

ANNUAL STATEMENT

OF THE

LIBERTY MUTUAL INSURANCE COMPANY

of **BOSTON**
STATE OF **MASSACHUSETTS**

TO THE

Insurance Department

OF THE

FOR THE YEAR ENDED

December 31, 2021

PROPERTY AND CASUALTY

2021



ANNUAL STATEMENT

For the Year Ended December 31, 2021
OF THE CONDITION AND AFFAIRS OF THE

Liberty Mutual Insurance Company

NAIC Group Code 0111 0111 NAIC Company Code 23043 Employer's ID Number 04-1543470
Organized under the Laws of Massachusetts, State of Domicile or Port of Entry MA
Country of Domicile United States of America
Incorporated/Organized January 1, 1912 Commenced Business July 1, 1912
Statutory Home Office 175 Berkeley Street, Boston, MA, US 02116
Main Administrative Office 175 Berkeley Street, Boston, MA, US 02116
Mail Address 175 Berkeley Street, Boston, MA, US 02116
Primary Location of Books and Records 175 Berkeley Street, Boston, MA, US 02116
Internet Web Site Address www.LibertyMutualGroup.com
Statutory Statement Contact Matthew Sterling, 617-357-9500, Statutory.Compliance@LibertyMutual.com

OFFICERS

Chairman of the Board and CEO

David Henry Long

Table with 2 columns: Name, Title. Rows: 1. Timothy Michael Sweeney #, President; 2. Mark Charles Touhey, Executive Vice President and Secretary; 3. Edward Jose Pena, Executive Vice President and Treasurer.

VICE-PRESIDENTS

Table with 4 columns: Name, Title, Name, Title. Rows: Vlad Yakov Barbalat #, EVP and Chief Investment Officer; Neeti Bhalla Johnson, Executive Vice President; James Michael MacPhee, Executive Vice President; Christopher Locke Peirce, EVP and Chief Financial Officer; Melanie Marie Foley, EVP - Chief Talent & Enterprise Services Off.; Damon Paul Hart #, EVP and Chief Legal Officer; James Martin McGlennon, EVP and Chief Information Officer; Paul Sanghera #, Executive Vice President and Comptroller.

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Title, Name, Title. Rows: Vlad Yakov Barbalat #, Melanie Marie Foley, Neeti Bhalla Johnson, Damon Paul Hart #; David Henry Long, James Michael MacPhee #, James Martin McGlennon, Christopher Locke Peirce; Timothy Michael Sweeney, Mark Charles Touhey.

State of Massachusetts
County of Suffolk ss

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.

(Signature) Timothy Michael Sweeney #, (Signature) Mark Charles Touhey, (Signature) Edward Jose Pena
(Printed Name) 1., (Printed Name) 2., (Printed Name) 3.
President, Executive Vice President and Secretary, Executive Vice President and Treasurer
(Title) (Title) (Title)

Subscribed and sworn to (or affirmed) before me this on this 20th day of January, 2022, by

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

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)	21,233,781,673		21,233,781,673	18,112,516,023
2. Stocks (Schedule D):				
2.1 Preferred stocks	2,303,100		2,303,100	2,311,700
2.2 Common stocks	20,175,662,398	102,507,479	20,073,154,919	18,514,795,530
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	1,031,594,136		1,031,594,136	764,385,318
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ 0 encumbrances)	182,250,567		182,250,567	193,169,809
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 319,313,362, Schedule E - Part 1), cash equivalents (\$ 1,891,425,978, Schedule E - Part 2), and short-term investments (\$ 24,031,404, Schedule DA)	2,234,770,744		2,234,770,744	2,058,007,542
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives (Schedule DB)	245,094		245,094	
8. Other invested assets (Schedule BA)	7,281,631,947	79,115,362	7,202,516,585	6,869,945,449
9. Receivables for securities	66,085,653		66,085,653	40,532,250
10. Securities lending reinvested collateral assets (Schedule DL)	1,693,613,419		1,693,613,419	569,345,193
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	53,901,938,731	181,622,841	53,720,315,890	47,125,008,814
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	120,173,987		120,173,987	118,399,147
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	3,701,292,585	182,850,780	3,518,441,805	3,076,916,223
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 19,743,111 earned but unbilled premiums)	4,013,496,392	1,974,315	4,011,522,077	3,816,395,101
15.3 Accrued retrospective premiums (\$ 77,723,954) and contracts subject to redetermination (\$ 0)	86,472,729	8,748,775	77,723,954	76,859,145
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	734,169,333	4	734,169,329	969,138,940
16.2 Funds held by or deposited with reinsured companies	43,181,873		43,181,873	35,931,340
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans	15,196	1,912	13,284	8,450
18.1 Current federal and foreign income tax recoverable and interest thereon				31,024,477
18.2 Net deferred tax asset	964,294,001		964,294,001	985,610,198
19. Guaranty funds receivable or on deposit	11,859,899		11,859,899	6,792,107
20. Electronic data processing equipment and software	549,057,194	523,814,788	25,242,406	52,768,014
21. Furniture and equipment, including health care delivery assets (\$ 0)	262,463,199	262,463,199		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	1,312,292,305	32,165,739	1,280,126,566	934,645,811
24. Health care (\$ 0) and other amounts receivable				
25. Aggregate write-ins for other-than-invested assets	1,140,198,292	116,517,962	1,023,680,330	819,470,098
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	66,840,905,716	1,310,160,315	65,530,745,401	58,048,967,865
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	66,840,905,716	1,310,160,315	65,530,745,401	58,048,967,865

DETAILS OF WRITE-IN LINES				
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. Cash Surrender Value Life Insurance	470,792,367		470,792,367	540,923,098
2502. Other assets	412,407,764	67,788,842	344,618,922	72,260,323
2503. Equities and deposits in pools and associations	122,305,184	1	122,305,183	119,556,277
2598. Summary of remaining write-ins for Line 25 from overflow page	134,692,977	48,729,119	85,963,858	86,730,400
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,140,198,292	116,517,962	1,023,680,330	819,470,098

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Year	Prior Year
1. Losses (Part 2A, Line 35, Column 8)	21,463,387,568	20,067,862,413
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	530,155,542	861,212,954
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	3,815,770,925	3,811,354,200
4. Commissions payable, contingent commissions and other similar charges	358,563,334	382,701,866
5. Other expenses (excluding taxes, licenses and fees)	629,699,623	618,737,179
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	132,329,458	114,086,247
7.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	111,927,288	
7.2 Net deferred tax liability		
8. Borrowed money \$ 149,351,151 and interest thereon \$ 547,864	149,899,015	150,385,639
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ 10,769,617,708 and including warranty reserves of \$ 0 and accrued accident and health experience rating refunds including \$ 0 for medical loss ratio rebate per the Public Health Service Act)	9,106,965,847	8,448,706,991
10. Advance premium	58,312,803	51,653,763
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders	1,726,291	1,192,716
12. Ceded reinsurance premiums payable (net of ceding commissions)	1,640,081,650	1,711,588,407
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)	315,537,902	343,068,613
14. Amounts withheld or retained by company for account of others	1,447,262,462	867,700,621
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$ 0 certified) (Schedule F, Part 3 Column 78)	139,634,000	77,397,000
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	1,463,227,233	797,602,350
20. Derivatives	695,963	895,150
21. Payable for securities	463,722,137	855,558,822
22. Payable for securities lending	1,693,613,419	569,345,193
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ 0 and interest thereon \$ 0		
25. Aggregate write-ins for liabilities	(41,383,126)	(701,957,387)
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	43,481,129,334	39,029,092,737
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	43,481,129,334	39,029,092,737
29. Aggregate write-ins for special surplus funds	178,192,363	178,155,102
30. Common capital stock	10,000,000	10,000,000
31. Preferred capital stock	75	75
32. Aggregate write-ins for other-than-special surplus funds	1,250,000	1,250,000
33. Surplus notes	623,889,153	623,822,872
34. Gross paid in and contributed surplus	11,179,597,602	10,319,972,342
35. Unassigned funds (surplus)	10,056,686,874	7,886,674,737
36. Less treasury stock, at cost:		
36.1 0 shares common (value included in Line 30 \$ 0)		
36.2 0 shares preferred (value included in Line 31 \$ 0)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	22,049,616,067	19,019,875,128
38. Totals (Page 2, Line 28, Col. 3)	65,530,745,401	58,048,967,865

