Liability Agreement effective January 1, 2013, and amended effective December 31, 2014. Under the agreement, each party participates in a federal income tax return filed on a consolidated basis. The method of allocation among the companies is based upon the separate return calculation with current credit for net losses. Intercompany tax balances are settled quarterly.

Tax Allocation Agreement between PGC Holdings Corp. and Subsidiaries

Companies in the Permanent General Group, including PGC Holdings, PGACO, PGAC, and GAIC, are parties to a Tax Allocation Agreement effective October 1, 2010, and amended effective January 1, 2021. Under the agreement, each party participates in a federal income tax return filed on a

consolidated basis. The method of allocation among the companies is based upon the separate return calculation with current credit for net losses. Intercompany tax balances are settled no less frequently than 30 days after the relevant filing or filing dates.

V. REINSURANCE

The company's reinsurance portfolio and strategy at the time of the examination are described below. All reinsurance agreements were determined to have proper insolvency, entire contract, arbitration, and intermediary clauses as required by the Statement of Statutory Accounting Principles (SSAP) No. 62R. In addition, these agreements were found to include language that properly transfers risk as required by SSAP No. 62R.

Affiliated Ceding Contracts

Effective July 1, 2010, AFMICS I entered into a 100% quota share agreement with AFLIC, under which AFLIC assumed a closed long-term care book of business written by AFMICS I.

Effective November 1, 2020, AFMICS I entered into a 100% Quota Share Reinsurance Agreement with its affiliate, Bowhead Insurance Company, Inc. (BICI). Under the agreement, BICI assumes 100% of AFMICS I's gross liability under all policies either 1) produced by Bowhead Specialty Underwriters, Inc., and issued by HCT, HICFL, and MIC pursuant to the terms of separate Managing General Agency Agreements between Bowhead Underwriters and each of HCT, HICFL, and MIC, or 2) specified classes and lines of business issued by certain affiliates of AFMICS I on or after November 1, 2020 and reinsured by AFMICS I.

Nonaffiliated Ceding Contracts

The external catastrophe ceded reinsurance program is purchased for the entire Group. The various layers of the non-catastrophe property per risk and casualty excess reinsurance programs are utilized by the operating companies as appropriate for their risk and business needs.

Non-Catastrophe

AFMICS I purchases a non-catastrophe reinsurance program for property and casualty non-catastrophe exposure for the American Family, Main Street America, and Connect operating companies. The program consists of Excess of Loss treaties and automatic facultative coverage for limits exceeding reinsurance coverage provided by the treaties. For casualty exposure, the Group retains the first \$2 million per occurrence and purchases four layers of reinsurance. Reinsurance coverage provides a limit of \$48 million in excess of the Group's retention, with some lines of business carrying a higher retention

and lower limit. All layers offer reinstatements, which vary depending on the layer, from free and unlimited to one reinstatement per layer at full price.

For property, the Group retains the first \$2 million and co-participates 17% and 35% in the next two layers respectively, \$4 million in excess of \$2 million and \$4 million in excess of \$6 million, for the total coverage of \$8 million in excess of the initial retention of \$2 million. The next two layers, fully ceded, provide coverage of \$15 million in excess of \$10 million and \$25 million in excess of \$25 million, for total reinsurance coverage of \$48 million in excess of the Group's initial retention of \$2 million, with some lines of business carrying a higher retention and lower limit. All four layers offer reinstatements which vary from free and unlimited to one at full price.

The Group also buys supplemental facultative coverage for limits greater than \$50 million.

Catastrophe

AFMICS I purchases a group property catastrophe reinsurance program for the American Family, Homesite, Main Street America, Permanent General, and Connect operating companies. The current structure provides a \$2.375 billion limit excess of \$500 million retained, with six traditional reinsurance layers supplemented by three catastrophic bond issues. The traditional reinsurance layers provide coverage against all-weather perils including named storms.

The first layer provides coverage of \$150 million, excess of retention of \$500 million, and is 50% placed. The second and third layers cover \$400 million excess of \$650 million, and \$450 million excess of \$1.05 billion, respectively, and are 95% placed. The fourth layer covers the next \$600 million excess of \$1.5 billion and is 97.5% placed. The fifth layer covers \$650 million excess of \$2.1 billion and is 95% placed. The final layer covers \$125 million excess of \$2.75 billion and is fully placed. AFMICS I sponsored three catastrophe bonds issued through Four Lakes Re Ltd. which are supplemental to the Group's catastrophe program and considered in the calculation of the Group's participation level at each layer of reinsurance coverage. The first bond, \$175 million, was issued in 2020, followed by a \$125 million issuance in 2021 and \$100 million issued in December 2022. The catastrophe bond coverage provides reinsurance protection against losses from named storms, earthquakes, severe thunderstorms, winter storms, and wildfires across the United States. Coverage afforded by each issue runs for three years.

Affiliated Assuming Contracts

AFMICS I reinsures all subsidiary and affiliate business under 100% quota share agreements, with the exception of HICNY which retains 20% of its business and TRUE and Bowhead which are not reinsured by AFMICS I. Below is a description of the existing quota share arrangements.

Effective January 1, 2012, AFMICS I entered into separate Amended and Restated Quota Share Reinsurance Agreements with ASICW, ASICOH, and AFIC, assuming 100% of each company's losses and claims expenses.

Effective January 1, 2013, AFMICS I entered into a 100% Quota Share Reinsurance Agreement with MIC assuming 100% of losses and claims expenses. The agreement is applicable to policies in runoff or in force on or after the effective date, as well as new and renewal policies.

Effective January 1, 2014, AFMICS I entered into a Loss Portfolio Transfer and 100% Quota Share agreement with HICMW assuming 100% of in force, new, and renewal direct and assumed losses. HICMW also has separate Loss Portfolio Transfer and 100% Quota Share Agreements in effect with each of the remaining Homesite affiliates under which 100% of losses are ceded to HICMW, which are then retroceded to AFMICS I. The only exception is HICNY which cedes 80% of losses to HICMW. The effect of these agreements is that AFMICS I ultimately assumes all Homesite Group's premiums and losses other than the 20% retained by HICNY. Effective January 1, 2016, the Quota Share Agreement between HICMWI and HICNY was amended to reduce HICMW's quota share to 80%.

Effective January 1, 2017, AFMICS I entered into a Loss Portfolio Transfer and 100% Quota Share agreement with PGAC assuming 100% of in force, new, and renewal direct and assumed losses. PGAC also has separate Loss Portfolio Transfer and 100% Quota Share agreements in effect with PGACO and GAIC under which 100% of losses are ceded to PGAC, which are then retroceded to AFMICS I.

Effective January 1, 2019, AFMICS I entered into a Loss Portfolio Transfer and 100% Quota Share agreement with NGM assuming 100% of runoff, in force, new, and renewal direct and assumed business. NGM also has separate 100% Quota Share agreements in effect with each of its subsidiaries and affiliates under which 100% of losses are ceded to NGM, which are then retroceded to AFMICS I.

Effective January 1, 2020, AFMICS I entered into a Loss Portfolio Transfer and 100% Quota Share agreement with AFCPCIC assuming 100% of runoff, in force, new, and renewal direct and assumed business. AFCPCIC also has a separate 100% Quota Share agreement in effect with its subsidiary AFCIC under which 100% of losses are ceded to AFCPCIC, which are then retroceded to AFMICS I.

Nonaffiliated Assuming Contracts

The companies in the Group assume business from unaffiliated parties with the main goal of diversifying its risk profile. Historically, assumed reinsurance was primarily focused on property business which has been written by ASICW since 2011. Starting in 2021, all new business is written by AFCPCIC and reinsurance offerings were expanded into the casualty space. NGM also assumes business, primarily non-standard auto on a quota share basis. After the acquisition of the MSA Group in 2019, this business became a part of the Group's assumed reinsurance portfolio. The companies write both pro rata and excess-of-loss treaty business. All business assumed by any of the AFMICS I subsidiaries is ceded to AFMICS I under the existing quota share agreements. The companies utilize primarily broker channels to acquire business. The companies in the Group also assume business through various involuntary reinsurance pools and programs.

VI. FINANCIAL DATA

The following financial statements reflect the financial condition of AFMICS, the lead company in the Group, as reported to the commissioner of insurance in the December 31, 2021, annual statement. Also included in this section are schedules that reflect the growth of AFMICS, NAIC Insurance Regulatory Information System (IRIS) ratio results for the period under examination for AFMICS, and the compulsory and security surplus calculation for AFMICS. The financial statements of the remaining companies included in this report are included in Appendix B. All dollar figures are in thousands. Adjustments made as a result of the examination are noted at the end of this section in the area captioned "Reconciliation of Surplus per Examination."

American Family Mutual Insurance Company, S.I.
Assets (in thousands)
As of December 31, 2021

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$15,414,617	\$	\$15,414,617
Stocks:			
Common stocks	6,016,952		6,016,952
Mortgage loans on real estate:			
First liens	237,271		237,271
Other than first liens			
Real estate:			
Occupied by the company	216,614		216,614
Properties held for sale	1,749		1,749
Cash, cash equivalents, and short-term investments	494,836		494,836
Other invested assets	2,102,232	1,750	2,100,481
Receivables for securities	62,797		62,797
Securities lending reinvested collateral assets	215,668		215,668
Investment income due and accrued	79,180		79,180
Premiums and considerations:			
Uncollected premiums and agents' balances in course of collection	5,632	2,254	3,378
Deferred premiums, agents' balances, and installments booked but deferred and not yet due	1,955,954		1,955,954
Accrued retrospective premiums and contracts subject to redetermination			
Reinsurance:			
Amounts recoverable from reinsurers	18,103		18,103
Funds held by or deposited with reinsured companies	25,183		25,183
Net deferred tax asset	160,253		160,253
Guaranty funds receivable or on deposit	5,289		5,289
Electronic data processing equipment and software	333,988	324,614	9,374
Furniture and equipment, including health care delivery assets	35,189	35,189	
Receivable from parent, subsidiaries, and affiliates	234,676		234,676
Write-ins for other than invested assets:			
Overfunded plan asset	284,488	284,488	
Advances	3,506	3,506	
Prepaid expenses	62,012	62,012	
Miscellaneous Receivables	21,665		21,665
Cash items	194	194	
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$27,988,045</u>	<u>\$714,007</u>	<u>\$27,274,038</u>

American Family Mutual Insurance Company, S.I.
Liabilities, Surplus, and Other Funds (in thousands)
As of December 31, 2021

Losses	\$ 6,877,141
Reinsurance payable on paid loss and loss adjustment expenses	401,678
Loss adjustment expenses	1,439,102
Commissions payable, contingent commissions, and other similar charges	9,808
Other expenses (excluding taxes, licenses, and fees)	1,345,218
Taxes, licenses, and fees (excluding federal and foreign income taxes)	22,998
Current federal and foreign income taxes	12,968
Borrowed money and interest thereon	1,023,499
Unearned premiums	5,590,223
Advance premium	39,387
Dividends declared and unpaid:	
Policyholders	520
Ceded reinsurance premiums payable (net of ceding commissions)	59,226
Funds held by company under reinsurance treaties	306
Amounts withheld or retained by company for account of others	35,866
Remittances and items not allocated	13,919
Provision for reinsurance	7,709
Payable to parent, subsidiaries, and affiliates	521,048
Derivatives	1,016
Payable for securities	169,082
Payable for securities lending	215,668
Write-ins for liabilities:	
All other liabilities	28,406
Liability for agents' program and pension & postretirement plans	158,451
Retroactive reinsurance reserve	<u>(77,141)</u>
Total Liabilities	17,896,098
Write-ins for special surplus funds:	
Non-assessable guaranty fund	1,250
Common capital stock	3,000
Gross paid in and contributed surplus	1,489,449
Unassigned funds (surplus)	<u>7,884,240</u>
Surplus as Regards Policyholders	<u>9,377,940</u>
Total Liabilities and Surplus	<u>\$27,274,038</u>

