

QUARTERLY STATEMENT

OF THE

1ST AUTO & CASUALTY INSURANCE COMPANY

TO THE

Insurance Department

OF THE

STATE OF

Wisconsin

FOR THE QUARTER ENDED
SEPTEMBER 30, 2023

PROPERTY AND CASUALTY

2023



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2023
OF THE CONDITION AND AFFAIRS OF THE

1ST AUTO & CASUALTY INSURANCE COMPANY

NAIC Group Code 0490 0490 NAIC Company Code 44725 Employer's ID Number 39-1707938
(Current) (Prior)

Organized under the Laws of Wisconsin, State of Domicile or Port of Entry WI

Country of Domicile United States of America

Incorporated/Organized 08/14/1991 Commenced Business 09/25/1991

Statutory Home Office 2810 City View Drive Madison, WI, US 53718
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 2810 City View Drive
(Street and Number)
Madison, WI, US 53718 608-242-4505
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address PO Box 7988 Madison, WI, US 537077988
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 2810 City View Drive
(Street and Number)
Madison, WI, US 53718 608-242-4505
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.thewrcgroup.com

Statutory Statement Contact Jason A Fogg 608-243-0824
(Name) (Area Code) (Telephone Number)
jfogg@thewrcgroup.com 608-243-0881
(E-mail Address) (FAX Number)

OFFICERS

President Jason A Fogg Treasurer Jason A Fogg
Secretary Peggy L Mickelson #

OTHER

Elina M Walsh #, Senior VP of Insurance

DIRECTORS OR TRUSTEES

Jason A Fogg Elina M Walsh # Peggy L Mickelson #

State of Wisconsin SS:
County of Dane

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

Jason A Fogg
Jason A Fogg
President

Peggy L Mickelson
Peggy L Mickelson
Secretary

Jason A Fogg
Jason A Fogg
Treasurer

Subscribed and sworn to before me this 10 day of November 2023
Emily Davidson

- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number.....
2. Date filed
3. Number of pages attached.....



STATEMENT AS OF SEPTEMBER 30, 2023 OF THE 1ST AUTO & CASUALTY INSURANCE COMPANY

STATEMENT AS OF SEPTEMBER 30, 2023 OF THE 1ST AUTO & CASUALTY INSURANCE COMPANY

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	11,766,140		11,766,140	17,395,656
2. Stocks:				
2.1 Preferred stocks	124,060		124,060	169,720
2.2 Common stocks			0	0
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens.....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$ 572,114), cash equivalents (\$ 2,033,144) and short-term investments (\$ 0)	2,605,258		2,605,258	1,263,726
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets			0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	14,495,458	0	14,495,458	18,829,102
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	75,450		75,450	105,162
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	434,847	45,325	389,522	474,097
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	2,711,736		2,711,736	3,964,062
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	4,048,720		4,048,720	1,063,114
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset	1,592,803	1,592,803	0	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	1,303,035		1,303,035	451,164
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other than invested assets	72,202	72,202	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	24,734,251	1,710,330	23,023,921	24,886,701
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	24,734,251	1,710,330	23,023,921	24,886,701
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Prepaid Expenses	72,202	72,202	0	0
2502.			0	
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	72,202	72,202	0	0

STATEMENT AS OF SEPTEMBER 30, 2023 OF THE 1ST AUTO & CASUALTY INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 5,288,971)	6,565,909	2,854,904
2. Reinsurance payable on paid losses and loss adjustment expenses		0
3. Loss adjustment expenses	2,378,917	2,735,206
4. Commissions payable, contingent commissions and other similar charges	332,551	551,382
5. Other expenses (excluding taxes, licenses and fees)	373,473	589,151
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	(31,112)	93,970
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 386,280 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ 0 for medical loss ratio rebate per the Public Health Service Act)	7,261,475	10,368,343
10. Advance premium	547,657	348,848
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	84,261	141,460
13. Funds held by company under reinsurance treaties		0
14. Amounts withheld or retained by company for account of others		
15. Remittances and items not allocated	(1,258)	(1,383)
16. Provision for reinsurance (including \$ certified)		0
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	1,369,489	1,075,723
20. Derivatives	0	0
21. Payable for securities		
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	18,881,362	18,757,604
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	18,881,362	18,757,604
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	7,000,000	7,000,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		
34. Gross paid in and contributed surplus	1,000,000	1,000,000
35. Unassigned funds (surplus)	(3,857,441)	(1,870,903)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		
36.2 shares preferred (value included in Line 31 \$)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	4,142,559	6,129,097
38. Totals (Page 2, Line 28, Col. 3)	23,023,921	24,886,701
DETAILS OF WRITE-INS		
2501.		0
2502.		0
2503.		0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	0	0
2901.		0
2902.		0
2903.		0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)	0	0
3201.		0
3202.		0
3203.		0
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298)(Line 32 above)	0	0

STATEMENT AS OF SEPTEMBER 30, 2023 OF THE 1ST AUTO & CASUALTY INSURANCE COMPANY

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 20,779,676)	24,046,101	28,925,834	38,839,340
1.2 Assumed (written \$)			0
1.3 Ceded (written \$ 942,079)	1,101,635	2,621,200	3,454,030
1.4 Net (written \$ 19,837,597)	22,944,466	26,304,634	35,385,310
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 15,513,915):			
2.1 Direct	18,706,525	22,094,437	30,193,221
2.2 Assumed			0
2.3 Ceded	1,997,197	4,889,211	6,994,782
2.4 Net	16,709,328	17,205,226	23,198,439
3. Loss adjustment expenses incurred	1,832,244	3,245,527	3,897,398
4. Other underwriting expenses incurred	6,863,408	8,563,342	11,749,263
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	25,404,980	29,014,095	38,845,100
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(2,460,514)	(2,709,461)	(3,459,790)
INVESTMENT INCOME			
9. Net investment income earned	295,532	224,664	306,207
10. Net realized capital gains (losses) less capital gains tax of \$	(81,570)	1,089	(257,105)
11. Net investment gain (loss) (Lines 9 + 10)	213,962	225,753	49,102
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)	0	0	0
13. Finance and service charges not included in premiums	222,700	287,423	373,141
14. Aggregate write-ins for miscellaneous income	0	10	20,416
15. Total other income (Lines 12 through 14)	222,700	287,433	393,557
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(2,023,852)	(2,196,275)	(3,017,131)
17. Dividends to policyholders			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(2,023,852)	(2,196,275)	(3,017,131)
19. Federal and foreign income taxes incurred		(13,075)	(8,675)
20. Net income (Line 18 minus Line 19)(to Line 22)	(2,023,852)	(2,183,200)	(3,008,456)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	6,129,097	9,654,335	9,654,335
22. Net income (from Line 20)	(2,023,852)	(2,183,200)	(3,008,456)
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains (losses) less capital gains tax of \$ 170	638	(39,820)	(25,265)
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	435,993	446,923	625,282
27. Change in nonadmitted assets	(399,317)	(349,913)	(1,116,799)
28. Change in provision for reinsurance			0
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in	0	0	0
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			0
36. Change in treasury stock			0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	(1,986,538)	(2,126,010)	(3,525,238)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	4,142,559	7,528,325	6,129,097
DETAILS OF WRITE-INS			
0501.			0
0502.		0	0
0503.		0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. Totals (Lines 0501 through 0503 plus 0598)(Line 5 above)	0	0	0
1401. Interest on NOL carryback refund			20,416
1402. IRS Assessment		10	
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)	0	10	20,416
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. Totals (Lines 3701 through 3703 plus 3798)(Line 37 above)	0	0	0