DETAILS OF WRITE-IN LINES		
2501. Other liabilities	1,225,666,054	1,005,533,052
2502. Amounts held under uninsured plans	264,982,517	268,023,710
2503. Deposit liability	20,798,484	20,798,484
2598. Summary of remaining write-ins for Line 25 from overflow page	(1,552,830,181)	(1,996,312,633)
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	(41,383,126)	(701,957,387)
2901. Special surplus from retroactive reinsurance	178,192,363	178,155,102
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)	178,192,363	178,155,102
3201. Guaranty funds	1,250,000	1,250,000
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)	1,250,000	1,250,000

STATEMENT OF INCOME

	1	2
	Current Year	Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	16,194,581,314	15,870,923,692
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	10,233,159,318	9,985,649,839
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	1,775,403,764	1,872,125,067
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	4,997,886,637	4,985,367,451
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Lines 2 through 5)	17,006,449,719	16,843,142,357
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(811,868,405)	(972,218,665)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	1,238,258,726	858,026,084
10. Net realized capital gains (losses) less capital gains tax of \$ 12,659,760 (Exhibit of Capital Gains (Losses))	49,625,680	171,354,424
11. Net investment gain (loss) (Lines 9 + 10)	1,287,884,406	1,029,380,508
OTHER INCOME		
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 4,450,916 amount charged off \$ 113,642,761)	(109,191,845)	(107,528,819)
13. Finance and service charges not included in premiums	107,336,695	100,454,295
14. Aggregate write-ins for miscellaneous income	28,804,302	97,219,932
15. Total other income (Lines 12 through 14)	26,949,152	90,145,408
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	502,965,153	147,307,251
17. Dividends to policyholders	7,374,012	8,105,712
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)	495,591,141	139,201,539
19. Federal and foreign income taxes incurred	4,754,240	(123,456,227)
20. Net income (Line 18 minus Line 19) (to Line 22)	490,836,901	262,657,766
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	19,019,875,128	16,811,384,432
22. Net income (from Line 20)	490,836,901	262,657,766
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 27,184,083	1,192,782,960	1,043,909,678
25. Change in net unrealized foreign exchange capital gain (loss)	(20,584,690)	46,055,617
26. Change in net deferred income tax	415,875	(31,191,322)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	591,512,682	43,521,210
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	(62,237,000)	48,325,000
29. Change in surplus notes	66,281	66,281
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	859,625,260	900,000,000
33.2 Transferred to capital (Stock Dividend)		
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders	(64,766,000)	(64,766,000)
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	42,088,670	(40,087,534)
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	3,029,740,939	2,208,490,696
39. Surplus as regards policyholders, December 31 current year (Lines 21 plus Line 38) (Page 3, Line 37)	22,049,616,067	19,019,875,128

DETAILS OF WRITE-IN LINES		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 05 from overflow page		
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)		
1401. Retroactive reinsurance gain/(loss)	17,696,701	110,664,508
1402. Other income/(expense)	11,107,601	(13,444,576)
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	28,804,302	97,219,932
3701. Other changes in surplus	42,088,670	(40,087,534)
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)	42,088,670	(40,087,534)

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	16,194,212,376	15,777,810,574
2. Net investment income	1,365,746,684	979,462,439
3. Miscellaneous income	509,916,746	(215,070,007)
4. Total (Lines 1 through 3)	18,069,875,806	16,542,203,006
5. Benefit and loss related payments	8,884,135,099	7,722,430,811
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	6,788,966,611	6,566,243,210
8. Dividends paid to policyholders	6,840,437	8,056,821
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	(125,141,705)	(32,878,446)
10. Total (Lines 5 through 9)	15,554,800,442	14,263,852,396
11. Net cash from operations (Line 4 minus Line 10)	2,515,075,364	2,278,350,610
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	22,017,990,616	16,219,927,179
12.2 Stocks	91,494,425	199,607,667
12.3 Mortgage loans	369,077,435	224,177,256
12.4 Real estate		46,517,969
12.5 Other invested assets	4,212,067,364	2,956,541,097
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(166,006)	(1,573,910)
12.7 Miscellaneous proceeds	(67,569,081)	22,623,880
12.8 Total investment proceeds (Lines 12.1 to 12.7)	26,622,894,753	19,667,821,138
13. Cost of investments acquired (long-term only):		
13.1 Bonds	25,199,599,764	18,618,642,749
13.2 Stocks	428,269,460	984,625,584
13.3 Mortgage loans	634,281,190	355,167,183
13.4 Real estate	3,796,733	2,579,943
13.5 Other invested assets	5,707,298,563	2,846,988,894
13.6 Miscellaneous applications	349,495,907	(581,044,557)
13.7 Total investments acquired (Lines 13.1 to 13.6)	32,322,741,617	22,226,959,796
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)	(5,699,846,864)	(2,559,138,658)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	66,281	66,281
16.2 Capital and paid in surplus, less treasury stock	859,625,260	900,000,000
16.3 Borrowed funds	(486,624)	178,311
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders	64,766,000	64,766,000
16.6 Other cash provided (applied)	2,567,095,785	724,562,008
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	3,361,534,702	1,560,040,600
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)	176,763,202	1,279,252,552
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	2,058,007,542	778,754,990
19.2 End of year (Line 18 plus Line 19.1)	2,234,770,744	2,058,007,542

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

20.0001	2 - Net investment income	582,057	665,043
20.0002	12.1 - Proceeds from investments sold, matured or repaid - Bonds	129,546,805	64,076,060
20.0003	12.2 - Proceeds from investments sold, matured or repaid - Stocks	7,159,546	54,747
20.0004	12.5 - Proceeds from investments sold, matured or repaid - Other invested assets	5,872,227	
20.0005	13.1 - Cost of Investment Acquired - Bonds	118,373,851	47,684,747
20.0006	13.2 - Cost of Investment Acquired - Stocks	7,159,546	
20.0007	16.6 - Other cash provided (applied)	(17,627,237)	(17,111,103)