American Family Mutual Insurance Company, S.I.
Summary of Operations (in thousands)
For the Year 2021

Underwriting Income		
Premiums earned		\$12,188,596
Deductions:		
Losses incurred	\$7,681,865	
Loss adjustment expenses incurred	1,045,150	
Other underwriting expenses incurred	<u>3,975,028</u>	
Total underwriting deductions		<u>12,702,043</u>
Net underwriting gain (loss)		(513,447)
Investment Income		
Net investment income earned	663,675	
Net realized capital gains (losses)	<u>178,049</u>	
Net investment gain (loss)		841,724
Other Income		
Net gain (loss) from agents' or premium balances charged off	(57,970)	
Finance and service charges not included in premiums	126,728	
Write-ins for miscellaneous income:		
Miscellaneous income/(expense)	(35,122)	
Retroactive reinsurance gain (loss)	<u>(13,813)</u>	
Total other income		<u>19,823</u>
Net income (loss) before dividends to policyholders and before federal and foreign income taxes		348,100
Dividends to policyholders		<u>1,174</u>
Net income (loss) after dividends to policyholders but before federal and foreign income taxes		346,926
Federal and foreign income taxes incurred		<u>(882)</u>
Net Income (Loss)		<u>\$ 347,808</u>

American Family Mutual Insurance Company, S.I.
Cash Flow (in thousands)
For the Year 2021

Premiums collected net of reinsurance		\$12,459,488
Net investment income		754,634
Miscellaneous income		<u>13,103</u>
Total		13,227,225
Benefit- and loss-related payments	\$7,141,499	
Commissions, expenses paid, and aggregate write-ins for deductions	5,046,239	
Dividends paid to policyholders	1,415	
Federal and foreign income taxes paid (recovered)	<u>105,693</u>	
Total deductions		<u>12,294,847</u>
Net cash from operations		932,378
Proceeds from investments sold, matured, or repaid:		
Bonds	\$14,860,131	
Stocks	928,418	
Mortgage loans	48,602	
Real estate	12,057	
Other invested assets	236,418	
Net gains (losses) on cash, cash equivalents, and short-term investments	(11)	
Miscellaneous proceeds	<u>54,741</u>	
Total investment proceeds		16,140,355
Cost of investments acquired (long- term only):		
Bonds	16,591,131	
Stocks	1,038,011	
Mortgage loans	70,750	
Real estate	4,900	
Other invested assets	496,379	
Miscellaneous applications	<u>45,700</u>	
Total investments acquired		<u>18,246,872</u>
Net cash from investments		<u>(2,106,517)</u>
Cash from financing and miscellaneous sources:		
Capital and paid in surplus less treasury stock	998,759	
Borrowed funds	(191,000)	
Dividends to stockholders	9,754	
Other cash provided (applied)	<u>506,774</u>	
Net cash from financing and miscellaneous sources		<u>1,304,779</u>
Reconciliation:		
Net Change in Cash, Cash Equivalents, and Short-Term Investments		130,641
Cash, cash equivalents, and short-term investments:		

Beginning of year	<u>364,195</u>
End of Year	<u>\$ 494,836</u>

**American Family Mutual Insurance Company, S.I.
Compulsory and Security Surplus Calculation (in thousands)
December 31, 2021**

Assets		\$27,274,038
Less security surplus of insurance subsidiaries		(157,550)
Less liabilities		<u>17,896,098</u>
Adjusted surplus		9,220,390
Annual premium:		
Individual accident and health	\$ 12,214	
Factor	<u>15%</u>	
Total		\$ 1,832
Medical Malpractice	\$ 1,790	
	<u>50%</u>	\$895
Lines other than accident and health	12,673,680	
Factor	<u>20%</u>	
Total		<u>2,534,736</u>
Compulsory surplus (subject to a minimum of \$2 million)		<u>2,537,463</u>
Compulsory Surplus Excess (Deficit)		<u>\$ 6,682,926</u>
Adjusted surplus (from above)		\$ 9,220,390
Security surplus (140% of compulsory surplus, factor reduced 1% for each \$33 million in premium written in excess of \$10 million, with a minimum factor of 110%)		<u>2,791,210</u>
Security Surplus Excess (Deficit)		<u>\$ 6,429,180</u>

American Family Mutual Insurance Company, S.I.
Analysis of Surplus (in thousands)
For the Five-Year Period Ending December 31, 2021

	2021	2020	2019	2018	2017
Surplus, beginning of year	\$7,628,412	\$7,189,152	\$6,335,532	\$6,631,365	\$6,866,974
Net income	347,808	846,183	286,298	771,232	103,336
Change in net unrealized capital gains/losses	316,987	(392,195)	124,310	(830,075)	306,295
Change in net deferred income tax	7,753	61,683	118,164	35,569	(315,559)
Change in nonadmitted assets	(144,465)	(86,644)	147,353	(263,524)	(10,121)
Change in provision for reinsurance	(1,771)	(2,858)	975	8,434	(11,808)
Capital changes:					
Transferred from surplus					3,000
Surplus adjustments:					
Paid in	998,759		490,690		
Transferred from capital					(3,000)
Dividends to stockholders	(9,754)	(20,793)	(89,051)	(30,223)	(257,716)
Change in treasury stock					
Write-ins for gains and (losses) in surplus:					
SSAP 92 & 102 pension adjustment	134,148	109,894	(72,923)	10,581	(2,864)
SSAP 92 & 102 contract termination payments adj	100,063	(72,352)	(152,197)	2,172	(47,172)
Pension plan merger adjustment	_____	(3,658)	_____	_____	_____
Surplus, End of Year	<u>\$9,377,940</u>	<u>\$7,628,412</u>	<u>\$7,189,152</u>	<u>\$6,335,532</u>	<u>\$6,631,365</u>

American Family Mutual Insurance Company, S.I.
Insurance Regulatory Information System
For the Five-Year Period Ending December 31, 2021

The AFMICS's NAIC Insurance Regulatory Information System (IRIS) results for the period under examination are summarized below. Unusual IRIS results are denoted with asterisks and discussed below the table.

Ratio	2021	2020	2019	2018	2017
#1 Gross Premium to Surplus	140%	159%	158%	144%	133%
#2 Net Premium to Surplus	135	156	157	142	130
#3 Change in Net Premiums Written	6	5	25	5	18
#4 Surplus Aid to Surplus	0	0	0	0	0

Ratio	2021	2020	2019	2018	2017
#5 Two-Year Overall Operating Ratio	95	94	95	96	99
#6 Investment Yield	3.0	6.6*	3.3	7.0*	2.2*
#7 Gross Change in Surplus	23	6	13	-4	-3
#8 Change in Adjusted Surplus	10	6	6	-4	-3
#9 Liabilities to Liquid Assets	85	89	91	78	77
#10 Agents' Balances to Surplus	0	0	0	0	0
#11 One-Year Reserve Development to Surplus	-6	-4	-1	-1	1
#12 Two-Year Reserve Development to Surplus	-9	-2	1	-0	-2
#13 Estimated Current Reserve Deficiency to Surplus	-8	-15	-15	-5	1

Ratio No. 6 measures the amount of the company's net investment income as a percentage of the average amount of cash and invested assets. The exceptional results in 2018 and 2020 were due to the inclusion of extraordinary distributions from the affiliated companies (see narrative below) in the investment income. The exceptional result in 2018 was due to the low interest rate environment as well as the company's reliance on tax-exempt bonds, which usually have a lower yield.

Growth of American Family Mutual Insurance Company, S.I. (in thousands)

Year	Admitted Assets	Liabilities	Surplus as Regards Policyholders	Net Income
2021	\$27,274,038	\$17,896,098	\$9,377,940	\$347,808
2020	24,745,786	17,117,374	7,628,412	846,183
2019	21,726,623	14,537,471	7,189,152	286,298
2018	17,182,310	10,846,778	6,335,532	771,232
2017	17,157,398	10,526,033	6,631,365	103,336
2016	16,193,740	9,326,766	6,866,974	211,707

Year	Gross Premium Written	Net Premium Written	Premium Earned	Loss and LAE Ratio	Expense Ratio	Combined Ratio
2021	\$13,133,264	\$12,638,970	\$12,188,596	71.6%	31.3%	102.9%
2020	12,139,296	11,870,526	11,359,125	71.7	29.8	101.5
2019	11,377,526	11,268,782	10,424,948	76.0	27.1	103.1
2018	9,129,261	8,997,548	8,694,345	75.7	27.5	103.2
2017	8,794,376	8,605,162	8,190,801	77.2	28.6	105.8
2016	7,402,160	7,291,335	7,063,439	68.2	31.4	99.6

AFMICS I assumes 100% of underwriting activity (both written and assumed), except for HICNY, which retains 20% of its business, and TRUE and Bowhead, which are not reinsured by AFMICS I.

Gross and net premiums written increased 77% and 73%, respectively, over the period subject to examination. Group net premium written grew both organically as well as through two significant acquisitions. In addition, three intercompany reinsurance transactions have been executed since 2017. On January 1, 2017, AFMICS I entered a loss portfolio transfer and 100% quota share agreement with PGAC. Total premiums written and assumed by PGAC in 2021 were \$837 million. On January 1, 2019, AFMICS I entered a Loss Portfolio Transfer and 100% Quota Share Agreement with NGM which contributed \$1.3 billion to AFMICS I's gross written premium. And finally, on January 1, 2020, AFMICS I entered a Loss Portfolio Transfer and 100% Quota Share Agreement with AFCPCIC, which added \$1.1 billion to AFMICS I's gross premium written. Overall, the acquisitions accounted for approximately half of the total premium growth reported by AFMICS I over the examination period. In 2020 and 2021, AFMICS I provided policyholder premium relief of approximately \$502 million and \$112 million, respectively, in response to the global COVID-19 pandemic.

Business operations produced an underwriting loss in each year under examination, which is illustrated by the combined ratio ranging from 101.5% in 2020 to 105.8% in 2017. Underwriting losses reported by the Group are predominantly attributed to higher-than-normal losses from natural catastrophe perils, including Midwest convective storms, hurricane, and winter storms impacting homeowners and commercial lines and from rising claim severity in auto and home lines. Severity rose rapidly with inflation during late 2021 and early 2022 in all physical damage coverages, outpacing premium increases over that period. The expense ratio in 2020 increased 2.7%, with approximately half of the change driven by COVID-19 premium relief payments recognized as a reduction in premium written and earned. Underwriting losses were offset by net investment income, resulting in AFMICS I reporting net income in each year under examination. In 2018 net income included a \$500 million extraordinary dividend from AFLIC (via AmFam, Inc.) that was used for the purpose of funding AFMICS I's non-contributory qualified pension plan. In 2020, AFMICS I received extraordinary dividends of approximately \$797 million from its Wisconsin-domiciled subsidiaries. The purpose of the dividends aligns with the Group's overall capital

management strategy to centrally manage capital at the AFMICS I level. The dividends were reported as part of net investment income and unrealized losses on common stock of affiliates. Neither dividend distribution had an impact on the surplus reported by AFMICS I.

Total admitted assets increased 68% during the period under examination. The increase was driven primarily by the acquisitions of the MSA and Connect entities. Thus, in 2019, total admitted assets increased 26% over the prior year due to an increase of \$2.4 billion in bonds and an increase of \$1.6 billion in affiliated common stock. The increase in bonds was mainly due to the Loss Portfolio Transfer between AFMICS I and NGM that became effective on January 1, 2019. The increase in common stock was primarily due to the investment in AFCPCIC. In 2020, total admitted assets increased 14%, compared to the prior year. The increase was driven by an increase in long-term bonds, largely due to the loss portfolio transfer with AFCPCIC executed on January 1, 2020.