STATEMENT AS OF SEPTEMBER 30, 2023 OF THE 1ST AUTO & CASUALTY INSURANCE COMPANY

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	21,313,578	25,701,005	34,156,202
2. Net investment income	363,354	310,154	453,939
3. Miscellaneous income	222,700	287,433	393,559
4. Total (Lines 1 to 3)	21,899,632	26,298,592	35,003,700
5. Benefit and loss related payments	15,983,929	17,645,774	24,252,560
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	10,130,475	11,424,430	15,324,128
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	0	(456,424)	(423,039)
10. Total (Lines 5 through 9)	26,114,404	28,613,780	39,153,649
11. Net cash from operations (Line 4 minus Line 10)	(4,214,772)	(2,315,188)	(4,149,949)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	5,558,542	5,192,200	7,535,667
12.2 Stocks	49,600	50,600	50,600
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(51,838)	0	0
12.7 Miscellaneous proceeds	0	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	5,556,304	5,242,800	7,586,267
13. Cost of investments acquired (long-term only):			
13.1 Bonds	0	1,899,666	1,899,667
13.2 Stocks	0	0	0
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	0	0
13.6 Miscellaneous applications	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	0	1,899,666	1,899,667
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	5,556,304	3,343,134	5,686,600
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied)	0	0	0
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	0	0	0
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	1,341,532	1,027,946	1,536,651
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	1,263,726	(272,925)	(272,925)
19.2 End of period (Line 18 plus Line 19.1)	2,605,258	755,021	1,263,726

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

Notes to the Financial Statements

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The financial statements of 1st Auto & Casualty Insurance Company (the Company) are presented on the basis of accounting practices prescribed or permitted by the Office of the Commissioner of Insurance of the State of Wisconsin (OCI).

The OCI recognizes only statutory accounting practices prescribed or permitted by the state of Wisconsin for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under Wisconsin Insurance Law. The National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Wisconsin.

The Service Agreement between WRC and its subsidiary 1st Auto has been amended to allow WRC to charge to 1st Auto eighty percent (80%) of the capital costs associated with the purchase of a new administration system over a fifteen-year period starting with the placed in service date for each implementation. All direct expenses associated with 1st Auto's use of the system are allocated one hundred percent (100%) from WRC to 1st Auto. Under statutory accounting guidance, one hundred percent (100%) of the capital charges would be charged to 1st Auto over a five-year period. The Office of the Commissioner of Insurance has permitted this practice. The Company's risk-based capital would have triggered a regulatory event at the end of 2022 had it not used this permitted practice.

	SSAP #	F/S Page	F/S Line #	09/30/2023	12/31/2022
Net Income					
(1) State basis (Page 4, Line 20, Columns 1 & 3)	XXX	XXX	XXX	\$ (2,023,852)	\$ (3,008,456)
(2) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(3) State permitted practices that are an increase / (decrease) from NAIC SAP:					
Change in Other Underwriting Expenses Incurred		4	4	432,476	755,290
Change in Federal Income Taxes		4	19		
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	\$ (2,456,328)	\$ (3,763,746)
Surplus					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 4,142,559	\$ 6,129,097
(6) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(7) State permitted practices that are an increase / (decrease) from NAIC SAP:					
Change in Net Income		4	22	432,476	755,290
Note 1A Accumulated Change in Surplus		4	21	3,936,209	3,180,919
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	\$ (226,126)	\$ 2,192,888

C. Accounting Policy

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the scientific method. Non-investment grade bonds with NAIC designations of 3 through 6 are reported at the lower of amortized cost or market value.
- (3) Common stocks - Not Applicable
- (6) Loan-backed bonds and structured securities are reported at amortized cost. The prospective adjustment method is used to value all loan-backed securities. Non-investment grade loan-backed bonds and structured securities are stated at the lower of amortized cost or market value.

D. Going Concern

The Company has historically relied on reinsurance arrangements with its Parent, Wisconsin Reinsurance Corporation (WRC), to partially support underwriting losses associated with its personal and commercial auto business. Continued underwriting losses caused by increasing claims costs in recent years along with losses to WRC's surplus in the last two years resulting from severe convective storm activity in the Midwest has raised substantial doubt about the Company's ability to continue as a going concern within one year following the date of the financial statements. The Company is in the midst of reducing its exposures through underwriting, agent/agency management and nonrenewals of select business. It has also taken substantial premium rate actions in recent months. Due to the Company's financial condition, the Wisconsin Office of the Commissioner of Insurance (OCI) has placed the Company in rehabilitation.

2. Accounting Changes and Corrections of Errors - Not Applicable

3. Business Combinations and Goodwill - Not Applicable

4. Discontinued Operations - Not Applicable

5. Investments

D. Loan-Backed Securities

- (1) The Company used New England Asset Management (NEAM), as investment counsel, in obtaining prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities based on broker dealer survey values.
- (2) Loan-backed and structured securities with a recognized other-than-temporary impairment (OTTI) - Not Applicable
- (3) Securities held that were other-than-temporarily impaired due to the present value of cash flows expected to be collected was less than the amortized cost of securities - Not Applicable

Notes to the Financial Statements

5. Investments (Continued)

(4) All impaired securities for which an OTTI has not been recognized in earnings as a realized loss

- a. The aggregate amount of unrealized losses:
 - 1. Less than 12 months..... \$ 24,210
 - 2. 12 months or longer..... 705,582
- b. The aggregate related fair value of securities with unrealized losses:
 - 1. Less than 12 months..... \$ 531,188
 - 2. 12 months or longer..... 2,917,654

(5) All securities in an unrealized loss position were reviewed to determine whether other-than-temporary impairments should be recognized. The Company evaluates factors for each security, including the size and duration of the loss, available collateral, prepayment, default and severity projections, and modeled losses, along with the Company's intent and ability to hold the security until the value recovers. Based upon the Company's evaluation, the unrealized losses were deemed to be temporary and no impairments losses were recognized.

- E. Dollar Repurchase Agreements and/or Securities Lending Transactions - Not Applicable
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- H. Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- L. Restricted Assets

(1) Restricted assets (including pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted							Current Year			
	Current Year							Current Year			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity	Total (1 + 3)	Total From Prior Year	Increase / (Decrease) (5 - 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5-8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets, %	Admitted Restricted to Total Admitted Assets, %
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
b. Collateral held under security lending agreements											
c. Subject to repurchase agreements											
d. Subject to reverse repurchase agreements											
e. Subject to dollar repurchase agreements											
f. Subject to dollar reverse repurchase agreements											
g. Placed under option contracts											
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock											
i. FHLB capital stock											
j. On deposit with states	2,168,231				2,168,231	2,189,058	(20,827)		2,168,231	8.766	9.417
k. On deposit with other regulatory bodies											
l. Pledged as collateral to FHLB (including assets backing funding agreements)											
m. Pledged as collateral not captured in other categories											
n. Other restricted assets											
o. Total restricted assets (Sum of a through n)	\$ 2,168,231	\$	\$	\$	\$ 2,168,231	\$ 2,189,058	\$ (20,827)	\$	\$ 2,168,231	8.766 %	9.417 %

Notes to the Financial Statements

5. Investments (Continued)

- (2) Detail of assets pledged as collateral not captured in other categories (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate) - None
- (3) Detail of other restricted assets (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate) - None
- (4) Collateral received and reflected as assets within the reporting entity's financial statements - None