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 – PREMIUMS EARNED

Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year- per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire	404,346,853	173,015,567	202,669,592	374,692,828
2. Allied lines	402,901,136	155,808,090	202,321,013	356,388,213
3. Farmowners multiple peril	75,093,553	34,213,461	37,930,414	71,376,600
4. Homeowners multiple peril	3,636,478,811	1,778,454,596	1,994,850,318	3,420,083,089
5. Commercial multiple peril	1,160,075,089	595,208,252	597,450,341	1,157,833,000
6. Mortgage guaranty				
8. Ocean marine	107,376,811	62,305,063	60,962,061	108,719,813
9. Inland marine	585,379,216	152,814,345	177,184,913	561,008,648
10. Financial guaranty	16,519,399	16,070,312	27,496,923	5,092,788
11.1 Medical professional liability—occurrence	51,737,541	18,175,527	23,866,466	46,046,602
11.2 Medical professional liability—claims-made	97,582,001	44,235,192	52,099,666	89,717,527
12. Earthquake	55,324,036	22,263,756	28,115,541	49,472,251
13. Group accident and health	38,297,126	9,086,645	13,371,365	34,012,406
14. Credit accident and health (group and individual)				
15. Other accident and health	5,840,388	5,633,228	3,135,403	8,338,213
16. Workers' compensation	776,281,814	139,772,919	148,292,010	767,762,723
17.1 Other liability—occurrence	1,463,704,247	725,496,547	755,421,383	1,433,779,411
17.2 Other liability—claims-made	721,229,776	399,139,048	506,859,685	613,509,139
17.3 Excess workers' compensation	38,597,276	17,237,113	18,236,057	37,598,332
18.1 Products liability—occurrence	76,470,301	45,710,816	46,422,760	75,758,357
18.2 Products liability—claims-made	18,519,456	5,162,455	9,837,264	13,844,647
19.1,19.2 Private passenger auto liability	3,633,372,393	1,739,869,401	1,841,061,361	3,532,180,433
19.3,19.4 Commercial auto liability	652,539,394	317,750,056	312,584,708	657,704,742
21. Auto physical damage	2,018,558,816	1,318,841,514	1,393,515,449	1,943,884,881
22. Aircraft (all perils)	(1,185,904)	4,353,056	1,615,257	1,551,895
23. Fidelity	17,291,072	3,091,193	5,720,693	14,661,572
24. Surety	530,413,661	367,187,744	375,931,827	521,669,578
26. Burglary and theft	613,851	179,843	353,981	439,713
27. Boiler and machinery	32,922,740	11,367,805	15,101,195	29,189,350
28. Credit	39,828,628	26,103,454	41,370,419	24,561,663
29. International				
30. Warranty				
31. Reinsurance-nonproportional assumed property	106,081,325	73,456,965	15,463,725	164,074,565
32. Reinsurance-nonproportional assumed liability	68,869,282	28,410,816	33,513,690	63,766,408
33. Reinsurance-nonproportional assumed financial lines	17,731,863	62,633,521	57,997,730	22,367,654
34. Aggregate write-ins for other lines of business	35,275	17,475	5,951	46,799
35. TOTALS	16,848,827,226	8,353,065,775	9,000,759,161	16,201,133,840

DETAILS OF WRITE-IN LINES				
3401. Tuition Protection Plan	35,275	17,475	5,951	46,799
3402.				
3403.				
3498. Sum of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	35,275	17,475	5,951	46,799

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A – RECAPITULATION OF ALL PREMIUMS

Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire	193,182,850	9,486,742			202,669,592
2. Allied lines	182,051,756	20,269,257			202,321,013
3. Farmowners multiple peril	37,928,823	1,591			37,930,414
4. Homeowners multiple peril	1,996,426,407	(1,576,089)			1,994,850,318
5. Commercial multiple peril	563,042,703	42,798,452	(8,390,815)		597,450,340
6. Mortgage guaranty					
8. Ocean marine	33,109,802	27,852,259			60,962,061
9. Inland marine	128,690,281	48,494,632			177,184,913
10. Financial guaranty	27,496,923				27,496,923
11.1 Medical professional liability—occurrence	22,546,250	1,320,216			23,866,466
11.2 Medical professional liability—claims-made	43,572,723	8,526,942			52,099,665
12. Earthquake	27,385,008	730,533			28,115,541
13. Group accident and health	13,371,365				13,371,365
14. Credit accident and health (group and individual)					
15. Other accident and health	3,062,542	72,860			3,135,402
16. Workers' compensation	298,893,094	(68,267,929)	(7,603,268)	(74,729,887)	148,292,010
17.1 Other liability—occurrence	595,444,445	172,505,656	(2,801,033)	(9,727,685)	755,421,383
17.2 Other liability—claims-made	229,820,447	277,050,357	(11,118)		506,859,686
17.3 Excess workers' compensation	17,541,675	928,355		(233,973)	18,236,057
18.1 Products liability—occurrence	31,543,603	15,809,187	(936,877)	6,847	46,422,760
18.2 Products liability—claims-made	8,748,859	1,088,405			9,837,264
19.1,19.2 Private passenger auto liability	1,849,879,498	(8,818,137)			1,841,061,361
19.3,19.4 Commercial auto liability	323,989,541	(9,625,952)	9,155	(1,788,036)	312,584,708
21. Auto physical damage	1,394,726,890	(1,211,441)			1,393,515,449
22. Aircraft (all perils)	(1,801,270)	3,416,528			1,615,258
23. Fidelity	3,689,512	2,031,181			5,720,693
24. Surety	120,378,812	255,553,015			375,931,827
26. Burglary and theft	308,639	45,342			353,981
27. Boiler and machinery	13,980,947	1,120,248			15,101,195
28. Credit	26,064,726	15,305,694			41,370,420
29. International					
30. Warranty	4,182,803	(4,182,803)			
31. Reinsurance-nonproportional assumed property	7,155,759	8,307,966			15,463,725
32. Reinsurance-nonproportional assumed liability	30,959,103	2,554,587			33,513,690
33. Reinsurance-nonproportional assumed financial lines	12,469,791	45,527,939			57,997,730
34. Aggregate write-ins for other lines of business	5,946			5	5,951
35. TOTALS	8,239,850,253	867,115,593	(19,733,956)	(86,472,729)	9,000,759,161
36. Accrued retrospective premiums based on experience					86,472,729
37. Earned but unbilled premiums					19,733,956
38. Balance (Sum of Lines 35 through 37)					9,106,965,846

DETAILS OF WRITE-IN LINES					
3401. International Branch Development	5,963				5,963
3402. Other	(17)			5	(12)
3403.					
3498. Sum of remaining write-ins for Line 34 from overflow page					
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	5,946			5	5,951

