

**ASSETS**

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	390,205,042		390,205,042	367,128,370
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	1,575,900		1,575,900	2,253,975
2.2 Common stocks.....	106,651,579		106,651,579	109,144,579
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).....	9,691,769		9,691,769	9,547,233
4.2 Properties held for the production of income (less \$ encumbrances).....				
4.3 Properties held for sale (less \$ encumbrances).....				
5. Cash (\$ 10,533,506, Schedule E - Part 1), cash equivalents (\$ 23,559, Schedule E - Part 2) and short-term investments (\$ , Schedule DA).....	10,557,065		10,557,065	6,451,092
6. Contract loans (including \$ premium notes).....				
7. Derivatives (Schedule DB).....				
8. Other invested assets (Schedule BA).....	14,429,409		14,429,409	16,071,129
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).....	533,110,763		533,110,763	510,596,378
13. Title plants less \$ charged off (for Title insurers only).....				
14. Investment income due and accrued.....	3,965,334		3,965,334	3,742,531
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	14,550,890	93,904	14,456,986	11,705,036
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums).....	74,296,268		74,296,268	67,657,091
15.3 Accrued retrospective premiums (\$ ) and contracts subject to redetermination (\$ ).....				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	200,399		200,399	457,780
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.....	833,017		833,017	
18.2 Net deferred tax asset.....	12,552,850		12,552,850	10,749,275
19. Guaranty funds receivable or on deposit.....	118,435		118,435	
20. Electronic data processing equipment and software.....	874,555		874,555	1,117,512
21. Furniture and equipment, including health care delivery assets (\$ ).....	802,163	226,496	575,667	1,772,789
22. Net adjustment in assets and liabilities due to foreign exchange rates.....				
23. Receivables from parent, subsidiaries and affiliates.....	2,221,972		2,221,972	1,550,688
24. Health care (\$ ) and other amounts receivable.....				
25. Aggregate write-ins for other-than-invested assets.....	3,480,052	1,884,371	1,595,681	889,038
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	647,006,697	2,204,771	644,801,926	610,238,118
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....				
28. Total (Lines 26 and 27).....	647,006,697	2,204,771	644,801,926	610,238,118
<b>Details of Write-Ins</b>				
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. Other Receivables.....	3,480,052	1,884,371	1,595,681	889,038
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).....	3,480,052	1,884,371	1,595,681	889,038