M. Working Capital Finance Investments - Not Applicable

N. Offsetting and Netting of Assets and Liabilities - Not Applicable

Q. Prepayment Penalty and Acceleration Fees - None

R. Reporting Entity's Share of Cash Pool by Asset type - Not Applicable

6. Joint Ventures, Partnerships and Limited Liability Companies - Not Applicable

7. Investment Income - No Significant Changes

8. Derivative Instruments - Not Applicable

9. Income Taxes

A. Components of the Net Deferred Tax Asset/(Liability)

(1) Change between years by tax character

	09/30/2023			12/31/2022			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Gross deferred tax assets	\$ 1,556,237	\$ 56,892	\$ 1,613,129	\$ 1,135,150	\$ 57,061	\$ 1,192,211	\$ 421,087	\$ (169)	\$ 420,918
(b) Statutory valuation allowance adjustments									
(c) Adjusted gross deferred tax assets (1a - 1b)	1,556,237	56,892	1,613,129	1,135,150	57,061	1,192,211	421,087	(169)	420,918
(d) Deferred tax assets nonadmitted	1,535,912	56,892	1,592,804	1,099,919	57,061	1,156,980	435,993	(169)	435,824
(e) Subtotal net admitted deferred tax asset (1c - 1d)	\$ 20,325	\$ -	\$ 20,325	\$ 35,231	\$ -	\$ 35,231	\$ (14,906)	\$ -	\$ (14,906)
(f) Deferred tax liabilities	20,325		20,325	35,231		35,231	(14,906)		(14,906)
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e - 1f)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(2) Admission calculation components SSAP No. 101

	09/30/2023			12/31/2022			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$	\$	\$	\$	\$	\$	\$	\$	\$
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation (lesser of 2(b)1 and 2(b)2 below)									
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date									
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX		XXX	XXX		XXX	XXX	
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	20,325		20,325	35,231		35,231	(14,906)		(14,906)
(d) Deferred tax assets admitted as the result of application of SSAP No. 101									
Total (2(a) + 2(b) + 2(c))	\$ 20,325	\$	\$ 20,325	\$ 35,231	\$	\$ 35,231	\$ (14,906)	\$	\$ (14,906)

(3) Ratio used as basis of admissibility

	09/30/2023	12/31/2022
(a) Ratio percentage used to determine recovery period and threshold limitation amount	147.133 %	217.689 %
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 4,142,559	\$ 6,129,097

Notes to the Financial Statements

9. Income Taxes (Continued)

(4) Impact of tax-planning strategies

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage

	09/30/2023		12/31/2022		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	Ordinary (Col. 1-3)	Capital (Col. 2-4)
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 1,556,237	\$ 56,892	\$ 1,135,150	\$ 57,061	\$ 421,087	\$ (169)
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 20,325	\$ -	\$ 35,231	\$ -	\$ (14,906)	\$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

(b) Use of reinsurance-related tax-planning strategies

Does the company's tax-planning strategies include the use of reinsurance? NO

C. Major Components of Current Income Taxes Incurred

Current income taxes incurred consist of the following major components:	(1)	(2)	(3)
	09/30/2023	12/31/2022	Change (1-2)
1. Current Income Tax			
(a) Federal	\$	\$ (8,675)	\$ 8,675
(b) Foreign			
(c) Subtotal (1a+1b)	\$	\$ (8,675)	\$ 8,675
(d) Federal income tax on net capital gains		(4,111)	4,111
(e) Utilization of capital loss carry-forwards			
(f) Other			
(g) Federal and foreign income taxes incurred (1c+1d+1e+1f)	\$	\$ (12,786)	\$ 12,786
	(1)	(2)	(3)
	09/30/2023	12/31/2022	Change (1-2)
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 78,844	\$ 45,566	\$ 33,278
(2) Unearned premium reserve	327,984	450,122	(122,138)
(3) Policyholder reserves			
(4) Investments			
(5) Deferred acquisition costs			
(6) Policyholder dividends accrual			
(7) Fixed assets			
(8) Compensation and benefits accrual	2,739	2,213	526
(9) Pension accrual			
(10) Receivables - nonadmitted			
(11) Net operating loss carry-forward	1,121,990	604,897	517,093
(12) Tax credit carry-forward			
(13) Other	24,680	32,352	(7,672)
(99) Subtotal (Sum of 2a1 through 2a13)	\$ 1,556,237	\$ 1,135,150	\$ 421,087
(b) Statutory valuation allowance adjustment			
(c) Nonadmitted	1,535,912	1,099,919	435,993
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 20,325	\$ 35,231	\$ (14,906)
(e) Capital			
(1) Investments	\$ 56,892	\$ 57,061	\$ (169)
(2) Net capital loss carry-forward			
(3) Real estate			
(4) Other			
(99) Subtotal (2e1+2e2+2e3+2e4)	\$ 56,892	\$ 57,061	\$ (169)
(f) Statutory valuation allowance adjustment			
(g) Nonadmitted	56,892	57,061	(169)
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	-	-	-
(i) Admitted deferred tax assets (2d + 2h)	\$ 20,325	\$ 35,231	\$ (14,906)

Notes to the Financial Statements

9. Income Taxes (Continued)

	(1) 09/30/2023	(2) 12/31/2022	(3) Change (1-2)
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$ 399	\$ 446	\$ (47)
(2) Fixed assets			
(3) Deferred and uncollected premium			
(4) Policyholder reserves			
(5) Other	19,926	34,785	(14,859)
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	<u>\$ 20,325</u>	<u>\$ 35,231</u>	<u>\$ (14,906)</u>
(b) Capital			
(1) Investments	\$	\$	\$
(2) Real estate			
(3) Other			
(99) Subtotal (3b1+3b2+3b3)	<u>\$</u>	<u>\$</u>	<u>\$</u>
(c) Deferred tax liabilities (3a99 + 3b99)	<u>\$ 20,325</u>	<u>\$ 35,231</u>	<u>\$ (14,906)</u>
4. Net deferred tax assets/liabilities (2i - 3c)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

D. Among the More Significant Book to Tax Adjustments

	09/30/2023	Effective Tax Rate
Provision computed at statutory rate	\$ (425,009)	21.000 %
Dividends received deduction and Tax - Exempt Interest	(10,188)	0.503 %
Other Adjustments	(797)	0.039 %
Total	<u>\$ (435,994)</u>	<u>21.543 %</u>

	09/30/2023	Effective Tax Rate
Federal and foreign income taxes incurred	\$	%
Realized Capital Gains (Losses) tax		
Change in net deferred income taxes	(435,993)	21.543 %
Total statutory income taxes	<u>\$ (435,993)</u>	<u>21.543 %</u>

E. Operating Loss and Tax Credit Carryforwards

- (1) As of September 30, 2023, the Company has \$5,342,809 of unused net operating loss carryforwards available to offset against future taxable income.
- (2) Income tax expense available for recoupment
As of September 30, 2023, the Company does not have any income taxes incurred in the current or preceding years available for recoupment in the event of future net losses.
- (3) Deposits admitted under IRS Code Section 6603 - None

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties - No Significant Changes

11. Debt - None

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

- A. Defined Benefit Plan - Not Applicable

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations - No Significant Changes

14. Liabilities, Contingencies and Assessments - No Significant Changes

15. Leases - Not Applicable

16. Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk - Not Applicable

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - Not Applicable

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans - Not Applicable

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators - Not Applicable

20. Fair Value Measurements

A. Fair Value Measurement

- (1) Fair value measurements at reporting date

The Company has categorized its assets and liabilities that are reported on the balance sheet at fair value into the three-level fair value hierarchy as reflected in the following table. The three-level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The three levels are defined as follows.