(a) State here basis of computation used in each case

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B – PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non- Affiliates	4 To Affiliates	5 To Non- Affiliates	
1. Fire	53,653,850	825,924,858	61,914,466	435,383,269	101,763,052	404,346,853
2. Allied lines	77,218,661	791,630,719	82,594,100	450,846,365	97,695,980	402,901,135
3. Farmowners multiple peril	2,565,402	152,689,374		76,368,381	3,792,843	75,093,552
4. Homeowners multiple peril	129,717,525	7,557,041,215	51,431,354	3,636,478,811	465,232,472	3,636,478,811
5. Commercial multiple peril	33,636,329	2,492,079,413	84,920,609	1,138,099,783	312,461,478	1,160,075,090
6. Mortgage guaranty						
8. Ocean marine	132,570,332	38,305,015	62,766,503	106,811,416	19,453,624	107,376,810
9. Inland marine	205,710,387	3,960,007,709	21,673,901	609,673,072	2,992,339,708	585,379,217
10. Financial guaranty		33,038,797		16,519,399		16,519,398
11.1 Medical professional liability--occurrence		103,433,126	(6,814)	51,688,178	593	51,737,541
11.2 Medical professional liability--claims-made		213,989,581	1,281,938	88,948,530	28,740,988	97,582,001
12. Earthquake	127,295	110,846,025	9,600,895	57,024,778	8,225,401	55,324,036
13. Group accident and health	853,737	86,895,006	1,580	38,297,126	11,156,072	38,297,125
14. Credit accident and health (group and individual)						
15. Other accident and health	14,531,606	(16,954,034)	109,787	6,225,080	(14,378,108)	5,840,387
16. Workers' compensation	(173,232)	2,031,888,846	4,504,078	782,013,859	477,924,019	776,281,814
17.1 Other liability—occurrence	483,222,748	2,745,050,423	228,490,308	1,501,370,308	491,688,925	1,463,704,246
17.2 Other liability—claims-made	513,413,370	1,535,860,001	264,631,928	898,316,635	694,358,889	721,229,775
17.3 Excess workers' compensation	9,124,443	71,120,494	272,584	39,682,810	2,237,435	38,597,276
18.1 Products liability—occurrence	44,705,566	129,644,065	697,192	95,635,008	2,941,514	76,470,301
18.2 Products liability—claims-made	648,043	36,316,335	(835)	18,444,087		18,519,456
19.1,19.2 Private passenger auto liability	157,184,587	7,277,126,900	28,024,568	3,633,372,393	195,591,270	3,633,372,392
19.3,19.4 Commercial auto liability	34,489,314	1,382,306,841	8,708,372	651,640,530	121,324,602	652,539,395
21. Auto physical damage	154,700,565	5,524,618,862	17,730,822	3,564,885,317	113,606,115	2,018,558,817
22. Aircraft (all perils)	(1,450,473)	22,830,132	(616,527)	(1,185,904)	23,134,940	(1,185,904)
23. Fidelity	26,943,249	30,876,787	10,775,519	20,796,639	30,507,845	17,291,071
24. Surety	757,643,664	341,975,699	23,567,546	536,148,545	56,624,703	530,413,661
26. Burglary and theft	29,223	1,231,556	7	613,851	33,084	613,851
27. Boiler and machinery	407,724	64,901,800	2,087,165	33,559,571	914,378	32,922,740
28. Credit	26,164,213	42,331,618	24,011,521	40,334,099	12,344,624	39,828,629
29. International						
30. Warranty						
31. Reinsurance-nonproportional assumed property	X X X	54,627,762	154,295,110	106,081,325	(3,239,778)	106,081,325
32. Reinsurance-nonproportional assumed liability	X X X	46,255,192	91,204,689	68,869,282	(278,683)	68,869,282
33. Reinsurance-nonproportional assumed financial lines	X X X	1	35,476,038	17,731,863	12,314	17,731,862
34. Aggregate write-ins for other lines of business		79,493		35,275	8,943	35,275
35. TOTALS	2,857,638,128	37,687,969,611	1,270,148,404	18,720,709,681	6,246,219,242	16,848,827,220

DETAILS OF WRITE-IN LINES						
3401. Tuition Protection Plan		79,493		35,275	8,943	35,275
3402.						
3403.						
3498. Sum of remaining write-ins for Line 34 from overflow page						
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)		79,493		35,275	8,943	35,275

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [X] No []

If yes: 1. The amount of such installment premiums \$ (486,164)

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$ (486,164)

UNDERWRITING AND INVESTMENT EXHIBIT PART 2 – LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire	19,766,702	583,941,918	362,603,372	241,105,248	307,546,753	253,086,950	295,565,051	78.882
2. Allied lines	22,285,888	427,632,784	249,318,086	200,600,586	219,450,473	251,725,615	168,325,444	47.231
3. Farmowners multiple peril	171,965	82,435,409	41,355,903	41,251,471	27,775,889	29,834,634	39,192,726	54.910
4. Homeowners multiple peril	49,760,527	4,540,810,517	2,387,631,290	2,202,939,754	1,030,134,791	1,029,224,363	2,203,850,182	64.438
5. Commercial multiple peril	14,974,087	1,116,041,903	574,203,198	556,812,792	1,357,133,847	1,353,619,842	560,326,797	48.394
6. Mortgage guaranty								
8. Ocean marine	57,166,966	38,431,491	50,338,033	45,260,424	188,475,256	89,403,280	144,332,400	132.756
9. Inland marine	86,186,343	2,527,250,861	2,310,846,695	302,590,509	97,521,100	75,566,566	324,545,043	57.850
10. Financial guaranty		(43,521)	(21,760)	(21,761)	4,317,921	541,790	3,754,370	73.719
11.1 Medical professional liability—occurrence	3,843	24,466,924	12,491,954	11,978,813	105,130,214	111,957,098	5,151,929	11.189
11.2 Medical professional liability—claims-made		67,764,012	41,567,490	26,196,522	222,829,484	162,980,703	86,045,303	95.907
12. Earthquake		2,209,071	1,185,265	1,023,806	9,158,801	5,014,273	5,168,334	10.447
13. Group accident and health	287,388	71,115,998	37,507,807	33,895,579	36,856,148	49,747,811	21,003,916	61.754
14. Credit accident and health (group and individual)								
15. Other accident and health	10,439,438	(8,427,080)	(2,928,635)	4,940,993	10,030,541	14,089,082	882,452	10.583
16. Workers' compensation	48,356,442	1,221,274,338	788,081,871	481,548,909	5,150,740,327	5,255,603,283	376,685,953	49.063
17.1 Other liability—occurrence	214,384,799	1,252,626,813	821,781,604	645,230,008	4,353,058,120	3,743,109,625	1,255,178,503	87.543
17.2 Other liability—claims-made	89,213,622	454,218,914	346,485,960	196,946,576	1,545,816,931	1,288,196,578	454,566,929	74.093
17.3 Excess workers' compensation	4,226,497	21,447,052	14,745,370	10,928,179	304,218,249	321,942,007	(6,795,579)	(18.074)
18.1 Products liability—occurrence	22,826,665	40,503,040	46,304,323	17,025,382	247,788,038	213,371,364	51,442,056	67.903
18.2 Products liability—claims-made		8,490,951	5,208,138	3,282,813	38,721,326	34,390,893	7,613,246	54.991
19.1,19.2 Private passenger auto liability	82,324,455	3,874,325,195	2,051,984,084	1,904,665,566	3,757,870,140	3,453,516,990	2,209,018,716	62.540
19.3,19.4 Commercial auto liability	14,775,609	728,642,188	389,292,778	354,125,019	1,441,072,631	1,355,209,086	439,988,564	66.898
21. Auto physical damage	60,354,568	3,179,255,075	2,106,382,768	1,133,226,875	43,790,815	68,353,083	1,108,664,607	57.033
22. Aircraft (all perils)	17,889,548	63,668,637	50,209,796	31,348,389	33,943,563	65,346,669	(54,717)	(3.526)
23. Fidelity	1,996,387	5,953,939	4,516,984	3,433,342	56,587,677	37,933,548	22,087,471	150.649
24. Surety	97,433,538	100,132,367	112,221,598	85,344,307	294,892,356	268,625,646	111,611,017	21.395
26. Burglary and theft	4,488	662,876	322,684	344,680	2,855,156	3,274,419	(74,583)	(16.962)
27. Boiler and machinery		17,326,264	10,042,902	7,283,362	1,122,482	9,111,197	(705,353)	(2.416)
28. Credit		(5,895,245)	(2,058,209)	(3,837,036)	27,313,644	11,320,000	12,156,608	49.494
29. International								
30. Warranty					2,091,520	461,528	1,629,992	
31. Reinsurance-nonproportional assumed property	X X X	294,247,165	146,493,122	147,754,043	304,860,966	222,133,438	230,481,571	140.474
32. Reinsurance-nonproportional assumed liability	X X X	198,798,436	99,108,657	99,689,779	216,740,404	269,744,046	46,686,137	73.214
33. Reinsurance-nonproportional assumed financial lines	X X X	2,368,535	1,305,934	1,062,601	23,545,080	19,437,000	5,170,681	23.117
34. Aggregate write-ins for other lines of business		18,048	17,987	61	(3,075)	(11,867)	8,853	18.917
35. TOTALS	914,829,765	20,931,694,875	13,058,547,049	8,787,977,591	21,463,387,568	20,067,860,540	10,183,504,619	62.857