Surplus increased 37% during the period covered by the current examination. The largest increase of \$1.7 million was reported in 2021. AFMICS I contributed approximately \$514.2 million to AmFam, Inc., to fund the acquisition of Bold Penguin, Inc., a technology company that simplifies the process of obtaining small business insurance. AFMICS I funded this contribution by a loan of \$510 million from the Federal Home Loan Bank – Chicago (FHLB). In March 2021 AmFam Holdings, Inc. executed the placement of \$1 billion of senior unsecured notes in the private market and made a capital contribution of \$900 million to AFMICS I. A part of this contribution was used to repay a loan from FHLB.

Subsequent Events

As of December 31, 2022, AFMICS I reported a net underwriting loss of \$1.6 billion and a net loss of \$1.4 billion. The combined ratio for 2022 was 110.2%. Primary factors driving underwriting results were several significant catastrophe weather events and inflationary pressure. Net investment income in 2022 was reduced by \$491 million of net realized capital losses, largely on bond dispositions. Surplus decreased \$2.0 billion, or 22%, compared to prior year end, and was \$7.3 billion as of December 31, 2022. The decrease in surplus was driven by the net loss and by the increase in net unrealized capital losses of \$837 million.

Reconciliation of Surplus per Examination

No adjustments were made to surplus as a result of the examination. The amount of surplus reported by the company as of December 31, 2021, is accepted.

VII. SUMMARY OF EXAMINATION RESULTS

Compliance with Prior Examination Report Recommendations

Specific comments and recommendations included in the previous examination reports are listed below. Comments and recommendations contained in the last examination reports and actions taken by the company are as follows:

AFMICS, ASICOH, ASICW, AFIC, PGAC, PGACO, GAIC, HIC, HCT, HICMW

1. Investments—It is recommended that the company revise its custodial agreement to include the guideline provisions contained in the NAIC's *Financial Condition Examiners Handbook*.

Action—Compliance.

HIC, HCT, HICMW

1. Executive Compensation—It is recommended that the company properly complete the "Report of Executive Compensation" as required by ss. 601.42 and 611.63 (4), Wis. Stat.

Action—Compliance.

2. Affiliated Agreements— It is recommended that the company amend its service agreement with HGI to be in compliance with s. Ins 40.04 (2) (d) (10), Wis. Adm. Code.

Action—Compliance

HIC

1. Affiliated Agreements—It is recommended that the company amend its service agreement with HGI to be in compliance with s. Ins 40.04 (2) (d) (3), Wis. Adm. Code

Action—Compliance

Summary of Current Examination Results

The current examination resulted in no recommendations. There were no adjustments or reclassifications to the balance sheet amounts as a result of this examination.

VIII. CONCLUSION

American Family Mutual Group includes 29 property and casualty and two life insurance companies domiciled in ten states. The current examination, which covered the period from January 1, 2017, to December 31, 2021, included 28 property and casualty and two life insurers. Representatives from nine states participated in the examination. This examination report includes 13 Wisconsin-domiciled property and casualty insurance companies.

Effective January 1, 2017, the company underwent a corporate reorganization and formed a mutual holding company. There were two major acquisitions during the examination period. The MSA Group was acquired in 2018, and the Connect entities were acquired in 2019. The acquisitions are part of the company's strategy to broaden its geographic footprint as well as its distribution channels.

Gross and net premiums written increased 77% and 73%, respectively, over the examination period. Group writings grew both organically as well as through acquisitions.

The current examination determined that all companies included in this report complied with the recommendations from the prior examination. The current examination resulted in no recommendations.

IX. SUMMARY OF COMMENTS AND RECOMMENDATIONS

The current examination resulted in no recommendations. There were no adjustments or reclassifications to the balance sheet amounts as a result of this examination.

X. ACKNOWLEDGMENT

The courtesy and cooperation extended by the officers and employees of the company during the course of the examination are acknowledged.

In addition to the undersigned, the following representatives of the Office of the Commissioner of Insurance, State of Wisconsin, participated in the examination:

Name	Title
Thomas Hilger, CFE	Insurance Financial Examiner
James Lindell	Insurance Financial Examiner
Gregory Mielke	Insurance Financial Examiner
Jonathan Mundschau	Insurance Financial Examiner
Nicholas Siskoff	Insurance Financial Examiner
James Vanden Branden	Principal Analyst
Pierce Varney	Insurance Financial Examiner
Yi Xu	Insurance Financial Examiner
Jerry DeArmond, CFE	Data Specialist
Eleanor Lu, CISA	IT Specialist
John Litweiler, AFE	Exam Supervisor and Quality Control Specialist

Respectfully submitted,



Terry Lorenz, CFE
Examiner-in-Charge

XI. Appendix A: Management and Control

American Family Connect Insurance Company

Board of Directors

The board of directors of AFCIC consists of three members. Directors are elected annually by the shareholder to serve a one-year term. Officers are elected at the annual board meeting. Members of the company's board of directors may also be members of other boards of directors in the Group.

Currently, the board of directors of AFCIC consists of the following persons:

Name and Residence	Principal Occupation	Term Expires
David C. Holman Verona, Wisconsin	Chief Administration Officer, Secretary AFMICS	2024
Michael D. Lorion, Chair Millbury, Massachusetts	AmFam Direct President AFMICS	2024
Troy P. Van Beek Waunakee, Wisconsin	Enterprise Chief Financial Officer, Treasurer AFMICS	2024

Officers of the Company

The officers currently serving are as follows:

Name	Office
Michael D. Lorion	President
David C. Holman	Secretary
Troy P. Van Beek	Treasurer
Sharena Z. Ali	Chief Operating Officer
Theresa K. Sztuczko	Assistant Treasurer
Mary A. Theilen	Assistant Treasurer
Lauren K. Powell	Assistant Secretary

American Family Connect Property and Casualty Insurance Company

Board of Directors

The board of directors of AFPCIC consists of six members. Directors are elected annually by the shareholder to serve a one-year term. Officers are elected at the annual board meeting. Members of the company's board of directors may also be members of other boards of directors in Group.

Currently, the board of directors of AFPCIC consists of the following persons:

Name and Residence	Principal Occupation	Term Expires
David C. Holman Verona, Wisconsin	Chief Administration Officer, Secretary AFMICS	2024
Daniel J. Kelly Madison, Wisconsin	Enterprise Chief Underwriting Officer AFMICS	2024
Michael D. Lorion Millbury, Massachusetts	AmFam Direct President AFMICS	2024
Troy P. Van Beek Waunakee, Wisconsin	Enterprise Chief Financial Officer, Treasurer AFMICS	2024
William B. Westrate, Chair Lake Mills, Wisconsin	Chief Executive Officer AFMICS	2024
Telisa L. Yancy Middleton, Wisconsin	Enterprise President AFMICS	2024

Officers of the Company

The officers currently serving are as follows:

Name	Office
Michael D. Lorion	President
David C. Holman	Secretary
Troy P. Van Beek	Treasurer
Jeffrey N. Preston	Vice President
Sharena Z. Ali	Chief Operating Officer
Theresa K. Sztuczko	Assistant Treasurer
Mary A. Theilen	Assistant Treasurer
Lauren K. Powell	Assistant Secretary

American Family Insurance Company

Board of Directors

The board of directors of AFIC consists of three members. Directors are elected annually by the shareholder to serve a one-year term. Officers are elected at the annual board meeting. Members of the company's board of directors may also be members of other boards of directors in the Group.

Currently, the board of directors of AFIC consists of the following persons:

Name and Residence	Principal Occupation	Term Expires
David C. Holman Verona, Wisconsin	Chief Administration Officer, Secretary AFMICS	2024
Jeffrey J. Swalve, Chair Waunakee, Wisconsin	Agency President AFMICS	2024
Troy P. Van Beek Waunakee, Wisconsin	Enterprise Chief Financial Officer, Treasurer AFMICS	2024

Officers of the Company

The officers currently serving are as follows:

Name	Office
Jeffrey J. Swalve	President
David C. Holman	Secretary
Troy P. Van Beek	Treasurer
Theresa K. Sztuczko	Assistant Treasurer
Mary A. Theilen	Assistant Treasurer
Lauren K. Powell	Assistant Secretary

American Family Mutual Insurance Company, S.I.

Board of Directors

The board of directors of AFMICS I consists of six members. Directors are elected annually by the shareholder to serve a one-year term. Officers are elected at the annual board meeting. Members of the company's board of directors may also be members of other boards of directors in the Group.

Currently, the board of directors of AFMICS I consists of the following persons:

Name and Residence	Principal Occupation	Term Expires
David C. Holman Verona, Wisconsin	Chief Administration Officer, Secretary AFMICS I	2024
Jessica J. Stauffacher Lake Mills, Wisconsin	Enterprise Chief People Officer AFMICS I	2024
Jeffrey J. Swalve Waunakee, Wisconsin	Agency President AFMICS I	2024
Troy P. Van Beek Waunakee, Wisconsin	Enterprise Chief Financial Officer, Treasurer AFMICS I	2024
William B. Westrate, Chair Lake Mills, Wisconsin	Chief Executive Officer AFMICS I	2024
Telisa L. Yancy Middleton, Wisconsin	Enterprise President AFMICS I	2024

Officers of the Company

The officers currently serving are as follows:

Name	Office
Jack C. Salzwedel	Executive Chair
William B. Westrate	Chief Executive Officer
Telisa L. Yancy	Enterprise President
Troy P. Van Beek	Enterprise Chief Financial Officer, Treasurer
David C. Holman	Chief Administration Officer, Secretary
Michael D. Lorion	AmFam Direct President
Jeffrey J. Swalve	Agency President
Peter B. Settel	Enterprise Chief Strategy & Technology Officer
Janet S. Embray	Commercial & Farm Ranch President
Jessica J. Stauffacher	Enterprise Chief People Officer
Anthony M. Scavongelli	Enterprise Chief Partnership Officer
Rondale L. Dunn	Chief Sales Officer
William T. Fancher	Life President
Elicia L. Azali	Enterprise Chief Marketing Officer

Name**Office**

Daniel J. Kelly	Enterprise Chief Underwriting Officer
David A. Graham	Chief Investment Officer
Timothy D. Constien	Chief Claims Officer
Richard M. Steffen	Personal Lines President
Tracy L. Schweitzer	Enterprise Chief Transformation Officer
Theresa K. Sztuczko	Assistant Treasurer
Mary A. Theilen	Assistant Treasurer
Lauren K. Powell	Assistant Secretary
Michael E. Silver	Assistant Secretary

American Standard Insurance Company of Ohio

Board of Directors

The board of directors of ASICOH consists of three members. Directors are elected annually by the shareholder to serve a one-year term. Officers are elected at the annual board meeting. Members of the company's board of directors may also be members of other boards of directors in the Group.

Currently, the board of directors of ASICOH consists of the following persons:

Name and Residence	Principal Occupation	Term Expires
David C. Holman Verona, Wisconsin	Chief Administration Officer, Secretary AFMICS	2024
Jeffrey J. Swalve, Chair Waunakee, Wisconsin	Agency President AFMICS	2024
Troy P. Van Beek Waunakee, Wisconsin	Enterprise Chief Financial Officer, Treasurer AFMICS	2024

Officers of the Company

The officers currently serving are as follows:

Name	Office
Jeffrey J. Swalve	President
David C. Holman	Secretary
Troy P. Van Beek	Treasurer
Theresa K. Sztuczko	Assistant Treasurer
Mary A. Theilen	Assistant Treasurer
Lauren K. Powell	Assistant Secretary

American Standard Insurance Company of Wisconsin

Board of Directors

The board of directors of ASICW consists of three members. Directors are elected annually by the shareholder to serve a one-year term. Officers are elected at the annual board meeting. Members of the company's board of directors may also be members of other boards of directors in the Group.