- *Level 1 Measurements*

Notes to the Financial Statements

20. Fair Value Measurements (Continued)

- Bonds: Comprised of actively traded U.S. Treasury securities. Valuation is based on unadjusted quoted prices for identical assets in active markets that are accessible to the Company at the measurement date.
- *Level 2 Measurements*
 - Bonds: Comprised of government obligations, state and municipal bonds, corporate debt, residential and commercial mortgage-backed securities, other asset-backed and hybrid securities. Valuation is based on quoted prices in active markets for similar assets, quoted prices for identical or similar assets in markets that are not active, or prices derived from valuation models that consider various market observable inputs.
 - Preferred Stocks: Comprised of perpetual preferred stock. Valuation is based on quoted prices in active markets for similar assets, quoted prices for identical or similar assets in markets that are not active, or prices derived from valuation models that consider various market observable inputs.

Description for each class of asset or liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
a. Assets at fair value					
Preferred Stocks	\$	124,060	\$	\$	124,060
Bonds		47,625			47,625
Total assets at fair value/NAV	\$	171,685	\$	\$	171,685
b. Liabilities at fair value					
Total liabilities at fair value	\$	\$	\$	\$	\$

(2) Fair value measurements in Level 3 of the fair value hierarchy - None

(3) It is the Company's policy to recognize transfers in and out as of the actual date of the event or change in circumstances that caused the transfer.

(4) As of September 30, 2023, the Company's Level 2 investments reported at fair value were comprised of one (1) NAIC designated 3 hybrid bond and four (4) perpetual preferred stocks. The Company relied on prices from independent pricing services to measure the securities' fair value.

(5) Derivatives - Not Applicable

B. Other Fair Value Disclosures - Not Applicable

C. Fair Values for All Financial Instruments by Level 1, 2 and 3

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$ 10,014,163	\$ 11,766,141	\$ 43,016	\$ 9,971,147	\$	\$	\$
Preferred Stocks	124,060	124,060		124,060			
Cash, cash equivalents, and short-term investments	2,605,258	2,605,258	2,605,258				

D. Not Practicable to Estimate Fair Value - Not Applicable

E. Nature and Risk of Investments Reported at NAV - Not Applicable

21. Other Items - Not Applicable

22. Events Subsequent - None

23. Reinsurance - No Significant Changes

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A. Method Used to Estimate - Not Applicable

B. Method Used to Record - Not Applicable

C. Amount and Percent of Net Retrospective Premiums - Not Applicable

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act - Not Applicable

E. Calculation of Nonadmitted Retrospective Premium - Not Applicable

F. Risk-Sharing Provisions of the Affordable Care Act (ACA)

(1) Accident and health insurance premium subject to the Affordable Care Act risk-sharing provisions - Not Applicable

(2) Impact of Risk-Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year - Not Applicable

(3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance - Not Applicable

(4) Roll-forward of risk corridors asset and liability balances by program benefit year - Not Applicable

(5) ACA risk corridors receivable as of reporting date - Not Applicable

Notes to the Financial Statements

25. Changes in Incurred Losses and Loss Adjustment Expenses

A. Reasons for Changes in the Provision for Incurred Loss and Loss Adjustment Expenses Attributable to Insured Events of Prior Years

The estimated cost of loss and loss adjustment expenses attributable to insured events of prior years' increased by \$519,000 in 2023 and decreased by \$16,000 in 2022. The re-estimation of unpaid losses and loss adjustment expenses is principally related to the private passenger auto liability line of business. Increases and decreases of this nature occur as a result of claim settlements during the current year and as additional information regarding individual claims is received, resulting in changes from the original estimates of the claims' cost. Recent loss development trends are also taken into consideration when evaluating the overall adequacy of the unpaid loss and loss adjustment expenses.

B. Significant Changes in Methodologies and Assumptions Used in Calculating the Liability for Unpaid Losses and Loss Adjustment Expenses - Not Applicable

26. Intercompany Pooling Arrangements - Not Applicable

27. Structured Settlements - Not Applicable

28. Health Care Receivables - Not Applicable

29. Participating Policies - Not Applicable

30. Premium Deficiency Reserves - None

31. High Deductibles - Not Applicable

32. Discounting of Liabilities For Unpaid Losses or Unpaid Loss Adjustment Expenses - Not Applicable

33. Asbestos/Environmental Reserves - Not Applicable

34. Subscriber Savings Accounts - Not Applicable

35. Multiple Peril Crop Insurance - Not Applicable

36. Financial Guaranty Insurance - Not Applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.
.....
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [] No [X]
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [] N/A [X]
If yes, attach an explanation.
.....
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2018
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2018
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 03/04/2020
- 6.4 By what department or departments?
Wisconsin Insurance Department
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information:
.....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

GENERAL INTERROGATORIES

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [] No []
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
.....
- 9.2 Has the code of ethics for senior managers been amended? Yes [] No []
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
.....
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No []
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).
.....

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No []
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 1,303,035

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No []
- 11.2 If yes, give full and complete information relating thereto:
.....
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$
13. Amount of real estate and mortgages held in short-term investments: \$
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [] No []
- 14.2 If yes, please complete the following:
- | | 1
Prior Year-End
Book/Adjusted
Carrying Value | 2
Current Quarter
Book/Adjusted
Carrying Value |
|---|--|---|
| 14.21 Bonds | \$ 0 | \$ |
| 14.22 Preferred Stock | \$ 0 | \$ |
| 14.23 Common Stock | \$ 0 | \$ |
| 14.24 Short-Term Investments | \$ 0 | \$ |
| 14.25 Mortgage Loans on Real Estate | \$ 0 | \$ |
| 14.26 All Other | \$ 0 | \$ |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$ 0 | \$ 0 |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$ | \$ |
- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [] No []
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A []
If no, attach a description with this statement.
.....
16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ 0
- 16.2 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ 0
- 16.3 Total payable for securities lending reported on the liability page. \$ 0

STATEMENT AS OF SEPTEMBER 30, 2023 OF THE 1ST AUTO & CASUALTY INSURANCE COMPANY
GENERAL INTERROGATORIES

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

1 Name of Custodian(s)	2 Custodian Address
US Bank	1555 N River Center Drive, Suite 300, Milwaukee, WI 53212

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [] No [X]

- 17.4 If yes, give full information relating thereto:

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

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

1 Name of Firm or Individual	2 Affiliation
New England Asset Management, Inc.	U.....

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's invested assets?..... Yes [X] No []

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?..... Yes [X] No []

- 17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
IARD # 105900	New England Asset Management, Inc.	KUR85E5PS4GQFZTFC130	SEC	OS.....

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

- 18.2 If no, list exceptions:

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

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

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

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

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

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

21. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

- a. The shares were purchased prior to January 1, 2019.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
- d. The fund only or predominantly holds bonds in its portfolio.
- e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
- f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

- Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [] No [X]

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [] No [] N/A [X]
 If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [] No [X]
 If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [X] No []

3.2 If yes, give full and complete information thereto.
 The entity's aggregate excess of loss agreement with its parent was not extended for losses occurring on or after January 1, 2023.