DETAILS OF WRITE-IN LINES								
3401. Tuition Protection Plan		18,048	17,987	61	(3,075)	(11,867)	8,853	18.917
3402.								
3403.								
3498. Sum of remaining write-ins for Line 34 from overflow page								
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)		18,048	17,987	61	(3,075)	(11,867)	8,853	18.917

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A – UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire	10,134,879	344,143,344	202,813,905	151,464,318	19,687,167	357,084,605	220,689,339	307,546,751	21,766,373
2. Allied lines	18,854,728	225,552,716	152,202,247	92,205,197	26,820,717	287,731,016	187,306,457	219,450,473	13,599,291
3. Farmowners multiple peril	50,113	32,026,987	16,050,842	16,026,258	311,877	28,302,130	16,864,376	27,775,889	3,066,316
4. Homeowners multiple peril	13,618,394	1,121,739,184	591,081,036	544,276,542	5,581,985	1,244,529,959	764,253,695	1,030,134,791	160,430,664
5. Commercial multiple peril	79,710,931	1,382,041,918	776,555,513	685,197,336	47,129,326	1,507,194,577	882,387,393	1,357,133,846	390,704,253
6. Mortgage guaranty									
8. Ocean marine	47,296,789	56,591,804	63,496,320	40,392,273	85,229,786	229,188,999	166,335,803	188,475,255	10,191,717
9. Inland marine	81,362,968	170,158,803	195,245,097	56,276,674	79,247,229	199,599,993	237,602,797	97,521,099	15,303,895
10. Financial guaranty		(131)	(66)	(65)		8,635,974	4,317,987	4,317,922	
11.1 Medical professional liability—occurrence	56,515	49,964,335	25,618,980	24,401,870	(5,168,012)	167,571,325	81,674,970	105,130,213	12,048,134
11.2 Medical professional liability—claims-made		179,487,787	105,006,556	74,481,231	1,090,548	343,665,156	196,407,450	222,829,485	24,001,074
12. Earthquake		1,812,775	999,385	813,390	(1,485,154)	30,685,472	20,854,907	9,158,801	1,742,007
13. Group accident and health	1,233,472	12,367,820	8,708,205	4,893,087	(1,396,174)	46,281,131	12,921,896	(a) 36,856,148	2,236,785
14. Credit accident and health (group and individual)									
15. Other accident and health	2,556,238	37,380,897	36,684,025	3,253,110	3,241,690	39,782,074	36,246,333	(a) 10,030,541	352,398
16. Workers' compensation	511,171,600	5,372,346,478	3,616,743,623	2,266,774,455	338,411,330	7,006,829,934	4,461,275,392	5,150,740,327	1,040,961,136
17.1 Other liability—occurrence	412,133,123	2,425,251,833	1,608,265,487	1,229,119,469	946,785,730	6,652,850,517	4,475,697,597	4,353,058,119	737,486,053
17.2 Other liability—claims-made	192,776,923	782,059,235	637,490,677	337,345,481	672,130,651	2,870,166,238	2,333,825,440	1,545,816,930	202,950,545
17.3 Excess workers' compensation	35,176,989	303,411,508	212,672,773	125,915,724	59,558,332	400,634,127	281,889,934	304,218,249	55,839,341
18.1 Products liability—occurrence	39,654,305	116,506,798	99,791,451	56,369,652	112,658,249	288,007,148	209,247,011	247,788,038	136,541,785
18.2 Products liability—claims-made		19,682,118	12,753,037	6,929,081	1,090,273	73,712,312	43,010,339	38,721,327	12,415,934
19.1,19.2 Private passenger auto liability	68,288,401	3,772,964,417	2,229,224,471	1,612,028,347	109,073,965	4,320,430,758	2,283,662,931	3,757,870,139	688,512,522
19.3,19.4 Commercial auto liability	45,081,157	1,085,829,525	617,532,458	513,378,224	54,374,377	1,954,553,907	1,081,233,877	1,441,072,631	144,037,747
21. Auto physical damage	728,474	14,271,512	7,810,849	7,189,137	3,221,811	122,166,644	88,786,777	43,790,815	70,924,915
22. Aircraft (all perils)	8,232,833	163,172,063	152,707,211	18,697,685	2,426,817	30,068,073	17,249,012	33,943,563	7,922,707
23. Fidelity	15,452,448	7,382,350	16,281,181	6,553,617	59,595,600	76,954,267	86,515,807	56,587,677	3,641,224
24. Surety	16,515,448	7,934,735	19,710,616	4,739,567	244,555,829	344,367,763	298,770,803	294,892,356	37,013,367
26. Burglary and theft	3,125	7,502	5,900	4,727	(2,436)	8,679,140	5,826,275	2,855,156	681,480
27. Boiler and machinery		9,641,520	5,875,564	3,765,956	210,661	(7,053,459)	(4,199,324)	1,122,482	751,091
28. Credit		5,671,257	2,834,690	2,836,567	17,974,145	36,071,101	29,568,170	27,313,643	1,348,205
29. International									
30. Warranty					2,310,655	203,888	423,022	2,091,521	191,187
31. Reinsurance-nonproportional assumed property	X X X	199,817,832	102,989,341	96,828,491	X X X	579,281,087	371,248,611	304,860,967	7,163,152
32. Reinsurance-nonproportional assumed liability	X X X	112,154,655	65,569,707	46,584,948	X X X	311,426,167	141,270,711	216,740,404	11,443,883
33. Reinsurance-nonproportional assumed financial lines	X X X	14,430,012	7,300,444	7,129,568	X X X	32,940,684	16,525,171	23,545,081	501,621
34. Aggregate write-ins for other lines of business		(5,998)	(2,999)	(2,999)		1	(1)	(2,999)	127
35. TOTALS	1,600,089,853	18,025,797,591	11,590,018,526	8,035,868,918	2,884,666,975	29,592,542,706	19,049,690,959	21,463,387,640	3,815,770,929
DETAILS OF WRITE-IN LINES									
3401. Other		(2)	(1)	(1)		1		(1)	(9)
3402. International Branch Development		(5,996)	(2,998)	(2,998)				(2,998)	136
3403.									
3498. Sum of remaining write-ins for Line 34 from overflow page									
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)		(5,998)	(2,999)	(2,999)		1		(2,999)	127