Currently, the board of directors of ASICW consists of the following persons:

Name and Residence	Principal Occupation	Term Expires
David C. Holman Verona, Wisconsin	Chief Administration Officer, Secretary AFMICS	2024
Jeffrey J. Swalve, Chair Waunakee, Wisconsin	Agency President AFMICS	2024
Troy P. Van Beek Waunakee, Wisconsin	Enterprise Chief Financial Officer, Treasurer AFMICS	2024

Officers of the Company

The officers currently serving are as follows:

Name	Office
Jeffrey J. Swalve	President
David C. Holman	Secretary
Troy P. Van Beek	Treasurer
Theresa K. Sztuczko	Assistant Treasurer
Mary A. Theilen	Assistant Treasurer
Lauren K. Powell	Assistant Secretary

Homesite Indemnity Company

Board of Directors

The board of directors of HIC consists of four members. Directors are elected annually by the shareholder to serve a one-year term. Officers are elected at the annual board meeting. Members of the company's board of directors may also be members of other boards of directors in the Group.

Currently, the board of directors of HIC consists of the following persons:

Name and Residence	Principal Occupation	Term Expires
Susan G. Anderson Quincy, Massachusetts	General Counsel, Senior Vice President AmFam Direct	2024
Michael D. Lorion, Chair Millbury, Massachusetts	AmFam Direct President AFMICS	2024
Ferdinando Montano Saugus, Massachusetts	Vice President AmFam Direct	2024
Lauren K. Powell Waunakee, Wisconsin	Governance & Licensing Vice President AFMICS	2024

Officers of the Company

The officers currently serving are as follows:

Name	Office
Susan G. Anderson	Assistant Secretary
Michael D. Lorion	President
Troy P. Van Beek	Treasurer
Rebecca S. Buchanan-Mackie	Assistant Secretary
David C. Holman	Secretary
Lauren K. Powell	Assistant Secretary
Anthony M. Scavongelli	Vice President
Theresa K. Sztuczko	Assistant Treasurer
Mary A. Theilen	Assistant Treasurer

Homesite Insurance Company

Board of Directors

The board of directors of HCT consists of six members. Directors are elected annually by the shareholder to serve a one-year term. Officers are elected at the annual board meeting. Members of the company's board of directors may also be members of other boards of directors in the Group.

Currently, the board of directors of HCT consists of the following persons:

Name and Residence	Principal Occupation	Term Expires
Susan G. Anderson Quincy, Massachusetts	General Counsel, Senior Vice President AmFam Direct	2024
Michael D. Lorion, Chair Millbury, Massachusetts	AmFam Direct President AFMICS	2024
Sharena Z. Ali Green Bay, Wisconsin	Chief Operating Officer AFCIC	2024
Ferdinando Montano Saugus, Massachusetts	Vice President AmFam Direct	2024
Lauren K. Powell Waunakee, Wisconsin	Governance & Licensing Vice President AFMICS	2024
Telisa L. Yancy Middleton, Wisconsin	Enterprise President AFMICS	2024

Officers of the Company

The officers currently serving are as follows:

Name	Office
Susan G. Anderson	Assistant Secretary
Michael D. Lorion	President
Troy P. Van Beek	Treasurer
Rebecca S. Buchanan-Mackie	Assistant Secretary
David C. Holman	Secretary
Lauren K. Powell	Assistant Secretary
Anthony M. Scavongelli	Vice President
Theresa K. Sztuczko	Assistant Treasurer
Mary A. Theilen	Assistant Treasurer

Homesite Insurance Company of the Midwest

Board of Directors

The board of directors of HICMW consists of four members. Directors are elected annually by the shareholder to serve a one-year term. Officers are elected at the annual board meeting. Members of the company's board of directors may also be members of other boards of directors in the Group.

Currently, the board of directors of HICMW consists of the following persons:

Name and Residence	Principal Occupation	Term Expires
Susan G. Anderson Quincy, Massachusetts	General Counsel, Senior Vice President AmFam Direct	2024
Michael D. Lorion, Chair Millbury, Massachusetts	AmFam Direct President AFMICS	2024
Ferdinando Montano Saugus, Massachusetts	Vice President AmFam Direct	2024
Lauren K. Powell Waunakee, Wisconsin	Governance & Licensing Vice President AFMICS	2024

Officers of the Company

The officers currently serving are as follows:

Name	Office
Susan G. Anderson	Assistant Secretary
Michael D. Lorion	President
Troy P. Van Beek	Treasurer
Rebecca S. Buchanan-Mackie	Assistant Secretary
David C. Holman	Secretary
Lauren K. Powell	Assistant Secretary
Anthony M. Scavongelli	Vice President
Theresa K. Sztuczko	Assistant Treasurer
Mary A. Theilen	Assistant Treasurer

Midvale Indemnity Company

Board of Directors

The board of directors of MIC consists of three members. Directors are elected annually by the shareholder to serve a one-year term. Officers are elected at the annual board meeting. Members of the company's board of directors may also be members of other boards of directors in the Group.

Currently, the board of directors of MIC consists of the following persons:

Name and Residence	Principal Occupation	Term Expires
David C. Holman Verona, Wisconsin	Chief Administration Officer, Secretary AFMICS	2024
Daniel J. Kelly, Chair Madison, Wisconsin	Enterprise Chief Underwriting Officer AFMICS	2024
Troy P. Van Beek Waunakee, Wisconsin	Enterprise Chief Financial Officer, Treasurer AFMICS	2024

Officers of the Company

The officers currently serving are as follows:

Name	Office
Anthony J. DeSantis	Chief Executive Officer, President
David C. Holman	Secretary
Troy P. Van Beek	Treasurer
Anthony M. Scavongelli	Chief Legal Officer
Theresa K. Sztuczko	Assistant Treasurer
Mary A. Theilen	Assistant Treasurer
Lauren K. Powell	Assistant Secretary

Permanent General Assurance Corporation

Board of Directors

The board of directors of PGAC consists of four members. Directors are elected annually by the shareholder to serve a one-year term. Officers are elected at the annual board meeting. Members of the company's board of directors may also be members of other boards of directors in the Group.

Currently, the board of directors of PGAC consists of the following persons:

Name and Residence	Principal Occupation	Term Expires
Susan G. Anderson Quincy, Massachusetts	General Counsel, Senior Vice President AmFam Direct	2024
Siddharth Jain Alpharetta, Georgia	Senior Vice President Product Manager Permanent General Companies, Inc.	2024
Lauren K. Powell Waunakee, Wisconsin	Governance & Licensing Vice President AFMICS	2024
Kautilya N. Raval, Chair Swedesboro, New Jersey	President PGC Holdings Corp.	2024

Officers of the Company

The officers currently serving are as follows:

Name	Office
Kautilya N. Raval	President
David C. Holman	Secretary
Troy P. Van Beek	Treasurer
Allison W. Garretson	Vice President
Steven C. Jay	Vice President
Eileen Manners	Vice President
Theresa K. Sztuczko	Assistant Treasurer
Mary A. Theilen	Assistant Treasurer
Lauren K. Powell	Assistant Secretary
Susan G. Anderson	Assistant Secretary

Permanent General Assurance Corporation of Ohio

Board of Directors

The board of directors of PGACO consists of four members. Directors are elected annually by the shareholder to serve a one-year term. Officers are elected at the annual board meeting. Members of the company's board of directors may also be members of other boards of directors in the Group.

Currently, the board of directors of PGACO consists of the following persons:

Name and Residence	Principal Occupation	Term Expires
Susan G. Anderson Quincy, Massachusetts	General Counsel, Senior Vice President AmFam Direct	2024
Siddharth Jain Alpharetta, Georgia	Senior Vice President Product Manager Permanent General Companies, Inc.	2024
Lauren K. Powell Waunakee, Wisconsin	Governance & Licensing Vice President AFMICS	2024
Kautilya N. Raval, Chair Swedesboro, New Jersey	President PGC Holdings Corp.	2024

Officers of the Company

The officers currently serving are as follows:

Name	Office
Kautilya N. Raval	President
David C. Holman	Secretary
Troy P. Van Beek	Treasurer
Allison W. Garretson	Vice President
Steven C. Jay	Vice President
Eileen Manners	Vice President
Theresa K. Sztuczko	Assistant Treasurer
Mary A. Theilen	Assistant Treasurer
Lauren K. Powell	Assistant Secretary
Susan G. Anderson	Assistant Secretary

The General Automobile Insurance Company Inc.

Board of Directors

The board of directors of GAIC consists of four members. Directors are elected annually by the shareholder to serve a one-year term. Officers are elected at the annual board meeting. Members of the company's board of directors may also be members of other boards of directors in the Group.

Currently, the board of directors of GAIC consists of the following persons:

Name and Residence	Principal Occupation	Term Expires
Susan G. Anderson Quincy, Massachusetts	General Counsel, Senior Vice President AmFam Direct	2024
Siddharth Jain Alpharetta, Georgia	Senior Vice President Product Manager Permanent General Companies, Inc.	2024
Lauren K. Powell Waunakee, Wisconsin	Governance & Licensing Vice President AFMICS	2024
Kautilya N. Raval, Chair Swedesboro, New Jersey	President PGC Holdings Corp.	2024

Officers of the Company

The officers currently serving are as follows:

Name	Office
Kautilya N. Raval	President
David C. Holman	Secretary
Troy P. Van Beek	Treasurer
Allison W. Garretson	Vice President
Steven C. Jay	Vice President
Eileen Manners	Vice President
Theresa K. Sztuczko	Assistant Treasurer
Mary A. Theilen	Assistant Treasurer
Lauren K. Powell	Assistant Secretary
Susan G. Anderson	Assistant Secretary

XII. Appendix B: Financial Data

American Family Connect Insurance Company Assets (in thousands) As of December 31, 2021

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$ 5,240	\$	\$ 5,240
Cash, cash equivalents, and short-term investments	8,392		8,392
Investment income due and accrued	49		49
Receivable from parent, subsidiaries, and affiliates	<u>8</u>	<u>—</u>	<u>8</u>
Total Assets	<u>\$13,688</u>	<u>\$0</u>	<u>\$13,688</u>

American Family Connect Insurance Company Liabilities, Surplus, and Other Funds (in thousands) As of December 31, 2021

Current federal and foreign income taxes		\$ 1
Net deferred tax liability		<u>86</u>
Total Liabilities		88
Common capital stock	\$ 8,000	
Gross paid in and contributed surplus	37,726	
Unassigned funds (surplus)	<u>(32,126)</u>	
Surplus as Regards Policyholders		<u>13,601</u>
Total Liabilities and Surplus		<u>\$13,688</u>

American Family Connect Insurance Company Summary of Operations (in thousands) For the Year 2021

Investment Income		
Net investment income earned	\$135	
Net realized capital gains (losses)	<u>2</u>	
Net investment gain (loss)		137
Net income (loss) before dividends to policyholders and before federal and foreign income taxes		137
Net income (loss) after dividends to policyholders but before federal and foreign income taxes		137
Federal and foreign income taxes incurred		<u>2</u>
Net Income (Loss)		<u>\$135</u>

American Family Connect Insurance Company
Cash Flow (in thousands)
For the Year 2021

Net investment income		\$ 163
Total		163
Commissions, expenses paid, and aggregate write-ins for deductions	\$ 39	
Federal and foreign income taxes paid (recovered)	<u>37</u>	
Total deductions		<u>76</u>
Net cash from operations		88
Proceeds from investments sold, matured, or repaid:		
Bonds	\$591	
Total investment proceeds	591	
Cost of investments acquired (long-term only):		
Bonds	566	
Total investments acquired	<u>566</u>	
Net cash from investments		25
Other cash provided (applied)	<u>(8)</u>	
Cash from financing and miscellaneous sources:		
Net cash from financing and miscellaneous sources		<u>(8)</u>
Reconciliation:		
Net Change in Cash, Cash Equivalents, and Short-Term Investments		104
Cash, cash equivalents, and short-term investments:		
Beginning of year		<u>8,288</u>
End of Year		<u>\$8,392</u>