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see Annual Statement Instructions pertaining to disclosure of discounting for definition of "tabular reserves") discounted at a rate of interest greater than zero? Yes [] No [X]

4.2 If yes, complete the following schedule:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
TOTAL			0	0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent %

5.2 A&H cost containment percent %

5.3 A&H expense percent excluding cost containment expenses %

6.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

6.2 If yes, please provide the amount of custodial funds held as of the reporting date \$.....

6.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

6.4 If yes, please provide the balance of the funds administered as of the reporting date \$.....

7. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [X] No []

7.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes [] No []

STATEMENT AS OF SEPTEMBER 30, 2023 OF THE 1ST AUTO & CASUALTY INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

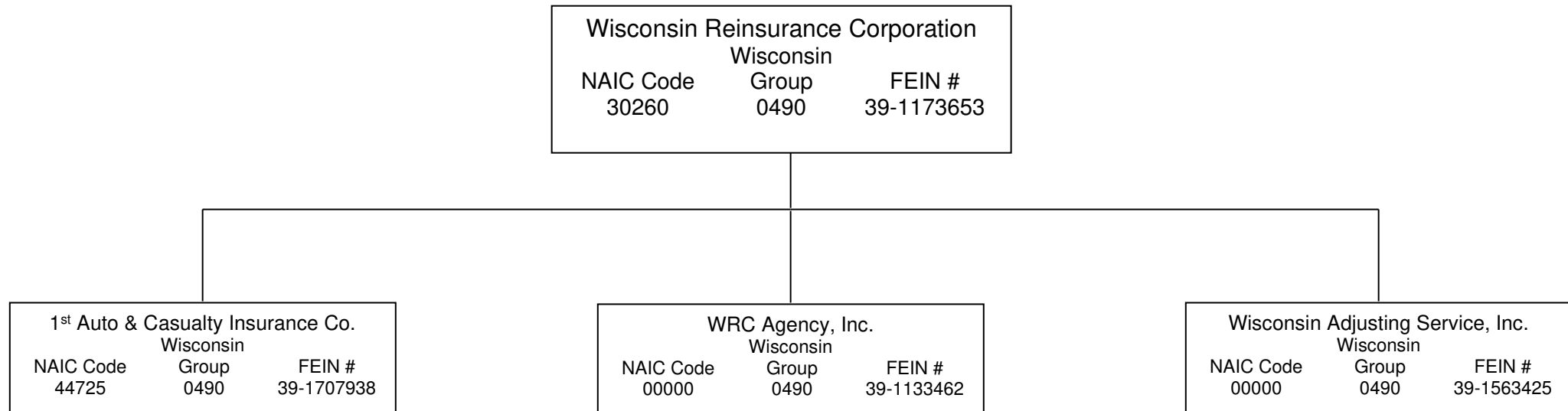
Current Year to Date - Allocated by States and Territories

States, etc.	1 Active Status (a)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date	
1. Alabama	AL	N						
2. Alaska	AK	N						
3. Arizona	AZ	N						
4. Arkansas	AR	L	845,650	1,024,125	625,012	948,759	375,928	510,339
5. California	CA	N						
6. Colorado	CO	N						
7. Connecticut	CT	N						
8. Delaware	DE	N						
9. District of Columbia	DC	N						
10. Florida	FL	N						
11. Georgia	GA	N						
12. Hawaii	HI	N						
13. Idaho	ID	N						
14. Illinois	IL	L	4,902,352	6,760,270	4,542,021	5,282,947	3,603,715	4,062,850
15. Indiana	IN	N						
16. Iowa	IA	L	590,009	2,753,814	1,326,375	1,633,711	1,183,011	1,518,066
17. Kansas	KS	N						
18. Kentucky	KY	N						
19. Louisiana	LA	N						
20. Maine	ME	N						
21. Maryland	MD	N						
22. Massachusetts	MA	N						
23. Michigan	MI	N						
24. Minnesota	MN	N						
25. Mississippi	MS	N						
26. Missouri	MO	L	5,067,931	7,897,557	7,774,341	5,357,588	3,265,676	5,484,871
27. Montana	MT	N						
28. Nebraska	NE	N						
29. Nevada	NV	N						
30. New Hampshire	NH	N						
31. New Jersey	NJ	N						
32. New Mexico	NM	N						
33. New York	NY	N						
34. North Carolina	NC	N						
35. North Dakota	ND	N						
36. Ohio	OH	N						
37. Oklahoma	OK	N						
38. Oregon	OR	N						
39. Pennsylvania	PA	N						
40. Rhode Island	RI	N						
41. South Carolina	SC	N						
42. South Dakota	SD	L	2,156,629	2,671,009	1,268,704	2,082,319	732,059	779,195
43. Tennessee	TN	N						
44. Texas	TX	N						
45. Utah	UT	N						
46. Vermont	VT	N						
47. Virginia	VA	N						
48. Washington	WA	N						
49. West Virginia	WV	N						
50. Wisconsin	WI	L	7,217,105	8,711,564	7,014,164	5,749,015	5,559,765	6,552,114
51. Wyoming	WY	N						
52. American Samoa	AS	N						
53. Guam	GU	N						
54. Puerto Rico	PR	N						
55. U.S. Virgin Islands	VI	N						
56. Northern Mariana Islands	MP	N						
57. Canada	CAN	N						
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0
59. Totals	XXX		20,779,676	29,818,339	22,550,617	21,054,339	14,720,154	18,907,435
DETAILS OF WRITE-INS								
58001.	XXX							
58002.	XXX							
58003.	XXX							
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX		0	0	0	0	0	0

(a) Active Status Counts:

- | | | | |
|--|---|--|----|
| 1. L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG..... | 6 | 4. Q - Qualified - Qualified or accredited reinsurer..... | 0 |
| 2. R - Registered - Non-domiciled RRGs..... | 0 | 5. D - Domestic Surplus Lines Insurer (DSL) - Reporting entities authorized to write surplus lines in the state of domicile..... | 0 |
| 3. E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - see DSLI)..... | 0 | 6. N - None of the above - Not allowed to write business in the state..... | 51 |

STATEMENT AS OF SEPTEMBER 30, 2023 OF THE 1ST AUTO & CASUALTY INSURANCE COMPANY



STATEMENT AS OF SEPTEMBER 30, 2023 OF THE 1ST AUTO & CASUALTY INSURANCE COMPANY

PART 1 - LOSS EXPERIENCE

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire			0.0	0.0
2.1 Allied Lines			0.0	0.0
2.2 Multiple peril crop			0.0	0.0
2.3 Federal flood			0.0	0.0
2.4 Private crop			0.0	0.0
2.5 Private flood			0.0	0.0
3. Farmowners multiple peril	88,727	(32,356)	(36.5)	131.5
4. Homeowners multiple peril	82,584	46,302	56.1	(47.9)
5.1 Commercial multiple peril (non-liability portion)	22,067	103,410	468.6	
5.2 Commercial multiple peril (liability portion)	1,869	0	0.0	
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine			0.0	0.0
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability - occurrence			0.0	0.0
11.2 Medical professional liability - claims-made			0.0	0.0
12. Earthquake			0.0	0.0
13.1 Comprehensive (hospital and medical) individual			0.0	0.0
13.2 Comprehensive (hospital and medical) group			0.0	0.0
14. Credit accident and health			0.0	0.0
15.1 Vision only			0.0	0.0
15.2 Dental only			0.0	0.0
15.3 Disability income			0.0	0.0
15.4 Medicare supplement			0.0	0.0
15.5 Medicaid Title XIX			0.0	0.0
15.6 Medicare Title XVIII			0.0	0.0
15.7 Long-term care			0.0	0.0
15.8 Federal employees health benefits plan			0.0	0.0
15.9 Other health			0.0	0.0
16. Workers' compensation			0.0	0.0
17.1 Other liability - occurrence	754,687	500,000	66.3	0.0
17.2 Other liability - claims-made			0.0	0.0
17.3 Excess workers' compensation			0.0	0.0
18.1 Products liability - occurrence			0.0	0.0
18.2 Products liability - claims-made			0.0	0.0
19.1 Private passenger auto no-fault (personal injury protection)			0.0	0.0
19.2 Other private passenger auto liability	9,447,351	7,549,488	79.9	67.8
19.3 Commercial auto no-fault (personal injury protection)			0.0	0.0
19.4 Other commercial auto liability	2,121,792	2,430,301	114.5	71.3
21.1 Private passenger auto physical damage	10,342,167	6,957,503	67.3	87.2
21.2 Commercial auto physical damage	1,184,857	1,151,877	97.2	121.5
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft			0.0	0.0
27. Boiler and machinery			0.0	0.0
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			0.0	0.0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
35. Totals	24,046,101	18,706,525	77.8	76.4
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)	0	0	0.0	0.0