(a) Including \$ 0 for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct	110,408,853			110,408,853
1.2 Reinsurance assumed	1,472,239,840			1,472,239,840
1.3 Reinsurance ceded	789,358,033			789,358,033
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	793,290,660			793,290,660
2. Commission and brokerage:				
2.1 Direct, excluding contingent		324,459,329		324,459,329
2.2 Reinsurance assumed, excluding contingent		3,542,782,796		3,542,782,796
2.3 Reinsurance ceded, excluding contingent		2,741,688,435		2,741,688,435
2.4 Contingent—direct		27,251,748		27,251,748
2.5 Contingent—reinsurance assumed		375,105,792		375,105,792
2.6 Contingent—reinsurance ceded		204,303,918		204,303,918
2.7 Policy and membership fees				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)		1,323,607,312		1,323,607,312
3. Allowances to manager and agents		150,659,983		150,659,983
4. Advertising	1,158,670	418,183,882	195,679	419,538,231
5. Boards, bureaus and associations	3,291,476	24,739,041	165,379	28,195,896
6. Surveys and underwriting reports	550,544	71,623,259	81,753	72,255,556
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries	574,702,916	1,411,616,204	60,970,084	2,047,289,204
8.2 Payroll taxes	29,992,439	100,160,603	11,693,145	141,846,187
9. Employee relations and welfare	64,118,657	214,223,147	24,285,621	302,627,425
10. Insurance	85,272,420	7,048,830	838,455	93,159,705
11. Directors' fees	59,087	194,142	23,196	276,425
12. Travel and travel items	8,550,034	25,351,773	605,658	34,507,465
13. Rent and rent items	34,397,100	114,513,146	15,835,228	164,745,474
14. Equipment	31,496,381	100,052,970	11,770,685	143,320,036
15. Cost or depreciation of EDP equipment and software	23,601,173	9,997,676	7,543,557	41,142,406
16. Printing and stationery	1,846,963	10,393,150	252,418	12,492,531
17. Postage, telephone and telegraph, exchange and express	13,390,974	87,925,676	1,285,985	102,602,635
18. Legal and auditing	5,058,788	23,924,049	1,043,904	30,026,741
19. Totals (Lines 3 to 18)	877,487,622	2,770,607,531	136,590,747	3,784,685,900
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ 745,486		355,769,760		355,769,760
20.2 Insurance department licenses and fees		35,521,364		35,521,364
20.3 Gross guaranty association assessments		2,351,325		2,351,325
20.4 All other (excluding federal and foreign income and real estate)		58,703,036		58,703,036
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		452,345,485		452,345,485
21. Real estate expenses			9,498,314	9,498,314
22. Real estate taxes			2,460,351	2,460,351
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses	104,625,483	451,326,308	18,981,897	574,933,688
25. Total expenses incurred	1,775,403,765	4,997,886,636	167,531,309	(a) 6,940,821,710
26. Less unpaid expenses—current year	3,815,770,925	1,119,932,296	660,120	4,936,363,341
27. Add unpaid expenses—prior year	3,811,354,200	1,115,179,426	345,865	4,926,879,491
28. Amounts receivable relating to uninsured plans, prior year		8,450		8,450
29. Amounts receivable relating to uninsured plans, current year		13,285		13,285
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	1,770,987,040	4,993,138,601	167,217,054	6,931,342,695

DETAILS OF WRITE-IN LINES				
2401. Other expenses	104,625,483	451,326,308	18,981,897	574,933,688
2402.				
2403.				
2498. Sum of remaining write-ins for Line 24 from overflow page				
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	104,625,483	451,326,308	18,981,897	574,933,688

(a) Includes management fees of \$ 2,733,519,509 to affiliates and \$ 150,552,323 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1	2
	Collected During Year	Earned During Year
1. U.S. Government bonds	(a) 40,591,211	43,858,524
1.1 Bonds exempt from U.S. tax	(a) 34,433,325	33,750,997
1.2 Other bonds (unaffiliated)	(a) 480,230,336	478,674,678
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 22,500	22,500
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	16,723,799	16,765,959
2.21 Common stocks of affiliates	322,081,493	322,081,493
3. Mortgage loans	(c) 29,721,935	30,160,221
4. Real estate	(d) 30,871,535	30,871,535
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 892,205	888,984
7. Derivative instruments	(f) (1,563)	(1,563)
8. Other invested assets	516,431,091	516,431,091
9. Aggregate write-ins for investment income	3,637,296	3,637,296
10. Total gross investment income	1,475,635,163	1,477,141,715
11. Investment expenses		(g) 167,531,310
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h) 56,387,726
14. Depreciation on real estate and other invested assets		(i) 14,715,966
15. Aggregate write-ins for deductions from investment income		
16. Total deductions (Lines 11 through 15)		238,635,002
17. Net investment income (Line 10 minus Line 16)		1,238,506,713

DETAILS OF WRITE-IN LINES		
0901. Miscellaneous Income/(Expense)	3,637,296	3,637,296
0902.		
0903.		
0998. Summary of remaining write-ins for Line 09 from overflow page		
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)	3,637,296	3,637,296
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		

(a)	Includes \$ 25,424,798 accrual of discount less \$ 72,604,107 amortization of premium and less \$ 26,490,911 paid for accrued interest on purchases.
(b)	Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
(c)	Includes \$ 2,053,889 accrual of discount less \$ 0 amortization of premium and less \$ 89,628 paid for accrued interest on purchases.
(d)	Includes \$ 25,928,074 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
(e)	Includes \$ 17,162 accrual of discount less \$ 61,274 amortization of premium and less \$ 34,866 paid for accrued interest on purchases.
(f)	Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
(g)	Includes \$ 58,825,258 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h)	Includes \$ 49,813,078 interest on surplus notes and \$ 0 interest on capital notes.
(i)	Includes \$ 14,715,966 depreciation on real estate and \$ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	(48,741,569)		(48,741,569)		
1.1 Bonds exempt from U.S. tax	7,578,990		7,578,990	1,584,910	
1.2 Other bonds (unaffiliated)	83,852,648	(13,705,488)	70,147,160	(2,991,699)	5,911,364
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)				(8,600)	
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	5,215,533	(1,281,016)	3,934,517	60,995,047	
2.21 Common stocks of affiliates				1,158,739,392	
3. Mortgage loans	(21,059)		(21,059)	(27,766)	
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments	(10,440)		(10,440)	(333,148)	(167,308)
7. Derivative instruments	8,077,976		8,077,976	(7,345,315)	
8. Other invested assets	24,282,086	(186,978)	24,095,108	9,327,359	(3,030,360)
9. Aggregate write-ins for capital gains (losses)	(330,224)	(2,445,010)	(2,775,234)	26,863	
10. Total capital gains (losses)	79,903,941	(17,618,492)	62,285,449	1,219,967,043	2,713,696

DETAILS OF WRITE-IN LINES					
0901. REALIZED GAIN - ACCT REC - LITIGATION PROC	196,333		196,333		
0902. REALIZED LOSS - ACCT REC - LITIGATION PROC	(1,109)		(1,109)		
0903. Miscellaneous gains (losses) / SOFTWARE IMPAIRMENT / DE	(525,448)	(2,445,010)	(2,970,458)	26,863	
0998. Summary of remaining write-ins for Line 09 from overflow page					
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 09 above)	(330,224)	(2,445,010)	(2,775,234)	26,863	