American Family Connect Insurance Company
Analysis of Surplus (in thousands)
For the Five-Year Period Ending December 31, 2021

	2021	2020	2019	2018	2017
Surplus, beginning of year	\$13,523	\$52,608	\$49,335	\$48,347	\$47,311
Net income	135	944	3,273	986	1,036
Change in net deferred income tax	(57)	(90)	60	2	1
Change in nonadmitted assets		61	(60)	(1)	
Dividends to stockholders	<u> </u>	<u>(40,000)</u>	<u> </u>	<u> </u>	<u> </u>
Surplus, End of Year	<u>\$13,601</u>	<u>\$13,523</u>	<u>\$52,608</u>	<u>\$49,335</u>	<u>\$48,347</u>

American Family Connect Property and Casualty Insurance Company

**Assets (in thousands)
As of December 31, 2021**

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$479,901	\$	\$479,901
Stocks:			
Common stocks	13,945	344	13,601
Real estate:			
Occupied by the company	287		287
Cash, cash equivalents, and short-term investments	32,716		32,716
Receivables for securities	1,937		1,937
Investment income due and accrued	1,428		1,418
Premiums and considerations:			
Uncollected premiums and agents' balances in course of collection	589	2	587
Deferred premiums, agents' balances, and installments booked but deferred and not yet due	142,427		142,427
Reinsurance:			
Amounts recoverable from reinsurers	90,316		90,316
Funds held by or deposited with reinsured companies	3,110		3,110
Net deferred tax asset	30,926	22,034	8,892
Electronic data processing equipment and software	4,403	4,403	
Furniture and equipment, including health care delivery assets	1,167	1,167	
Net adjustments in assets and liabilities due to foreign exchange rates	(248)		(248)
Receivable from parent, subsidiaries, and affiliates	20,667		20,667
Write-ins for other than invested assets:			
Advances	2		2
Prepaid expenses	667	667	
Miscellaneous Receivables	<u>7,925</u>	<u> </u>	<u>7,925</u>
Total Assets	<u>\$832,163</u>	<u>\$28,617</u>	<u>\$803,546</u>

American Family Connect Property and Casualty Insurance Company
Liabilities, Surplus, and Other Funds (in thousands)
As of December 31, 2021

Reinsurance payable on paid loss and loss adjustment expenses	\$	85
Commissions payable, contingent commissions, and other similar charges		3,097
Other expenses (excluding taxes, licenses, and fees)		30,395
Taxes, licenses, and fees (excluding federal and foreign income taxes)		4,200
Current federal and foreign income taxes		28
Net deferred tax liability		
Advance premium		7,002
Ceded reinsurance premiums payable (net of ceding commissions)		156,310
Amounts withheld or retained by company for account of others		1,899
Net adjustments in assets and liabilities due to foreign exchange rates		(448)
Payable to parent, subsidiaries, and affiliates		27,468
Payable for securities		12,382
Write-ins for liabilities:		
All other liabilities		<u>2,454</u>
Total Liabilities		244,872
Common capital stock	\$ 5,000	
Gross paid in and contributed surplus	706,506	
Unassigned funds (surplus)	<u>(152,832)</u>	
Surplus as Regards Policyholders		<u>558,674</u>
Total Liabilities and Surplus		<u>\$803,546</u>

The American Family Connect Property & Casualty Insurance Company
Summary of Operations (in thousands)
For the Year 2021

Investment Income		
Net investment income earned	\$9,004	
Net realized capital gains (losses)	<u>2,065</u>	
Net investment gain (loss)		<u>\$11,070</u>
Other Income		
Write-ins for miscellaneous income:		
Miscellaneous income/(expenses)	<u>5,399</u>	
Total other income		<u>5,399</u>
Net income (loss) before dividends to policyholders and before federal and foreign income taxes		16,469
Net income (loss) after dividends to policyholders but before federal and foreign income taxes		16,469
Federal and foreign income taxes incurred		<u>(196)</u>
Net Income (Loss)		<u>\$16,665</u>

The American Family Connect Property & Casualty Insurance Company
Cash Flow (in thousands)
For the Year 2021

Premiums collected net of reinsurance		\$11,466
Net investment income		13,249
Miscellaneous income		<u>2,289</u>
Total		27,004
Benefit- and loss-related payments	\$16,952	
Commissions, expenses paid, and aggregate write-ins for deductions	(7,302)	
Federal and foreign income taxes paid (recovered)	<u>(20,889)</u>	
Total deductions		<u>(11,238)</u>
Net cash from operations		38,242
Proceeds from investments sold, matured, or repaid:		
Bonds	\$546,816	
Miscellaneous proceeds	<u>5,792</u>	
Total investment proceeds		552,608
Cost of investments acquired (long-term only):		
Bonds	574,198	
Total investments acquired		<u>574,198</u>
Net cash from investments		(21,591)
Cash from financing and miscellaneous sources:		
Other cash provided (applied)	<u>24,146</u>	
Net cash from financing and miscellaneous sources		<u>24,146</u>
Reconciliation:		
Net Change in Cash, Cash Equivalents, and Short-Term Investments		40,798
Cash, cash equivalents, and short-term investments:		
Beginning of year		<u>(8,082)</u>
End of Year		<u>\$32,716</u>

The American Family Connect Property & Casualty Insurance Company
Analysis of Surplus (in thousands)
For the Five-Year Period Ending December 31, 2021

	2021	2020	2019	2018	2017
Surplus, beginning of year	\$538,903	\$808,035	\$789,281	\$780,638	\$800,321
Net income	16,665	86,504	18,793	8,881	(9,711)
Net transfers (to) from protected cell accounts					
Change in net unrealized capital gains/losses	(10,431)	(35,302)	5,819	2,614	2,569
Change in net unrealized foreign exchange capital gains/losses	158				
Change in net deferred income tax	(3,513)	(26,890)	40,146	(694)	(13,855)
Change in nonadmitted assets	16,892	14,591	(46,004)	(30)	1,314
Surplus adjustments:					
Paid in		75,666			
Dividends to stockholders		(308,034)			
Write-ins for gains and (losses) in surplus:					
Surplus Account Move	_____	(75,666)	_____	(2,128)	_____
Surplus, End of Year	<u>\$558,674</u>	<u>\$538,903</u>	<u>\$808,035</u>	<u>\$789,281</u>	<u>\$780,638</u>

American Family Insurance Company
Assets (in thousands)
As of December 31, 2021

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$ 9,673	\$	\$ 9,673
Cash, cash equivalents, and short-term investments	52,652		52,652
Investment income due and accrued	150		150
Premiums and considerations: Uncollected premiums and agents' balances in course of collection	(86)		(86)
Reinsurance: Amounts recoverable from reinsurers	<u>300</u>	-	<u>300</u>
Total Assets	<u>\$62,087</u>	\$	<u>\$62,087</u>

American Family Insurance Company
Liabilities, Surplus, and Other Funds (in thousands)
As of December 31, 2021

Taxes, licenses, and fees (excluding federal and foreign income taxes)		\$14,884
Current federal and foreign income taxes		2
Net deferred tax liability		19
Advance premium		18,101
Ceded reinsurance premiums payable (net of ceding commissions)		(46,020)
Amounts withheld or retained by company for account of others		199
Remittances and items not allocated		(1)
Payable to parent, subsidiaries, and affiliates		43,403
Write-ins for liabilities:		4,344
Total Liabilities		34,931
Common capital stock	\$3,000	
Gross paid in and contributed surplus	7,241	
Unassigned funds (surplus)	<u>16,915</u>	
Surplus as Regards Policyholders		<u>27,156</u>
Total Liabilities and Surplus		<u>\$62,087</u>

**American Family Insurance Company
Summary of Operations (in thousands)
For the Year 2021**

Investment Income		
Net investment income earned	\$167	
Net realized capital gains (losses)	<u>(3)</u>	
Net investment gain (loss)		\$164
Other Income		
Net income (loss) before dividends to policyholders and before federal and foreign income taxes		164
Net income (loss) after dividends to policyholders but before federal and foreign income taxes		164
Federal and foreign income taxes incurred		<u>(1)</u>
Net Income (Loss)		<u>\$165</u>

**American Family Insurance Company
Cash Flow (in thousands)
For the Year 2021**

Premiums collected net of reinsurance		\$14,255
Net investment income		<u>278</u>
Total		14,532
Benefit- and loss-related payments	\$ (2,230)	
Commissions, expenses paid, and aggregate write-ins for deductions	(5,619)	
Federal and foreign income taxes paid (recovered)	<u>(30)</u>	
Total deductions		<u>(7,879)</u>
Net cash from operations		22,411
Cost of investments acquired (long-term only):		
Bonds	\$50	
Total investments acquired	<u>50</u>	
Net cash from investments		(50)
Other cash provided (applied)	<u>(21,938)</u>	
Net cash from financing and miscellaneous sources		<u>(21,938)</u>
Reconciliation:		
Net Change in Cash, Cash Equivalents, and Short-Term Investments		423
Cash, cash equivalents, and short-term investments:		
Beginning of year		<u>52,229</u>
End of Year		<u>\$52,652</u>

American Family Insurance Company
Analysis of Surplus (in thousands)
For the Five-Year Period Ending December 31, 2021

	2021	2020	2019	2018	2017
Surplus, beginning of year	\$26,994	\$26,390	\$25,313	\$24,208	\$23,617
Net income	165	608	1,132	1,057	589
Change in net deferred income tax	(4)	(4)	(55)	48	3
Change in nonadmitted assets	_____	_____	_____	_____1	_____(1)
Surplus, End of Year	<u>\$27,156</u>	<u>\$26,994</u>	<u>\$26,390</u>	<u>\$25,313</u>	<u>\$24,208</u>

American Standard Insurance Company of Ohio
Assets (in thousands)
As of December 31, 2021

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$ 889	\$	\$ 889
Cash, cash equivalents, and short-term investments	12,505		12,505
Investment income due and accrued	15		15
Deferred premiums, agents' balances, and installments booked but deferred and not yet due	1		1
Funds held by or deposited with reinsured companies	(33)		(33)
Net deferred tax asset	<u>1</u>	<u>1</u>	<u> </u>
Total Assets	<u>\$13,378</u>	<u>\$1</u>	<u>\$13,377</u>

American Standard Insurance Company of Ohio
Liabilities, Surplus, and Other Funds (in thousands)
As of December 31, 2021

Taxes, licenses, and fees (excluding federal and foreign income taxes)		\$ 2,814
Unearned premiums		654
Ceded reinsurance premiums payable (net of ceding commissions)		(3,603)
Payable to parent, subsidiaries, and affiliates		3,949
Write-ins for liabilities:		
All Other Liabilities		<u>371</u>
Total Liabilities		4,184
Common capital stock	\$1,000	
Gross paid in and contributed surplus	1,825	
Unassigned funds (surplus)	<u>6,368</u>	
Surplus as Regards Policyholders		<u>9,193</u>
Total Liabilities and Surplus		<u>\$13,377</u>

American Standard Insurance Company of Ohio
Summary of Operations (in thousands)
For the Year 2021

Investment Income		
Net realized capital gains (losses)	<u>\$6</u>	6
Net investment gain (loss)		6
Other Income		
Total other income		<u>6</u>
Net Income (Loss)		<u>\$6</u>

American Standard Insurance Company of Ohio
Cash Flow (in thousands)
For the Year 2021