STATEMENT AS OF SEPTEMBER 30, 2023 OF THE 1ST AUTO & CASUALTY INSURANCE COMPANY

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business		1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire	0		
2.1	Allied Lines	0		
2.2	Multiple peril crop	0		
2.3	Federal flood	0		
2.4	Private crop	0		
2.5	Private flood	0		
3.	Farmowners multiple peril	(167)	13,499	161,558
4.	Homeowners multiple peril	7,509	19,172	117,436
5.1	Commercial multiple peril (non-liability portion)	0	77	
5.2	Commercial multiple peril (liability portion)	0	(142)	
6.	Mortgage guaranty	0		
8.	Ocean marine	0		
9.	Inland marine	0		
10.	Financial guaranty	0		
11.1	Medical professional liability - occurrence	0		
11.2	Medical professional liability - claims-made	0		
12.	Earthquake	0		
13.1	Comprehensive (hospital and medical) individual	0		
13.2	Comprehensive (hospital and medical) group	0		
14.	Credit accident and health	0		
15.1	Vision only	0		
15.2	Dental only	0		
15.3	Disability income	0		
15.4	Medicare supplement	0		
15.5	Medicaid Title XIX	0		
15.6	Medicare Title XVIII	0		
15.7	Long-term care	0		
15.8	Federal employees health benefits plan	0		
15.9	Other health	0		
16.	Workers' compensation	0		
17.1	Other liability - occurrence	154,908	701,660	859,589
17.2	Other liability - claims-made	0		
17.3	Excess workers' compensation	0		
18.1	Products liability - occurrence	0		
18.2	Products liability - claims-made	0		
19.1	Private passenger auto no-fault (personal injury protection)	0		
19.2	Other private passenger auto liability	2,236,807	7,988,165	11,962,352
19.3	Commercial auto no-fault (personal injury protection)	0		
19.4	Other commercial auto liability	596,886	1,931,334	2,351,225
21.1	Private passenger auto physical damage	2,424,171	8,840,157	13,081,426
21.2	Commercial auto physical damage	402,885	1,285,754	1,216,122
22.	Aircraft (all perils)	0		
23.	Fidelity	0		
24.	Surety	0		
26.	Burglary and theft	0		
27.	Boiler and machinery	0		1,461
28.	Credit	0		
29.	International	0		
30.	Warranty	0		
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0
35.	Totals	5,822,999	20,779,676	29,751,169
DETAILS OF WRITE-INS				
3401.			
3402.			
3403.			
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)	0	0	0

STATEMENT AS OF SEPTEMBER 30, 2023 OF THE 1ST AUTO & CASUALTY INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1+2)	2023 Loss and LAE Payments on Claims Reported as of Prior Year-End	2023 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2023 Loss and LAE Payments (Cols. 4+5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7+8+9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols.4+7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5+8+9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11+12)
1. 2020 + Prior	274	695	969	412		412	266		432	698	404	(263)	141
2. 2021	51	638	689	86		86	33		254	287	68	(384)	(316)
3. Subtotals 2021 + Prior	325	1,333	1,658	498	0	498	299	0	686	985	472	(647)	(175)
4. 2022	2,458	1,474	3,932	2,330	568	2,898	290	32	1,406	1,728	162	532	694
5. Subtotals 2022 + Prior	2,783	2,807	5,590	2,828	568	3,396	589	32	2,092	2,713	634	(115)	519
6. 2023	XXX	XXX	XXX	XXX	11,791	11,791	XXX	1,772	4,459	6,231	XXX	XXX	XXX
7. Totals	2,783	2,807	5,590	2,828	12,359	15,187	589	1,804	6,551	8,944	634	(115)	519
8. Prior Year-End Surplus As Regards Policyholders	6,129										Col. 11, Line 7 As % of Col. 1 Line 7	Col. 12, Line 7 As % of Col. 2 Line 7	Col. 13, Line 7 As % of Col. 3 Line 7
											1. 22.8	2. (4.1)	3. 9.3
													Col. 13, Line 7 As a % of Col. 1 Line 8
													4. 8.5

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

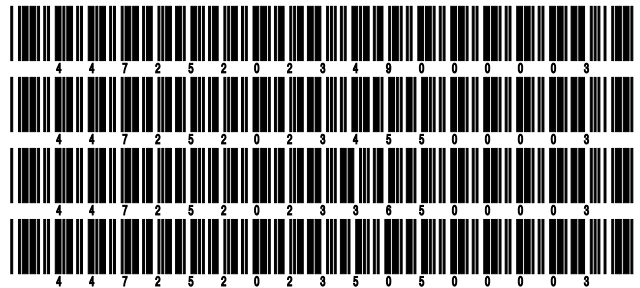
	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
4. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
AUGUST FILING	
5. Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1? The response for 1st and 3rd quarters should be N/A. A NO response resulting with a bar code is only appropriate in the 2nd quarter.	N/A

Explanations:

1. Doesn't apply to 1st Auto & Casualty Insurance Company
2. Doesn't apply to 1st Auto & Casualty Insurance Company
3. Doesn't apply to 1st Auto & Casualty Insurance Company
4. Doesn't apply to 1st Auto & Casualty Insurance Company

Bar Codes:

1. Trusteed Surplus Statement [Document Identifier 490]
2. Supplement A to Schedule T [Document Identifier 455]
3. Medicare Part D Coverage Supplement [Document Identifier 365]
4. Director and Officer Supplement [Document Identifier 505]



OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Statement of Income Line 14

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1404.			
1497. Summary of remaining write-ins for Line 14 from overflow page	0	0	0

STATEMENT AS OF SEPTEMBER 30, 2023 OF THE 1ST AUTO & CASUALTY INSURANCE COMPANY

SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest paid and commitment fees		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

NONE

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	17,565,377	23,662,434
2. Cost of bonds and stocks acquired	0	1,899,668
3. Accrual of discount	4,868	8,480
4. Unrealized valuation increase (decrease)	808	(32,234)
5. Total gain (loss) on disposals	(29,731)	(19,581)
6. Deduct consideration for bonds and stocks disposed of	5,608,147	7,592,437
7. Deduct amortization of premium	42,975	125,487
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	241,637
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees	0	6,171
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10)	11,890,200	17,565,377
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	11,890,200	17,565,377

STATEMENT AS OF SEPTEMBER 30, 2023 OF THE 1ST AUTO & CASUALTY INSURANCE COMPANY

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	13,213,180	0	2,312,820	(253,018)	17,315,727	13,213,180	10,647,342	17,473,252
2. NAIC 2 (a)	826,897	0	0	244,280	880,574	826,897	1,071,177	1,861,399
3. NAIC 3 (a)	47,938	0	0	(313)	46,500	47,938	47,625	47,938
4. NAIC 4 (a)	0	0	0	0	0	0	0	0
5. NAIC 5 (a)	0	0	0	0	0	0	0	0
6. NAIC 6 (a)	0	0	0	0	0	0	0	0
7. Total Bonds	14,088,015	0	2,312,820	(9,051)	18,242,801	14,088,015	11,766,144	19,382,589
PREFERRED STOCK								
8. NAIC 1	0	0	0	0	0	0	0	0
9. NAIC 2	93,080	0	0	(4,400)	94,200	93,080	88,680	88,140
10. NAIC 3	86,280	0	46,780	(4,120)	89,180	86,280	35,380	81,580
11. NAIC 4	0	0	0	0	0	0	0	0
12. NAIC 5	0	0	0	0	0	0	0	0
13. NAIC 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock	179,360	0	46,780	(8,520)	183,380	179,360	124,060	169,720
15. Total Bonds and Preferred Stock	14,267,375	0	2,359,600	(17,571)	18,426,181	14,267,375	11,890,204	19,552,309