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks	102,507,479	100,429,422	(2,078,057)
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			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)	79,115,362	53,609,439	(25,505,923)
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)	181,622,841	154,038,861	(27,583,980)
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	182,850,780	138,446,704	(44,404,076)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	1,974,315	1,019,775	(954,540)
15.3 Accrued retrospective premiums and contracts subject to redetermination	8,748,775	8,595,675	(153,100)
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	4		(4)
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	1,912	510	(1,402)
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset		5,389,802	5,389,802
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software	523,814,788	952,693,770	428,878,982
21. Furniture and equipment, including health care delivery assets	262,463,199	469,114,438	206,651,239
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates	32,165,739	32,020,245	(145,494)
24. Health care and other amounts receivable			
25. Aggregate write-ins for other-than-invested assets	116,517,962	140,530,206	24,012,244
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,310,160,315	1,901,849,986	591,689,671
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	1,310,160,315	1,901,849,986	591,689,671

DETAILS OF WRITE-IN LINES			
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 assets	67,788,842	91,801,087	24,012,245
2502. Goodwill	48,729,119	48,729,119	
2503. Equities and deposits in pools and associations	1		(1)
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	116,517,962	140,530,206	24,012,244

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

Effective January 1, 2001, and subject to any deviations prescribed or permitted by the Massachusetts Insurance Commissioner, the accompanying financial statements of Liberty Mutual Insurance Company (the "Company") have been prepared in conformity with the National Association of Insurance Commissioners ("NAIC") Accounting Practices and Procedures Manual ("APP Manual").

The Company does not have any prescribed or permitted accounting practices.

NET INCOME

	SSAP #	F/S Page	F/S Line #	2021	2020
(1) Liberty Mutual Insurance Company state basis (Page 4, Line 20, Columns 1 & 2)	X X X	X X X	X X X	490,836,901	262,657,766
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:					

Details of Depreciation of Fixed Assets		SSAP #	F/S Page	F/S Line #	2021	2020
.....						
Totals (Lines 01A0201 through 01A0225)					0	0

(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP:

Details of Depreciation of Home Office Property		SSAP #	F/S Page	F/S Line #	2021	2020
.....						
Totals (Lines 01A0301 through 01A0325)					0	0

(4) NAIC SAP (1 - 2 - 3 = 4)	X X X	X X X	X X X	490,836,901	262,657,766
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SURPLUS

	SSAP #	F/S Page	F/S Line #	2021	2020
(5) Liberty Mutual Insurance Company state basis (Page 3, Line 37, Columns 1 & 2)	X X X	X X X	X X X	22,049,616,067	19,019,875,128
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP:					

e.g., Goodwill, net, Fixed Assets, Net		SSAP #	F/S Page	F/S Line #	2021	2020
.....						
Totals (Lines 01A0601 through 01A0625)					0	0

(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP:

Home Office Property		SSAP #	F/S Page	F/S Line #	2021	2020
.....						
Totals (Lines 01A0701 through 01A0725)					0	0

(8) NAIC SAP (5 - 6 - 7 = 8)	X X X	X X X	X X X	22,049,616,067	19,019,875,128
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B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. It also requires estimates in the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

C. Accounting Policy

NOTES TO FINANCIAL STATEMENTS

Premiums are earned over the terms of the related policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro-rata methods. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the Company applies the following accounting policies, where applicable:

1. Short term investments are carried at cost, adjusted where appropriate for amortization of premium or discount, or fair value as specified by the Purposes and Procedures Manual of the NAIC Investment Analysis Office (SVO Manual).
2. Bonds are carried at cost, adjusted where appropriate for amortization of premium or discount, or fair value as specified by the SVO Manual.
3. Common stocks are carried at fair value, except that investments in stocks of subsidiaries, controlled and affiliated ("SCA") companies are carried according to Note 1C(7).
4. Preferred stocks are carried at cost or fair value as specified by the SVO Manual. Preferred stocks of SCA companies are carried according to Note 1C(7).
5. Mortgage loans are carried at amortized cost, less impairments as specified by the SVO Manual.
6. Mortgage backed/asset backed securities are carried at amortized cost or fair value based on guidance in the SVO Manual. Prepayment assumptions for mortgage backed/asset backed securities are based on market expectations. The retrospective adjustment method and prospective interest method are used to value all mortgage backed/asset backed securities.
7. Investments in SCA companies are carried in accordance with SSAP No. 97, Investments in Subsidiary, Controlled, and Affiliated Entities, A Replacement of SSAP No. 88, and the SVO Manual.
8. Investments in joint ventures, partnerships, and limited liability companies are carried in accordance with SSAP No. 48, Joint Ventures, Partnerships and Limited Liability Companies, and the SVO Manual.
9. Derivative Securities, refer to Note 8.
10. Investment income is anticipated as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, Property Casualty Contracts - Premiums. Refer to Note 30.
11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and an amount, based on past experience, for losses and loss adjustment expenses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates, and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods, for making such estimates and for establishing the resulting liability, are continually reviewed and follow current standards of practice. Any adjustments to the liability are reflected in the period that they are determined.
12. The Company did not change its capitalization policy in 2021.
13. The Company has no pharmaceutical rebate receivables.

D. Going Concern

The Company is not aware of any conditions that would impact its ability to continue as a going concern.

2. Accounting Changes and Corrections of Errors

There were no material changes in accounting principles and/or correction of errors.

3. Business Combinations and Goodwill

A. Statutory Purchase Method

On October 2, 2019, the Company directly acquired a 100% ownership and all of the issued and outstanding voting shares of Nationale Borg Re, a specialty reinsurance company. The transaction was accounted for as a statutory purchase and the cost was \$58,463,986, resulting in goodwill in the amount of \$35,587,490. Goodwill amortization relating to the purchase of Nationale Borg Re was \$3,558,749 for year ended December 31, 2021; goodwill is being amortized over ten years.

On May 1, 2017, the Company directly acquired a 100% ownership and all of the issued and outstanding voting shares of Ironshore Inc. ("Ironshore"), a holding company, which is the upstream parent of various subsidiaries that are engaged in insurance and non-insurance activity. The transaction was accounted for as a statutory purchase and the cost was \$2,935,288,000, resulting in goodwill in the amount of \$1,063,290,591. Goodwill amortization relating to the purchase of Ironshore was \$106,329,059 for year ended December 31, 2021; goodwill is being amortized over ten years.

The transaction was accounted for as a statutory purchase, and reflects the following:

Purchased Entity	Acquisition Date	Cost of Acquired Entity	Original amount of goodwill	Original amount of admitted goodwill	Admitted goodwill as of the reporting date	Amount of goodwill amortized during the reporting period	Book value of SCA	Admitted goodwill as a % of SCA, BACV, gross of admitted goodwill
National Borg Re	October 2, 2019	\$ 58,463,986	\$ 35,587,490	\$ 35,587,490	\$ 27,580,305	\$ (3,558,749)	\$ 57,587,727	47.893%
Ironshore Inc.	May 1, 2017	\$ 2,935,288,000	\$ 1,063,290,591	\$ 1,063,290,591	\$ 567,088,315	\$ (106,329,059)	\$ 2,066,816,911	27.438%

B. Statutory Merger

The Company did not enter into any statutory mergers during the year.