Premiums collected net of reinsurance		\$ 938
Net investment income		<u>15</u>
Total		953
Benefit- and loss-related payments	\$(2,979)	
Commissions, expenses paid, and aggregate write-ins for deductions	(50)	
Federal and foreign income taxes paid (recovered)	<u>(2)</u>	
Total deductions		<u>(3,031)</u>
Net cash from operations		3,984
Other cash provided (applied)	<u>(3,936)</u>	
Net cash from financing and miscellaneous sources		(3,936)
Reconciliation:		
Net Change in Cash, Cash Equivalents, and Short-Term Investments		48
Cash, cash equivalents, and short-term investments:		
Beginning of year		<u>12,457</u>
End of Year		<u>\$12,505</u>

American Standard Insurance Company of Ohio
Analysis of Surplus (in thousands)
For the Five-Year Period Ending December 31, 2021

	2021	2020	2019	2018	2017
Surplus, beginning of year	\$9,187	\$9,052	\$8,845	\$8,738	\$8,262
Net income	6	135	210	105	476
Change in net deferred income tax	1		(2)	2	
Change in nonadmitted assets	<u>(1)</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Surplus, End of Year	<u>\$9,193</u>	<u>\$9,187</u>	<u>\$9,052</u>	<u>\$8,845</u>	<u>\$8,738</u>

American Standard Insurance Company of Wisconsin
Assets (in thousands)
As of December 31, 2021

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$249,191	\$	\$249,191
Cash, cash equivalents, and short-term investments	15,312		15,312
Receivables for securities	1,443		1,443
Investment income due and accrued	1,269		1,269
Deferred premiums, agents' balances, and installments booked but deferred and not yet due	35,876		35,876
Amounts recoverable from reinsurers	25,502		25,502
Funds held by or deposited with reinsured companies	14,823		14,823
Current federal and foreign income tax recoverable and interest thereon	47		47
Net deferred tax asset	97		97
Receivable from parent, subsidiaries, and affiliates	17,820		17,820
Write-ins for other than invested assets:	<u>164</u>	-	<u>164</u>
Total Assets	<u>\$361,544</u>	\$	<u>\$361,544</u>

**American Standard Insurance Company of Wisconsin
Liabilities, Surplus, and Other Funds (in thousands)
As of December 31, 2021**

Reinsurance payable on paid loss and loss adjustment expenses		\$ 4,640
Taxes, licenses, and fees (excluding federal and foreign income taxes)		149
Advance premium		181
Ceded reinsurance premiums payable (net of ceding commissions)		23,701
Amounts withheld or retained by company for account of others		7
Net adjustments in assets and liabilities due to foreign exchange rates		799
Payable to parent, subsidiaries, and affiliates		6,498
Derivatives		
Payable for securities		6,560
Write-ins for liabilities:		
All other liabilities		<u>291</u>
Total Liabilities		42,825
Common capital stock	\$ 3,000	
Gross paid in and contributed surplus	3,000	
Unassigned funds (surplus)	<u>312,719</u>	
Surplus as Regards Policyholders		<u>318,719</u>
Total Liabilities and Surplus		<u>\$361,544</u>

**American Standard Insurance Company of Wisconsin
Summary of Operations (in thousands)
For the Year 2021**

Investment Income		
Net investment income earned	\$5,254	
Net realized capital gains (losses)		
	<u>1,652</u>	
Net investment gain (loss)		\$6,906
 Other Income		
Write-ins for miscellaneous income:	<u>129</u>	
Total other income		<u>129</u>
Net income (loss) before dividends to policyholders and before federal and foreign income taxes		<u>7,036</u>
Net income (loss) after dividends to policyholders but before federal and foreign income taxes		7,036
Federal and foreign income taxes incurred		<u>939</u>
Net Income (Loss)		<u>\$6,096</u>

American Standard Insurance Company of Wisconsin
Cash Flow (in thousands)
For the Year 2021

Premiums collected net of reinsurance		\$ 7,581
Net investment income		5,260
Miscellaneous income		<u>(6,341)</u>
Total		6,500
Benefit- and loss-related payments	\$(10,125)	
Commissions, expenses paid, and aggregate write-ins for deductions	(20)	
Federal and foreign income taxes paid (recovered)	<u>1,984</u>	
Total deductions		<u>(8,160)</u>
Net cash from operations		14,660
Proceeds from investments sold, matured, or repaid:		
Bonds	\$419,518	
Net gains (losses) on cash, cash equivalents, and short-term investments	<u>(6)</u>	
Total investment proceeds	419,512	
Cost of investments acquired (long-term only):		
Bonds	388,680	
Miscellaneous applications	<u>341</u>	
Total investments acquired	<u>389,021</u>	
Net cash from investments		30,491
Other cash provided (applied)	<u>(44,722)</u>	
Net cash from financing and miscellaneous sources		<u>(44,722)</u>
Reconciliation:		
Net Change in Cash, Cash Equivalents, and Short-Term Investments		430
Cash, cash equivalents, and short-term investments:		
Beginning of year		<u>14,882</u>
End of Year		<u>\$15,312</u>

American Standard Insurance Company of Wisconsin
Analysis of Surplus (in thousands)
For the Five-Year Period Ending December 31, 2021

	2021	2020	2019	2018	2017
Surplus, beginning of year	\$311,915	\$362,238	\$351,119	\$347,635	\$343,137
Net income	6,096	10,394	11,116	3,413	4,482
Change in net unrealized capital gains/losses	(220)	16	53	7	46
Change in net unrealized foreign exchange capital gains/losses	926	(714)	(38)	84	(32)
Change in net deferred income tax	2	(19)	(11)	(20)	4
Change in nonadmitted assets				1	(1)
Dividends to stockholders	_____	(60,000)	_____	_____	_____
Surplus, End of Year	<u>\$318,719</u>	<u>\$311,915</u>	<u>\$362,238</u>	<u>\$351,119</u>	<u>\$347,635</u>

Homesite Indemnity Company
Assets (in thousands)
As of December 31, 2021

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$ 3,033	\$	\$ 3,033
Cash, cash equivalents, and short-term investments	4,397		4,397
Investment income due and accrued	10		10
Uncollected premiums and agents' balances in course of collection	1,649		1,649
Deferred premiums, agents' balances, and installments booked but deferred and not yet due	8,578		8,578
Reinsurance:			
Amounts recoverable from reinsurers	11,501		11,501
Receivable from parent, subsidiaries, and affiliates	<u>6,061</u>	-	<u>6,061</u>
Total Assets	<u>\$35,228</u>	<u>\$</u>	<u>\$35,228</u>

Homesite Indemnity Company
Liabilities, Surplus, and Other Funds (in thousands)
As of December 31, 2021

Commissions payable, contingent commissions, and other similar charges		\$ 1,349
Other expenses (excluding taxes, licenses, and fees)		227
Taxes, licenses, and fees (excluding federal and foreign income taxes)		554
Current federal and foreign income taxes		1
Borrowed money and interest thereon		2
Advance premium		3,136
Ceded reinsurance premiums payable (net of ceding commissions)		16,922
Total Liabilities		22,191
Common capital stock	3,250	
Gross paid in and contributed surplus	25,177	
Unassigned funds (surplus)	<u>(15,390)</u>	
Surplus as Regards Policyholders		<u>13,037</u>
Total Liabilities and Surplus		<u>\$35,228</u>

Homesite Indemnity company
Summary of Operations (in thousands)
For the Year 2021

Underwriting Income

Other underwriting expenses incurred	<u>\$(69)</u>	
Total underwriting deductions		<u>(69)</u>
Net underwriting gain (loss)		69

Investment Income

Net investment income earned	65	
Net realized capital gains (losses)	<u>(2)</u>	
Net investment gain (loss)		64

Net income (loss) after dividends to policyholders but before federal and foreign income taxes		132
Federal and foreign income taxes incurred		<u>27</u>

Net Income (Loss)		<u>\$105</u>
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Homesite Indemnity company
Cash Flow (in thousands)
For the Year 2021

Premiums collected net of reinsurance		\$14,892
Net investment income		<u>67</u>
Total		14,959
Benefit- and loss-related payments	\$7,136	
Commissions, expenses paid, and aggregate write-ins for deductions	(476)	
Federal and foreign income taxes paid (recovered)	<u>255</u>	
Total deductions		<u>6,915</u>
Net cash from operations		8,044
Proceeds from investments sold, matured, or repaid:		
Bonds	<u>\$2,115</u>	
Total investment proceeds		2,115
Cost of investments acquired (long-term only):		
Bonds	<u>2,203</u>	
Total investments acquired		<u>2,203</u>
Net cash from investments		<u>(87)</u>
Other cash provided (applied)	<u>(6,274)</u>	
Net cash from financing and miscellaneous sources		<u>(6,274)</u>
Reconciliation:		
Net Change in Cash, Cash Equivalents, and Short-Term Investments		1,683
Cash, cash equivalents, and short-term investments:		
Beginning of year		<u>2,714</u>
End of Year		<u>\$ 4,397</u>

Homesite Indemnity company
Analysis of Surplus (in thousands)
For the Five-Year Period Ending December 31, 2021

	2021	2020	2019	2018	2017
Surplus, beginning of year	\$12,932	\$41,594	\$40,533	\$40,378	\$40,200
Net income	105	1,891	1,070	175	171
Change in net deferred income tax		30	(9)	(21)	7
Dividends to stockholders	_____	(30,583)	_____	_____	_____
Surplus, End of Year	<u>\$13,037</u>	<u>\$12,932</u>	<u>\$41,594</u>	<u>\$40,533</u>	<u>\$40,378</u>

Homesite Insurance Company
Assets (in thousands)
As of December 31, 2021

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$ 51,886	\$	\$ 51,886
Cash, cash equivalents, and short-term investments	12,093		12,093
Investment income due and accrued	155		155
Premiums and considerations:			
Uncollected premiums and agents' balances in course of collection	33,108		33,108
Deferred premiums, agents' balances, and installments booked but deferred and not yet due	41,892		41,892
Reinsurance:			
Funds held by or deposited with reinsured companies	119,504		119,504
Current federal and foreign income tax recoverable and interest thereon	41		41
Receivable from parent, subsidiaries, and affiliates	43,171		43,171
Prepaid Expenses	<u>995</u>	<u>995</u>	<u>995</u>
Total Assets	<u>\$302,844</u>	<u>\$995</u>	<u>\$301,848</u>

Homesite Insurance Company
Liabilities, Surplus, and Other Funds (in thousands)
As of December 31, 2021

Commissions payable, contingent commissions, and other similar charges		\$ 15,616
Other expenses (excluding taxes, licenses, and fees)		2,060
Taxes, licenses, and fees (excluding federal and foreign income taxes)		5,374
Net deferred tax liability		9
Advance premium		29,003
Ceded reinsurance premiums payable (net of ceding commissions)		169,415
Payable to parent, subsidiaries, and affiliates		595
Derivatives		
Payable for securities		<u>311</u>
Total Liabilities		222,383
Common capital stock	\$ 4,540	
Gross paid in and contributed surplus	55,210	
Unassigned funds (surplus)	<u>19,715</u>	
Surplus as Regards Policyholders		<u>79,465</u>
Total Liabilities and Surplus		<u>\$301,848</u>

Homesite Insurance Company
Summary of Operations (in thousands)
For the Year 2021

Underwriting Income		
Other underwriting expenses incurred	\$(601)	
Write-ins for underwriting deductions:		
State income tax expense	<u>12</u>	
Total underwriting deductions		<u>\$ (589)</u>
Net underwriting gain (loss)		589
Investment Income		
Net investment income earned	620	
Net realized capital gains (losses)	<u>243</u>	
Net investment gain (loss)		863
Other Income		
State tax credit	<u>(3)</u>	
Total other income		<u>(3)</u>
Net income (loss) before dividends to policyholders and before federal and foreign income taxes		1,449
Federal and foreign income taxes incurred		<u>316</u>
Net Income (Loss)		<u>\$1,133</u>