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:

NAIC 1 \$0 ; NAIC 2 \$0 ; NAIC 3 \$0 NAIC 4 \$0 ; NAIC 5 \$0 ; NAIC 6 \$0

S102

SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Premium	Actual Cost	Interest Collected Year-to-Date	Paid for Accrued Interest Year-to-Date
7709999999 Totals		XX			

NONE

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	1,488,714	0
2. Cost of short-term investments acquired	2,164,293	1,482,248
3. Accrual of discount	42,022	6,466
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	(6,396)	0
6. Deduct consideration received on disposals	3,688,633	0
7. Deduct amortization of premium	0	0
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	0	1,488,714
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	0	1,488,714

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

N O N E

Schedule DB - Part B - Verification - Futures Contracts

N O N E

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

N O N E

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

N O N E

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of
Derivatives

N O N E

SCHEDULE E - PART 2 - VERIFICATION

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	552,957	564,891
2. Cost of cash equivalents acquired	25,315,832	2,020,539
3. Accrual of discount	35,990	3,067
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	(39,057)	0
6. Deduct consideration received on disposals	23,832,578	2,035,540
7. Deduct amortization of premium	0	0
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	2,033,144	552,957
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	2,033,144	552,957

Schedule A - Part 2 - Real Estate Acquired and Additions Made

N O N E

Schedule A - Part 3 - Real Estate Disposed

N O N E

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made

N O N E

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

N O N E

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired and Additions Made

N O N E

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid

N O N E

Schedule D - Part 3 - Long-Term Bonds and Stocks Acquired

N O N E

STATEMENT AS OF SEPTEMBER 30, 2023 OF THE 1ST AUTO & CASUALTY INSURANCE COMPANY

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For-foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol
..36179R-XD-6	GOVERNMENT NATL MTG ASSOC II #MA3376		09/01/2023	MBS PAYDOWN		955	955	896	896	0	0	0	0	0	896	0	59	59	22	01/20/2046	1.A FE
..36202D-ZF-7	GOVERNMENT NATL MTG ASSOC II #003474		09/01/2023	MBS PAYDOWN		364	364	380	365	0	(1)	0	(1)	0	364	0	0	0	15	11/20/2033	1.A FE
..36202D-YZ-8	GOVERNMENT NATL MTG ASSOC II #003428		09/01/2023	MBS PAYDOWN		530	530	528	530	0	0	0	0	0	530	0	0	0	18	08/20/2033	1.A FE
..36203N-5M-6	GOVERNMENT NATL MTG ASSOC #354652		08/01/2023	MBS PAYDOWN		9	9	9	9	0	0	0	0	0	9	0	0	0	0	09/15/2023	1.A FE
..36206V-MD-6	GOVERNMENT NATL MTG ASSOC #422556		09/01/2023	MBS PAYDOWN		12	12	12	12	0	0	0	0	0	12	0	0	0	1	04/15/2026	1.A FE
..36210A-RT-6	GOVERNMENT NATL MTG ASSOC #486598		09/01/2023	MBS PAYDOWN		45	45	45	45	0	0	0	0	0	45	0	0	0	2	10/15/2028	1.A FE
..36213D-CY-2	GOVERNMENT NATL MTG ASSOC #550987		09/01/2023	MBS PAYDOWN		12	12	12	12	0	0	0	0	0	12	0	0	0	1	10/15/2023	1.A FE
..36225A-R6-9	GOVERNMENT NATL MTG ASSOC #780509		09/01/2023	MBS PAYDOWN		33	33	33	33	0	0	0	0	0	33	0	0	0	1	02/15/2027	1.A FE
..36225B-DT-2	GOVERNMENT NATL MTG ASSOC #781014		09/01/2023	MBS PAYDOWN		358	358	373	361	0	(3)	0	(3)	0	358	0	0	0	14	04/15/2029	1.A FE
..36225C-4X-1	GOVERNMENT NATL MTG ASSOC II #080837		09/01/2023	MBS PAYDOWN		849	849	830	830	0	0	0	0	0	830	0	20	20	18	02/20/2034	1.A FE
..36225D-K4-5	GOVERNMENT NATL MTG ASSOC II #081214		09/01/2023	MBS PAYDOWN		1,549	1,549	1,527	1,527	0	0	0	0	0	1,527	0	22	22	32	01/20/2035	1.A FE
..36225E-Y2-2	GOVERNMENT NATL MTG ASSOC II #082528		09/01/2023	MBS PAYDOWN		52	52	54	52	0	0	0	0	0	52	0	0	0	1	04/20/2040	1.A FE
0109999999 Subtotal - Bonds - U.S. Governments						4,768	4,768	4,699	4,672	0	(4)	0	(4)	0	4,668	0	101	101	125	XXX	XXX
..31292H-UR-3	FEDERAL HOME LN MTG CORP #C01492		09/01/2023	MBS PAYDOWN		126	126	125	126	0	0	0	0	0	126	0	0	0	4	02/01/2033	1.A FE
..31293H-M7-5	FEDERAL HOME LN MTG CORP #C20382		09/01/2023	MBS PAYDOWN		15	15	14	15	0	0	0	0	0	15	0	0	0	1	01/01/2029	1.A FE
..313245-FC-4	UMBS - POOL Z54663		09/01/2023	MBS PAYDOWN		893	893	830	830	0	0	0	0	0	830	0	62	62	21	05/01/2046	1.A FE
..3132D5-6Z-0	UMBS - POOL SB8088		09/01/2023	MBS PAYDOWN		8,151	8,151	8,352	8,172	0	(21)	0	(21)	0	8,151	0	0	0	81	02/01/2036	1.A FE
..3132DM-NS-0	UMBS - POOL SD0401		09/01/2023	MBS PAYDOWN		3,039	3,039	3,220	3,047	0	(8)	0	(8)	0	3,039	0	0	0	55	07/01/2050	1.A FE
..3133GA-5Y-8	UMBS - POOL QN4463		09/01/2023	MBS PAYDOWN		5,848	5,848	6,105	5,874	0	(26)	0	(26)	0	5,848	0	0	0	78	12/01/2035	1.A FE
..3133GB-GD-0	UMBS - POOL QN4696		09/01/2023	MBS PAYDOWN		5,682	5,682	5,933	5,707	0	(25)	0	(25)	0	5,682	0	0	0	76	12/01/2035	1.A FE
..3133KY-U6-4	UMBS - POOL RB5105		09/01/2023	MBS PAYDOWN		3,962	3,962	4,093	3,972	0	(10)	0	(10)	0	3,962	0	0	0	53	03/01/2041	1.A FE
..3133KY-WA-3	UMBS - POOL RB5141		09/01/2023	MBS PAYDOWN		9,225	9,225	9,346	9,234	0	(9)	0	(9)	0	9,225	0	0	0	123	01/01/2042	1.A FE
..3133L8-DS-1	UMBS - POOL RC1913		09/01/2023	MBS PAYDOWN		8,025	8,025	8,343	8,061	0	(37)	0	(37)	0	8,025	0	0	0	107	03/01/2036	1.A FE
..3133L8-ED-3	UMBS - POOL RC1932		09/01/2023	MBS PAYDOWN		3,040	3,040	2,710	2,710	0	0	0	0	0	2,710	0	330	330	42	04/01/2036	1.A FE
..3136AH-7E-4	FANNIE MAE 14 21 EA		09/01/2023	MBS PAYDOWN		850	850	855	850	0	(1)	0	(1)	0	850	0	0	0	10	04/25/2029	1.A FE
..31371F-CV-2	UMBS - POOL 250384		09/01/2023	MBS PAYDOWN		41	41	41	41	0	0	0	0	0	41	0	0	0	2	11/01/2025	1.A FE
..31371K-N4-9	UMBS - POOL 254311		09/01/2023	MBS PAYDOWN		25	25	26	25	0	0	0	0	0	25	0	0	0	1	05/01/2032	1.A FE
..31374G-NC-7	UMBS - POOL 313687		09/01/2023	MBS PAYDOWN		34	34	35	35	0	0	0	0	0	34	0	0	0	2	09/01/2027	1.A FE
..31374T-2L-2	UMBS - POOL 323979		09/01/2023	MBS PAYDOWN		102	102	106	103	0	(1)	0	(1)	0	102	0	0	0	4	04/01/2029	1.A FE
..3137B4-4T-0	FREDDIE MAC 4243 AG		09/01/2023	MBS PAYDOWN		222	222	209	209	0	0	0	0	0	209	0	13	13	4	01/15/2043	1.A FE
..31384W-LN-8	UMBS - POOL 535933		09/01/2023	MBS PAYDOWN		10	10	10	10	0	0	0	0	0	10	0	0	0	0	05/01/2031	1.A FE
..31386C-VX-7	UMBS - POOL 559630		09/01/2023	MBS PAYDOWN		11	11	11	11	0	0	0	0	0	11	0	0	0	1	01/01/2031	1.A FE
..3138WF-TA-4	UMBS - POOL AS5944		09/01/2023	MBS PAYDOWN		3,669	3,669	3,445	3,445	0	0	0	0	0	3,445	0	224	224	86	10/01/2045	1.A FE
..31394L-SA-1	FREDDIE MAC 2704 BH		09/01/2023	MBS PAYDOWN		172	172	176	172	0	0	0	0	0	172	0	0	0	5	11/15/2023	1.A FE
..31401J-PZ-5	UMBS - POOL 709740		09/01/2023	MBS PAYDOWN		255	255	264	256	0	(1)	0	(1)	0	255	0	0	0	8	06/01/2033	1.A FE
..31402D-US-0	UMBS - POOL 725773		09/01/2023	MBS PAYDOWN		279	279	276	278	0	0	0	0	0	279	0	0	0	10	09/01/2034	1.A FE
..31403R-PU-6	UMBS - POOL 755635		09/01/2023	MBS PAYDOWN		69	69	69	69	0	0	0	0	0	69	0	0	0	2	04/01/2034	1.A FE
..3140FP-C9-8	UMBS - POOL BE3695		09/01/2023	MBS PAYDOWN		1,526	1,526	1,417	1,417	0	0	0	0	0	1,417	0	110	110	35	06/01/2047	1.A FE
..3140HN-CX-8	UMBS - POOL BK8185		09/01/2023	MBS PAYDOWN		2,057	2,057	2,136	2,062	0	(5)	0	(5)	0	2,057	0	0	0	27	11/01/2050	1.A FE
..3140JA-TS-7	UMBS - POOL BM5960		09/01/2023	MBS PAYDOWN		309	309	295	295	0	0	0	0	0	295	0	14	14	8	08/01/2048	1.A FE
..3140KG-R7-0	UMBS - POOL BP8609		09/01/2023	MBS PAYDOWN		1,767	1,767	1,851	1,770	0	(3)	0	(3)	0	1,767	0	0	0	28	06/01/2050	1.A FE
..3140L2-SB-5	UMBS - POOL BR4441		09/01/2023	MBS PAYDOWN		1,987	1,987	1,772	1,772	0	0	0	0	0	1,772	0	215	215	26	03/01/2036	1.A FE
..3140OF-5N-5	UMBS - POOL CA8052		09/01/2023	MBS PAYDOWN		9,220	9,220	9,659	9,266	0	(46)	0	(46)	0	9,220	0	0	0	123	12/01/2035	1.A FE
..3140X8-KH-9	UMBS - POOL FM4795		09/01/2023	MBS PAYDOWN		410	410	424	411	0	(1)	0	(1)	0	410	0	0	0	5	11/01/2050	1.A FE
..31418D-XG-2	UMBS - POOL MA4278		09/01/2023	MBS PAYDOWN		2,069	2,069	1,796	1,796	0	0	0	0	0	1,796	0	273	273	21	03/01/2036	1.A FE
..31418E-AW-0	UMBS - POOL MA4520		09/01/2023	MBS PAYDOWN		10,191	10,191	10,288	10,199	0	(8)	0	(8)	0	10,191	0	0	0	135	01/01/2042	1.A FE