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1	2
	Current Year	Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	113,421,603	109,388,124
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	634,407	265,124
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	20,478,000	18,285,000
4. Commissions payable, contingent commissions and other similar charges.....	18,789,178	17,057,269
5. Other expenses (excluding taxes, licenses and fees).....	14,214,541	15,381,886
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	462,239	411,201
7.1 Current federal and foreign income taxes (including \$ 388,110 on realized capital gains (losses)).....		528,149
7.2 Net deferred tax liability.....		
8. Borrowed money \$ and interest thereon \$ .....		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 2,124,908 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).....	141,991,577	131,538,866
10. Advance premium.....		
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	4,514,702	2,664,615
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20).....	48,346	114,855
14. Amounts withheld or retained by company for account of others.....	42,723	63,857
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.....	386,023	555,723
19. Payable to parent, subsidiaries and affiliates.....	79,930	24,704
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.....	4,446,322	12,726,656
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	319,509,591	309,006,027
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	319,509,591	309,006,027
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.....		
34. Gross paid in and contributed surplus.....		
35. Unassigned funds (surplus).....	325,292,335	301,232,091
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).....	325,292,335	301,232,091
38. Totals (Page 2, Line 28, Col. 3).....	644,801,926	610,238,118
<b>Details of Write-Ins</b>		
2501. Miscellaneous Payables.....	1,701,669	965,882
2502. Pension Liability.....	2,744,653	11,760,774
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page.....		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	4,446,322	12,726,656
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
<b>Underwriting Income</b>		
1. Premiums earned (Part 1, Line 35, Column 4)	269,286,462	249,578,539
Deductions:		
2. Losses incurred (Part 2, Line 35, Column 7)	170,392,532	160,989,427
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	16,320,731	17,057,645
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	72,862,326	70,818,559
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Lines 2 through 5)	259,575,588	248,865,631
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	9,710,874	712,908
<b>Investment Income</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	11,483,208	10,662,343
10. Net realized capital gains (losses) less capital gains tax of \$ 388,110 (Exhibit of Capital Gains (Losses))	1,460,034	15,042,344
11. Net investment gain (loss) (Lines 9 + 10)	12,943,241	25,704,687
<b>Other Income</b>		
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 594,664 amount charged off \$ 780,505)	(185,841)	(368,434)
13. Finance and service charges not included in premiums	86,034	93,256
14. Aggregate write-ins for miscellaneous income	83,670	104,308
15. Total other income (Lines 12 through 14)	(16,137)	(170,870)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	22,637,978	26,246,726
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)	22,637,978	26,246,726
19. Federal and foreign income taxes incurred	3,953,823	601,509
20. Net income (Line 18 minus Line 19) (to Line 22)	18,684,156	25,645,217
<b>Capital and Surplus Account</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	301,232,091	278,611,561
22. Net income (from Line 20)	18,684,156	25,645,217
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ (1,443,030)	(3,589,303)	(4,326,359)
25. Change in net unrealized foreign exchange capital gain (loss)		
26. Change in net deferred income tax	360,545	1,229,161
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	389,172	2,174,213
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, Lines 36.1 and 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus	8,215,675	(2,101,704)
38. Change in surplus as regards to policyholders (Lines 22 through 37)	24,060,244	22,620,529
39. Surplus as regards to policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	325,292,335	301,232,091
<b>Details of Write-Ins</b>		
0501. ....		
0502. ....		
0503. ....		
0598. Summary of remaining write-ins for Line 5 from overflow page		
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)		
1401. Miscellaneous Income	83,670	104,308
1402. ....		
1403. ....		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	83,670	104,308
3701. Change in Excess Pension Liability	8,215,675	(2,101,704)
3702. ....		
3703. ....		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	8,215,675	(2,101,704)

## CASH FLOW

	1	2
	Current Year	Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance	272,169,271	255,454,037
2. Net investment income	13,617,477	12,677,582
3. Miscellaneous income	(16,137)	(170,870)
4. Total (Lines 1 to 3)	285,770,611	267,960,749
5. Benefit and loss related payments	165,732,388	145,620,561
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	86,492,890	83,020,272
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ 388,110 tax on capital gains (losses)	5,703,099	5,529,880
10. Total (Lines 5 through 9)	257,928,378	234,170,713
11. Net cash from operations (Line 4 minus Line 10)	27,842,234	33,790,037
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	34,739,549	39,590,179
12.2 Stocks	4,069,417	19,484,737
12.3 Mortgage loans		
12.4 Real estate	(25,025)	1,998,300
12.5 Other invested assets	4,400,000	5,221,000
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)	43,183,941	66,294,216
13. Cost of investments acquired (long-term only):		
13.1 Bonds	59,850,270	101,874,493
13.2 Stocks	4,036,327	622,292
13.3 Mortgage loans		
13.4 Real estate	488,737	15,368
13.5 Other invested assets	2,758,280	1,667,215
13.6 Miscellaneous applications	-	47,770
13.7 Total investments acquired (Lines 13.1 to 13.6)	67,133,613	104,227,138
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)	(23,949,673)	(37,932,922)
<b>Cash from Financing and Miscellaneous Sources</b>		
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)	213,411	2,964,607
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	213,411	2,964,607
<b>Reconciliation of Cash, Cash Equivalents and Short-Term Investments</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	4,105,973	(1,178,278)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	6,451,092	7,629,370
19.2 End of year (Line 18 plus Line 19.1)	10,557,065	6,451,092

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

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