Homesite Insurance company
Cash Flow (in thousands)
For the Year 2021

Premiums collected net of reinsurance		\$124,555
Net investment income		(3,517)
Miscellaneous income		<u>(3)</u>
Total		121,035
Benefit- and loss-related payments	\$84,518	
Commissions, expenses paid, and aggregate write-ins for deductions	(10,273)	
Federal and foreign income taxes paid (recovered)	<u>611</u>	
Total deductions		<u>74,857</u>
Net cash from operations		46,178
Proceeds from investments sold, matured, or repaid:		
Bonds	\$65,810	
Net gains (losses) on cash, cash equivalents, and short-term investments	<u>(2)</u>	
Total investment proceeds		65,809
Cost of investments acquired (long-term only):		
Bonds	59,745	
Miscellaneous applications	<u>677</u>	
Total investments acquired		<u>60,423</u>
Net cash from investments		5,386
Cash from financing and miscellaneous sources:		
Other cash provided (applied)	<u>(44,881)</u>	
Net cash from financing and miscellaneous sources		<u>(44,881)</u>
Reconciliation:		
Net Change in Cash, Cash Equivalents, and Short-Term Investments		
		6,683
Cash, cash equivalents, and short-term investments:		
Beginning of year		<u>5,410</u>
End of Year		<u>\$ 12,093</u>

Homesite Insurance Company
Analysis of Surplus (in thousands)
For the Five-Year Period Ending December 31, 2021

	2021	2020	2019	2018	2017
Surplus, beginning of year	\$79,321	\$91,343	\$88,706	\$87,960	\$87,047
Net income	1,133	3,531	2,659	741	954
Change in net deferred income tax	6	8	(22)	5	(41)
Change in nonadmitted assets	(995)				
Dividends to stockholders	_____	(15,561)	_____	_____	_____
Surplus, End of Year	<u>\$79,465</u>	<u>\$79,321</u>	<u>\$91,343</u>	<u>\$88,706</u>	<u>\$87,960</u>

Homesite Insurance Company of the Midwest
Assets (in thousands)
As of December 31, 2021

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$ 75,915	\$	\$ 75,915
Cash, cash equivalents, and short-term investments	91,110		91,110
Investment income due and accrued	173		173
Premiums and considerations:			
Uncollected premiums and agents' balances in course of collection	244,080		244,080
Deferred premiums, agents' balances, and installments booked but deferred and not yet due	46,257		46,257
Accrued retrospective premiums and contracts subject to redetermination			
Reinsurance:			
Amounts recoverable from reinsurers	107,922		107,922
Current federal and foreign income tax recoverable and interest thereon	13		13
Aggregate write-ins for other than invested assets	<u>36</u>	<u>36</u>	<u> </u>
Total Assets	<u>\$565,506</u>	<u>\$36</u>	<u>\$565,469</u>

Homesite Insurance Company of the Midwest
Liabilities, Surplus, and Other Funds (in thousands)
As of December 31, 2021

Reinsurance payable on paid loss and loss adjustment expenses		\$164,956
Commissions payable, contingent commissions, and other similar charges		15,736
Other expenses (excluding taxes, licenses, and fees)		2,093
Taxes, licenses, and fees (excluding federal and foreign income taxes)		7,774
Net deferred tax liability		3
Advance premium		32,727
Ceded reinsurance premiums payable (net of ceding commissions)		141,779
Payable to parent, subsidiaries, and affiliates		88,462
Derivatives		
Payable for securities		<u>488</u>
Total Liabilities		454,017
Common capital stock	\$ 3,500	
Gross paid in and contributed surplus	64,592	
Unassigned funds (surplus)	<u>43,360</u>	
Surplus as Regards Policyholders		<u>111,452</u>
Total Liabilities and Surplus		<u>\$565,469</u>

Homesite Insurance Company of the Midwest
Summary of Operations (in thousands)
For the Year 2021

Underwriting Income		
Other underwriting expenses incurred	\$(278)	
Write-ins for underwriting deductions:	<u>53</u>	
Total underwriting deductions		<u>\$ (225)</u>
Net underwriting gain (loss)		225
Investment Income		
Net investment income earned	689	
Net realized capital gains (losses)	<u>179</u>	
Net investment gain (loss)		868
Other Income		
Write-ins for miscellaneous income:		
Miscellaneous expense	<u>(10)</u>	
Total other income		<u>(10)</u>
Net income (loss) before dividends to policyholders and before federal and foreign income taxes		<u>1,082</u>
Net income (loss) after dividends to policyholders but before federal and foreign income taxes		1,082
Federal and foreign income taxes incurred		<u>205</u>
Net Income (Loss)		<u>\$ 877</u>

Homesite Insurance Company of the Midwest
Cash Flow (in thousands)
For the Year 2021

Premiums collected net of reinsurance		\$(121,331)
Net investment income		672
Miscellaneous income		<u>(10)</u>
Total		(120,669)
Benefit- and loss-related payments	\$(104,834)	
Commissions, expenses paid, and aggregate write-ins for deductions	124	
Federal and foreign income taxes paid (recovered)	<u>272</u>	
Total deductions		<u>(104,438)</u>
Net cash from operations		(16,232)
Proceeds from investments sold, matured, or repaid:		
Bonds	\$94,504	
Net gains (losses) on cash, cash equivalents, and short-term investments	<u>(3)</u>	
Total investment proceeds	94,501	
Cost of investments acquired (long-term only):		
Bonds	86,295	
Miscellaneous applications	<u>1,069</u>	
Total investments acquired	<u>87,365</u>	
Net cash from investments		7,136
Cash from financing and miscellaneous sources:		
Other cash provided (applied)	<u>86,025</u>	
Net cash from financing and miscellaneous sources		<u>86,025</u>
Reconciliation:		
Net Change in Cash, Cash Equivalents, and Short-Term Investments		
		76,930
Cash, cash equivalents, and short-term investments:		
Beginning of year		<u>14,180</u>
End of Year		<u>\$ 91,110</u>

Homesite Insurance Company of the Midwest
Analysis of Surplus (in thousands)
For the Five-Year Period Ending December 31, 2021

	2021	2020	2019	2018	2017
Surplus, beginning of year	\$110,598	\$106,270	\$103,422	\$102,938	\$102,592
Net income	877	4,301	2,856	425	129
Change in net deferred income tax	14	28	(8)	(7)	188
Change in nonadmitted assets	(36)				
Change in provision for reinsurance	_____	_____	_____	67	28
Surplus, End of Year	<u>\$111,452</u>	<u>\$110,598</u>	<u>\$106,270</u>	<u>\$103,422</u>	<u>\$102,938</u>

Midvale Indemnity Company
Assets (in thousands)
As of December 31, 2021

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$ 9,701	\$	\$ 9,701
Cash, cash equivalents, and short-term investments	2,715		2,715
Investment income due and accrued	52		52
Premiums and considerations:			
Uncollected premiums and agents' balances in course of collection	11,199	5,412	5,787
Deferred premiums, agents' balances, and installments booked but deferred and not yet due	51,881		51,881
Reinsurance:			
Amounts recoverable from reinsurers	14,745		14,745
Current federal and foreign income tax recoverable and interest thereon	141		141
Net deferred tax asset	1,231	1,179	53
Receivable from parent, subsidiaries, and affiliates	33,319		33,319
Write-ins for other than invested assets:			
Miscellaneous receivables	<u>11</u>	<u> </u>	<u>11</u>
Total Assets	<u>\$124,995</u>	<u>\$6,591</u>	<u>\$118,405</u>

Midvale Indemnity Company
Liabilities, Surplus, and Other Funds (in thousands)
As of December 31, 2021

Reinsurance payable on paid loss and loss adjustment expenses		\$ 76
Commissions payable, contingent commissions, and other similar charges		1,963
Other expenses (excluding taxes, licenses, and fees)		318
Taxes, licenses, and fees (excluding federal and foreign income taxes)		1,839
Advance premium		3,913
Ceded reinsurance premiums payable (net of ceding commissions)		32,277
Amounts withheld or retained by company for account of others		1,025
Payable to parent, subsidiaries, and affiliates		67,674
Write-ins for liabilities:		
All other Liabilities		<u>9</u>
Total Liabilities		109,094
Common capital stock	\$ 3,500	
Gross paid in and contributed surplus	174,898	
Unassigned funds (surplus)	<u>(169,087)</u>	
Surplus as Regards Policyholders		<u>9,311</u>
Total Liabilities and Surplus		<u>\$118,405</u>

Midvale Indemnity Company
Summary of Operations (in thousands)
For the Year 2021

Investment Income		
Net investment income earned	\$198	
Net realized capital gains (losses)	<u>(165)</u>	
Net investment gain (loss)		\$ 33
Net income (loss) before dividends to policyholders and before federal and foreign income taxes		<u>33</u>
Net income (loss) after dividends to policyholders but before federal and foreign income taxes		33
Federal and foreign income taxes incurred		<u>(80)</u>
Net Income (Loss)		<u>\$113</u>

Midvale Indemnity Company
Cash Flow (in thousands)
For the Year 2021

Premiums collected net of reinsurance		\$(8,832)
Net investment income		<u>178</u>
Total		(8,654)
Benefit- and loss-related payments	\$ 1,186	
Commissions, expenses paid, and aggregate write-ins for deductions	(3,260)	
Federal and foreign income taxes paid (recovered)	<u>(84)</u>	
Total deductions		<u>(2,158)</u>
Net cash from operations		(6,496)
Proceeds from investments sold, matured, or repaid:		
Bonds	\$36,278	
Total investment proceeds		36,278
Cost of investments acquired (long-term only):		
Bonds	35,884	
Total investments acquired		<u>35,884</u>
Net cash from investments		394
Cash from financing and miscellaneous sources:		
Other cash provided (applied)	<u>6,097</u>	
Net cash from financing and miscellaneous sources		<u>6,097</u>
Reconciliation:		
Net Change in Cash, Cash Equivalents, and Short-Term Investments		(5)
Cash, cash equivalents, and short-term investments:		
Beginning of year		<u>2,719</u>
End of Year		<u>\$2,715</u>

Midvale Indemnity Company
Analysis of Surplus (in thousands)
For the Five-Year Period Ending December 31, 2021

	2021	2020	2019	2018	2017
Surplus, beginning of year	\$12,067	\$14,060	\$13,744	\$13,317	\$13,120
Net income	113	203	682	415	88
Change in net deferred income tax	476	367	293	(25)	120
Change in nonadmitted assets	<u>(3,345)</u>	<u>(2,563)</u>	<u>(659)</u>	<u>37</u>	<u>(11)</u>
Surplus, End of Year	<u>\$ 9,311</u>	<u>\$12,067</u>	<u>\$14,060</u>	<u>\$13,744</u>	<u>\$13,317</u>

Permanent General Assurance Corporation
Assets (in thousands)
As of December 31, 2021

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$114,846	\$	\$114,846
Stocks:			
Common stocks	12,264	12,264	
Cash, cash equivalents, and short-term investments	14,512		14,512
Receivables for securities	7		7
Investment income due and accrued	45		45
Premiums and considerations:			
Uncollected premiums and agents' balances in course of collection	30,111		30,111
Deferred premiums, agents' balances, and installments booked but deferred and not yet due	308,387		308,387
Reinsurance:			
Amounts recoverable from reinsurers	52,167		52,167
Current federal and foreign income tax recoverable and interest thereon	50		50
Net deferred tax asset	1,814	255	1,558
Guaranty funds receivable or on deposit			
Receivable from parent, subsidiaries, and affiliates	80,641		80,641
Write-ins for other than invested assets:			
Advance	<u>897</u>	<u> </u>	<u>897</u>
Total Assets	<u>\$615,741</u>	<u>\$ 12,520</u>	<u>\$603,221</u>

Permanent General Assurance Corporation
Liabilities, Surplus, and Other Funds (in thousands)
As of December 31, 2021