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STATEMENT AS OF SEPTEMBER 30, 2023 OF THE 1ST AUTO & CASUALTY INSURANCE COMPANY

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change In Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For-foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Other Than Temporary Impairment Recognized	Total Change in Book/Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol
0909999999	Subtotal - Bonds - U.S. Special Revenues					83,281	83,281	84,232	82,240	0	(202)	0	(202)	0	82,040	0	1,241	1,241	1,184	XXX	XXX
..14687A-AN-8	CARVANA AUTO RECEIVABLES TRUST 20-P1 A3		09/08/2023	MBS PAYDOWN		26,839	26,839	26,378	26,378	0	0	0	0	0	26,378	0	461	461	76	06/09/2025	1.A FE
1109999999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					26,839	26,839	26,378	26,378	0	0	0	0	0	26,378	0	461	461	76	XXX	XXX
2509999997	Total - Bonds - Part 4					114,888	114,888	115,309	113,290	0	(206)	0	(206)	0	113,086	0	1,803	1,803	1,385	XXX	XXX
2509999998	Total - Bonds - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
2509999999	Total - Bonds					114,888	114,888	115,309	113,290	0	(206)	0	(206)	0	113,086	0	1,803	1,803	1,385	XXX	XXX
..26441C-50-1	DUKE ENERGY CORP 5.750%		09/12/2023	WELLS FARGO SECURITIES LLC	2,000,000	49,600	25.00	46,780	46,780	0	0	0	0	0	46,780	0	2,820	2,820	2,156		3.A FE
4019999999	Subtotal - Preferred Stocks - Industrial and Miscellaneous (Unaffiliated) Perpetual Preferred					49,600	XXX	46,780	46,780	0	0	0	0	0	46,780	0	2,820	2,820	2,156	XXX	XXX
4509999997	Total - Preferred Stocks - Part 4					49,600	XXX	46,780	46,780	0	0	0	0	0	46,780	0	2,820	2,820	2,156	XXX	XXX
4509999998	Total - Preferred Stocks - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
4509999999	Total - Preferred Stocks					49,600	XXX	46,780	46,780	0	0	0	0	0	46,780	0	2,820	2,820	2,156	XXX	XXX
5989999997	Total - Common Stocks - Part 4					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
5989999998	Total - Common Stocks - Part 5					XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
5989999999	Total - Common Stocks					0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
5999999999	Total - Preferred and Common Stocks					49,600	XXX	46,780	46,780	0	0	0	0	0	46,780	0	2,820	2,820	2,156	XXX	XXX
6009999999	Totals					164,488	XXX	162,089	160,070	0	(206)	0	(206)	0	159,866	0	4,623	4,623	3,541	XXX	XXX

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Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open

N O N E

Schedule DB - Part B - Section 1 - Futures Contracts Open

N O N E

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made

N O N E

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open

N O N E

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By

N O N E

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To

N O N E

Schedule DB - Part E - Derivatives Hedging Variable Annuity Guarantees

N O N E

Schedule DL - Part 1 - Reinvested Collateral Assets Owned

N O N E

Schedule DL - Part 2 - Reinvested Collateral Assets Owned

N O N E

