

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	31,858,252		31,858,252	30,652,990
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	5,332,617	391,163	4,941,454	5,650,441
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)	1,333,407		1,333,407	1,526,696
4.2 Properties held for the production of income (less \$ encumbrances)				391,728
4.3 Properties held for sale (less \$ encumbrances)	390,738		390,738	
5. Cash (\$ 2,200,178 , Schedule E-Part 1), cash equivalents (\$ 336,559 , Schedule E-Part 2) and short-term investments (\$, Schedule DA)	2,536,737		2,536,737	2,642,551
6. Contract loans (including \$ premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)				
9. Receivables for securities				
10. Securities lending reinvested collateral assets (Schedule DL)				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	41,451,751	391,163	41,060,588	40,864,406
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	317,354		317,354	301,082
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	(662,480)	12,447	(674,927)	(522,319)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	1,402,962		1,402,962	1,482,531
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	118,541		118,541	27,306
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	485,271	466,090	19,181	
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$) and other amounts receivable				
25. Aggregate write-ins for other-than-invested assets	155,757	69,479	86,278	85,881
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	43,269,156	939,179	42,329,977	42,238,887
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	43,269,156	939,179	42,329,977	42,238,887
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. PREMIUM TAX DEPOSITS	86,278		86,278	85,881
2502. PREPAID INSURANCE	69,479	69,479		
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	155,757	69,479	86,278	85,881

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	21,416,926	21,526,103
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	1,964,002	1,754,989
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)	247,765	275,832
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	118,883	122,091
7.1 Current federal and foreign income taxes (Including \$ 96 on realized capital gains (losses))	38,973	14,751
7.2 Net deferred tax liability		142,845
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)		
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	619,066	581,615
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)	3,316	3,316
14. Amounts withheld or retained by company for account of others	431,433	423,459
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$ certified) (Schedule F, Part 3 Column 78)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		
20. Derivatives		
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	133,975	129,647
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	24,974,339	24,974,648
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	24,974,339	24,974,648
29. Aggregate write-ins for special surplus funds		
30. Common capital stock		
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes	47,474	47,474
34. Gross paid in and contributed surplus		
35. Unassigned funds (surplus)	17,308,164	17,216,765
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) (Page 4, Line 39)	17,355,638	17,264,239
38. Totals (Page 2, Line 28, Col. 3)	42,329,977	42,238,867
DETAILS OF WRITE-INS		
2501. RESERVE FOR RETROSPECTIVE PREMIUM	133,975	129,647
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	133,975	129,647
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)		

STATEMENT OF INCOME

	1	2
	Current Year	Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	11,086,885	10,882,161
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7)	6,996,352	7,232,732
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	1,252,264	1,043,621
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	2,361,987	2,307,997
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Lines 2 through 5)	10,610,603	10,584,350
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	476,282	297,811
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	915,419	844,232
10. Net realized capital gains (losses) less capital gains tax of \$ 96 (Exhibit of Capital Gains (Losses))	361	229,018
11. Net investment gain (loss) (Lines 9 plus 10)	915,780	1,073,250
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$, amount charged off \$)		
13. Finance and service charges not included in premiums		
14. Aggregate write-ins for miscellaneous income		
15. Total other income (Lines 12 through 14)		
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8+11+15)	1,392,062	1,371,061
17. Dividends to policyholders	500,000	400,000
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)	892,062	971,061
19. Federal and foreign income taxes incurred	221,247	143,009
20. Net income (Line 18 minus Line 19) (to Line 22)	670,815	828,052
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	17,264,239	15,903,815
22. Net income (from Line 20)	670,815	828,052
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ (107,539)	(404,550)	657,574
25. Change in net unrealized foreign exchange capital gain (loss)		
26. Change in net deferred income tax	(55,035)	(92,630)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	(119,831)	(32,372)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)		
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		
33.2 Transferred to capital (Stock Dividend)		
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders		
36. Change in treasury stock (Page 3, Line 36.1 and Line 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus		
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	91,399	1,360,424
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	17,355,638	17,264,239
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page		
0599. Totals (Line 0501 through Line 0503 plus Line 0598) (Line 5 above)		
1401.		
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Line 1401 through Line 1403 plus Line 1498) (Line 14 above)		
3701.		
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Line 3701 through Line 3703 plus Line 3798) (Line 37 above)		

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	11,356,368	11,135,664
2. Net investment income	1,025,368	966,832
3. Miscellaneous income		
4. Total (Lines 1 through 3)	12,381,736	12,122,496
5. Benefit and loss related payments	8,240,018	7,837,558
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	2,399,800	2,278,957
8. Dividends paid to policyholders	500,000	400,000
9. Federal and foreign income taxes paid (recovered) net of \$ 96 tax on capital gains (losses)	197,119	(40,238)
10. Total (Lines 5 through 9)	11,336,937	10,476,277
11. Net cash from operations (Line 4 minus Line 10)	1,044,799	1,646,219
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	5,280,683	3,382,520
12.2 Stocks	207,424	405,856
12.3 Mortgage loans		
12.4 Real estate	174,186	
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Lines 12.1 to 12.7)	5,662,293	3,788,376
13. Cost of investments acquired (long-term only):		
13.1 Bonds	6,616,692	4,775,856
13.2 Stocks	183,276	422,139
13.3 Mortgage loans		
13.4 Real estate	12,937	571,811
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Line 13.1 through Line 13.6)	6,812,905	5,769,806
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(1,150,612)	(1,981,430)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)		
17. Net cash from financing and miscellaneous sources (Lines 16.1 to Line 16.4 minus Line 16.5 plus Line 16.6)		
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Lines 11 plus 15 plus 17)	(105,813)	(335,211)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	2,642,551	2,977,762
19.2 End of year (Line 18 plus Line 19.1)	2,536,738	2,642,551

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

20.0001		
20.0002		
20.0003		
20.0004		
20.0005		
20.0006		
20.0007		
20.0008		
20.0009		
20.0010		