Reinsurance payable on paid loss and loss adjustment expenses		\$ 18,549
Commissions payable, contingent commissions, and other similar charges		2,001
Other expenses (excluding taxes, licenses, and fees)		596
Taxes, licenses, and fees (excluding federal and foreign income taxes)		2,297
Advance premium		715
Ceded reinsurance premiums payable (net of ceding commissions)		360,230
Amounts withheld or retained by company for account of others		160
Payable to parent, subsidiaries, and affiliates		92,643
Write-ins for liabilities:		
All Other Liabilities		<u>1,962</u>
Total Liabilities		<u>479,153</u>
Common capital stock	\$ 5,000	
Gross paid in and contributed surplus	86,966	
Unassigned funds (surplus)	<u>32,102</u>	
Surplus as Regards Policyholders		<u>124,068</u>
Total Liabilities and Surplus		<u>\$ 603,221</u>

Permanent General Assurance Corporation
Summary of Operations (in thousands)
For the Year 2021

Investment Income		
Net investment income earned	\$1,842	
Net realized capital gains (losses)	<u>2,129</u>	
Net investment gain (loss)		\$3,970
Net income (loss) before dividends to policyholders and before federal and foreign income taxes		<u>3,970</u>
Net income (loss) after dividends to policyholders but before federal and foreign income taxes		3,970
Federal and foreign income taxes incurred		<u>731</u>
Net Income (Loss)		<u>\$3,239</u>

Permanent General Assurance Corporation
Cash Flow (in thousands)
For the Year 2021

Premiums collected net of reinsurance		\$(16,305)
Net investment income		<u>3,195</u>
Total		(13,111)
Benefit- and loss-related payments	\$ 8,384	
Commissions, expenses paid, and aggregate write-ins for deductions	(759)	
Federal and foreign income taxes paid (recovered)	<u>2,001</u>	
Total deductions		<u>9,625</u>
Net cash from operations		(22,735)
Proceeds from investments sold, matured, or repaid:		
Bonds	<u>\$131,264</u>	
Total investment proceeds		131,264
Cost of investments acquired (long-term only):		
Bonds	127,511	
Miscellaneous applications	<u>7</u>	
Total investments acquired		<u>127,518</u>
Net cash from investments		3,747
Cash from financing and miscellaneous sources:		
Other cash provided (applied)	<u>26,003</u>	
Net cash from financing and miscellaneous sources		<u>26,003</u>
Reconciliation:		
Net Change in Cash, Cash Equivalents, and Short-Term Investments		
		7,014
Cash, cash equivalents, and short-term investments:		
Beginning of year		<u>7,498</u>
End of Year		<u>\$ 14,512</u>

Permanent General Assurance Corporation
Analysis of Surplus (in thousands)
For the Five-Year Period Ending December 31, 2021

	2021	2020	2019	2018	2017
Surplus, beginning of year	\$121,781	\$138,359	\$135,999	\$135,765	\$131,975
Net income	3,239	6,049	3,676	1,226	16,502
Change in net unrealized capital gains/losses	4,163	2,948	1,021	827	(208)
Change in net deferred income tax	628	256	161	(28)	(12,850)
Change in nonadmitted assets	(5,743)	(2,966)	(881)	(740)	318
Dividends to stockholders		(22,879)	(1,600)	(1,050)	
Write-ins for gains and (losses) in surplus:					
Other					
Increases/(Decreases)	_____	14	(17)	_____	28
Surplus, End of Year	<u>\$124,068</u>	<u>\$121,781</u>	<u>\$138,359</u>	<u>\$135,999</u>	<u>\$135,765</u>

Permanent General Assurance Corporation of Ohio
Assets (in thousands)
As of December 31, 2021

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$ 12,017	\$	\$ 12,017
Stocks:			
Common stocks	12,849		12,849
Cash, cash equivalents, and short-term investments	13,318		13,318
Receivables for securities	2		2
Investment income due and accrued	118		118
Premiums and considerations:			
Uncollected premiums and agents' balances in course of collection	21,487		21,487
Deferred premiums, agents' balances, and installments booked but deferred and not yet due	85,402		85,402
Reinsurance:			
Amounts recoverable from reinsurers	16,438		16,438
Current federal and foreign income tax recoverable and interest thereon	164		164
Net deferred tax asset	619	110	509
Guaranty funds receivable or on deposit			
Write-ins for other than invested assets:			
Other Miscellaneous	<u>13</u>	<u> </u>	<u>13</u>
Total Assets	<u>\$162,426</u>	<u>\$110</u>	<u>\$162,316</u>

Permanent General Assurance Corporation of Ohio
Liabilities, Surplus, and Other Funds (in thousands)
As of December 31, 2021

Commissions payable, contingent commissions, and other similar charges		\$ 797
Other expenses (excluding taxes, licenses, and fees)		476
Taxes, licenses, and fees (excluding federal and foreign income taxes)		1,515
Advance premium		341
Ceded reinsurance premiums payable (net of ceding commissions)		71,352
Amounts withheld or retained by company for account of others		123
Payable to parent, subsidiaries, and affiliates		<u>42,727</u>
Total Liabilities		117,334
Common capital stock	\$ 3,000	
Gross paid in and contributed surplus	73,218	
Unassigned funds (surplus)	<u>(31,236)</u>	
Surplus as Regards Policyholders		<u>44,982</u>
Total Liabilities and Surplus		<u>\$162,316</u>

Permanent General Assurance Corporation of Ohio
Summary of Operations (in thousands)
For the Year 2021

Investment Income		
Net investment income earned	\$188	
Net investment gain (loss)		\$188
Net income (loss) before dividends to policyholders and before federal and foreign income taxes		<u>188</u>
Net income (loss) after dividends to policyholders but before federal and foreign income taxes		188
Federal and foreign income taxes incurred		<u>(208)</u>
Net Income (Loss)		<u>\$396</u>

Permanent General Assurance Corporation of Ohio
Cash Flow (in thousands)
For the Year 2021

Premiums collected net of reinsurance		\$(27,420)
Net investment income		<u>157</u>
Total		(27,263)
Benefit- and loss-related payments	\$ 514	
Commissions, expenses paid, and aggregate write-ins for deductions	461	
Federal and foreign income taxes paid (recovered)	<u>5</u>	
Total deductions		<u>979</u>
Net cash from operations		(28,242)
Proceeds from investments sold, matured, or repaid:		
Miscellaneous proceeds	<u>\$ 2</u>	
Total investment proceeds	2	
Cost of investments acquired (long-term only):		
Bonds	230	
Miscellaneous applications	<u>2</u>	
Total investments acquired	<u>232</u>	
Net cash from investments		(230)
Cash from financing and miscellaneous sources:		
Other cash provided (applied)	<u>23,079</u>	
Net cash from financing and miscellaneous sources		<u>23,079</u>
Reconciliation:		
Net Change in Cash, Cash Equivalents, and Short-Term Investments		(5,393)
Cash, cash equivalents, and short-term investments:		
Beginning of year		<u>18,711</u>
End of Year		<u>\$13,318</u>

Permanent General Assurance Corporation of Ohio
Analysis of Surplus
For the Five-Year Period Ending December 31, 2021

	2021	2020	2019	2018	2017
Surplus, beginning of year	\$44,277	\$99,388	\$96,481	\$94,832	\$92,871
Net income	396	30,851	945	1,618	6,820
Change in net unrealized capital gains/losses	63	(26,383)	1,781	10	744
Change in net deferred income tax	276	97	61	(8)	(5,654)
Change in nonadmitted assets	(29)	(2)	113	29	25
Change in treasury stock		(59,672)			
Write-ins for gains and (losses) in surplus:	<u> </u>	<u>(1)</u>	<u>7</u>	<u> </u>	<u>27</u>
Surplus, End of Year	<u>\$44,982</u>	<u>\$44,277</u>	<u>\$99,388</u>	<u>\$96,481</u>	<u>\$94,832</u>

The General Automobile Insurance Company Inc.
Assets (in thousands)
As of December 31, 2021

	Assets	Nonadmitted Assets	Net Admitted Assets
Bonds	\$16,232	\$	\$16,232
Cash, cash equivalents, and short-term investments	702		702
Investment income due and accrued	40		40
Premiums and considerations:			
Uncollected premiums and agents' balances in course of collection	4,681		4,681
Deferred premiums, agents' balances, and installments booked but deferred and not yet due	39,666		39,666
Reinsurance:			
Amounts recoverable from reinsurers	5,744		5,744
Net deferred tax asset	180	48	131
Guaranty funds receivable or on deposit	51		51
	<u>51</u>	<u>48</u>	<u>51</u>
Total Assets	<u>\$67,296</u>	<u>\$48</u>	<u>\$67,247</u>

The General Automobile Insurance Company Inc.
Liabilities, Surplus, and Other Funds (in thousands)
As of December 31, 2021

Commissions payable, contingent commissions, and other similar charges	\$ 112
Other expenses (excluding taxes, licenses, and fees)	11
Taxes, licenses, and fees (excluding federal and foreign income taxes)	263
Current federal and foreign income taxes	16
Advance premium	83
Ceded reinsurance premiums payable (net of ceding commissions)	32,818
Amounts withheld or retained by company for account of others	5
Payable to parent, subsidiaries, and affiliates	21,042
Payable for securities	<u>49</u>
Total Liabilities	54,398
Common capital stock	\$ 3,000
Gross paid in and contributed surplus	36,871
Unassigned funds (surplus)	<u>(27,022)</u>
Surplus as Regards Policyholders	<u>12,849</u>
Total Liabilities and Surplus	<u>\$67,247</u>

The General Automobile Insurance Company Inc.
Summary of Operations (in thousands)
For the Year 2021

Investment Income

Net investment income earned	\$102	
Net realized capital gains (losses)	<u>(6)</u>	
Net investment gain (loss)		\$97
Net income (loss) after dividends to policyholders but before federal and foreign income taxes		97
Federal and foreign income taxes incurred		<u>81</u>
Net Income (Loss)		<u>\$16</u>

The General Automobile Insurance Company Inc.
Cash Flow (in thousands)
For the Year 2021

Premiums collected net of reinsurance		\$(16,802)
Net investment income		<u>110</u>
Total		(16,691)
Benefit- and loss-related payments	\$ 1,953	
Net transfers to separate accounts, segregated accounts, and protected cell accounts	(387)	
Federal and foreign income taxes paid (recovered)	<u>274</u>	
Total deductions		<u>1,841</u>
Net cash from operations		(18,532)
Proceeds from investments sold, matured, or repaid:		
Bonds	<u>\$ 9,871</u>	
Total investment proceeds	9,871	
Cost of investments acquired (long-term only):		
Bonds	9,516	
Miscellaneous applications	<u>106</u>	
Total investments acquired	<u>9,622</u>	
Net cash from investments		249
Cash from financing and miscellaneous sources:		
Other cash provided (applied)	<u>18,627</u>	
Net cash from financing and miscellaneous sources		<u>18,627</u>
Reconciliation:		
Net Change in Cash, Cash Equivalents, and Short-Term Investments		344
Cash, cash equivalents, and short-term investments:		
Beginning of year		<u>358</u>
End of Year		<u>\$ 702</u>

The General Automobile Insurance Company Inc.
Analysis of Surplus (in thousands)
For the Five-Year Period Ending December 31, 2021

	2021	2020	2019	2018	2017
Surplus, beginning of year	\$12,787	\$39,170	\$37,413	\$37,379	\$36,635
Net income	16	2,682	1,676	35	4,593
Change in net unrealized foreign exchange capital gains/losses			1	(1)	
Change in net deferred income tax	60	18	19	1	(3,845)
Change in nonadmitted assets	(13)	(13)	61	(1)	(4)
Dividends to stockholders	_____	(29,070)	_____	_____	_____
Surplus, End of Year	<u>\$12,849</u>	<u>\$12,787</u>	<u>\$39,170</u>	<u>\$37,413</u>	<u>\$37,379</u>