C. Impairment Loss

The Company did not recognize an impairment loss during the period.

D. Subcomponents and Calculation of Adjusted Surplus and Total Admitted Goodwill

NOTES TO FINANCIAL STATEMENTS

Calculation of Limitation Using Prior Quarter Numbers	Current Reporting Period
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(1)	Capital & Surplus	21,187,018,911	X X X
Less:			
(2)	Admitted Positive Goodwill	0	X X X
(3)	Admitted EDP Equipment & Operating System Software XX	33,124,876	X X X
(4)	Admitted Net Deferred Taxes XXX	875,347,695	X X X
(5)	Adjusted Capital and Surplus (Line 1-2-3-4)	20,278,546,340	X X X
(6)	Limitation on amount of goodwill (adjusted capital and surplus goodwill limitation [Line 5*10%])	2,027,854,634	
(7)	Current period reported Admitted Goodwill XXX	X X X	0
(8)	Current Period Admitted Goodwill as a % of prior period Adjusted Capital and Surplus (Line 7/Line 5)	X X X	0

4. Discontinued Operations

The Company has no discontinued operations

A. Discontinued Operations Disposed of or Classified as Held for Sale
Not Applicable

B. Change in Plan of Sale of Discontinued Operation
Not Applicable

C. Nature of Any Significant Continuing Involvement with Discontinued Operations After Disposal
Not Applicable

D. Equity Interest Retained in the Discontinued Operation After Disposal
Not Applicable

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

(1) The minimum and maximum lending rates for mortgage loans for 2021 were:

Farm mortgages: N/A
Residential mortgages: 2.854% and 9.000%
Commercial mortgages: 1.860% and 6.500%

(2) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 86%.

(3) Taxes, assessments and any amounts advanced and not included in the mortgage loan total:

Current Year	Prior Year
7,636	12,168

(4) Age Analysis of Mortgage Loans and Identification of Mortgage Loans the Insurer is a Participant or Co-lender in a Mortgage Loan Agreement

a. Current Year

1. Recorded Investment (All)

	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
(a) Current Year	\$ 0	0	229,777,991	0	802,117,516	0	1,031,895,507
(b) 30 - 59 Days Past Due	\$ 0	0	0	0	0	0	0
(c) 60 - 89 Days Past Due	\$ 0	0	0	0	0	0	0
(d) 90 - 179 Days Past Due	\$ 0	0	0	0	0	0	0
(e) 180 + Days Past Due	\$ 0	0	0	0	0	0	0
2. Accruing Interest 90 - 179 Days Past Due							
(a) Recorded Investment	\$ 0	0	0	0	0	0	0
(b) Interest Accrued	\$ 0	0	0	0	0	0	0
3. Accruing Interest 180 + Days Past Due							
(a) Recorded Investment	\$ 0	0	0	0	0	0	0
(b) Interest Accrued	\$ 0	0	0	0	0	0	0
4. Interest Reduced							
(a) Recorded Investment	\$ 0	0	0	0	8,080,400	0	8,080,400
(b) Number of Loans	\$ 0	0	0	0	141	0	141
(c) Percent Reduced	0.000%	0.000%	0.000%	0.000%	0.900%	0.000%	0.900%
5. Participant or Co-lender in a Mortgage Loan Agreement							
(a) Recorded Investment	\$ 0	0	229,777,991	0	802,117,516	0	1,031,895,507

NOTES TO FINANCIAL STATEMENTS

b. Prior Year

1. Recorded Investment							
(a) Current Year	\$ 0	0	172,373,885	0	592,231,067	0	764,604,952
(b) 30 - 59 Days Past Due	\$ 0	0	0	0	0	0	0
(c) 60 - 89 Days Past Due	\$ 0	0	0	0	0	0	0
(d) 90 - 179 Days Past Due	\$ 0	0	0	0	0	0	0
(e) 180 + Days Past Due	\$ 0	0	0	0	53,971	0	53,971
2. Accruing Interest 90 - 179 Days Past Due							
(a) Recorded Investment	\$ 0	0	0	0	0	0	0
(b) Interest Accrued	\$ 0	0	0	0	0	0	0
3. Accruing Interest 180 + Days Past Due							
(a) Recorded Investment	\$ 0	0	0	0	0	0	0
(b) Interest Accrued	\$ 0	0	0	0	0	0	0
4. Interest Reduced							
(a) Recorded Investment	\$ 0	0	0	0	4,191,056	0	4,191,056
(b) Number of Loans	\$ 0	0	0	0	125	0	125
(c) Percent Reduced	\$ 0.000%	0.000%	0.000%	0.000%	0.900%	0.000%	0.900%
5. Participant or Co-lender in a Mortgage Loan Agreement							
(a) Recorded Investment	\$ 0	0	172,373,885	0	592,285,038	0	764,658,923

(5) Investment in Impaired Loans With or Without Allowance for Credit Losses and Impaired Loans Subject to a Participant or Co-Lender Mortgage Loan Agreement for Which the Reporting Entity is Restricted from Unilateral Foreclosing on the Mortgage Loan:

a. Current Year

	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
1. With Allowance for Credit Losses	\$ 0	0	0	0	840,702	0	840,702
2. No Allowance for Credit Losses	\$ 0	0	0	0	2,506,040	0	2,506,040
3. Total (1+2)	\$ 0	0	0	0	3,346,742	0	3,346,742
4. Subject to a participant or co-lender mortgage loan agreement for which the reporting entity is restricted from unilaterally foreclosing on the mortgage loan	\$ 0	0	0	0	3,346,742	0	3,346,742
b. Prior Year							
1. With Allowance for Credit Losses	\$ 0	0	0	0	929,919	0	929,919
2. No Allowance for Credit Losses	\$ 0	0	0	0	2,943,598	0	2,943,598
3. Total (1+2)	\$ 0	0	0	0	3,873,517	0	3,873,517
4. Subject to a participant or co-lender mortgage loan agreement for which the reporting entity is restricted from unilaterally foreclosing on the mortgage loan	\$ 0	0	0	0	3,873,517	0	3,873,517

(6) Investment in Impaired Loans - Average Recorded Investment, Interest Income Recognized, Recorded Investment on Nonaccrual Status and Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting:

a. Current Year

	Farm	Residential		Commercial		Mezzanine	Total
		Insured	All Other	Insured	All Other		
1. Average Recorded Investment	\$ 0	0	0	0	3,303,510	0	3,303,510
2. Interest Income Recognized	\$ 0	0	0	0	177,039	0	177,039
3. Recorded Investments on Nonaccrual Status	\$ 0	0	0	0	0	0	0
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting	\$ 0	0	0	0	182,338	0	182,338
b. Prior Year							
1. Average Recorded Investment	\$ 0	0	0	0	3,919,372	0	3,919,372
2. Interest Income Recognized	\$ 0	0	0	0	147,138	0	147,138
3. Recorded Investments on Nonaccrual Status	\$ 0	0	0	0	53,971	0	53,971
4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting	\$ 0	0	0	0	147,340	0	147,340

(7) Allowance for Credit Losses:

	Current Year	Prior Year
a. Balance at beginning of period	\$ 257,591	268,673
b. Additions charged to operations	\$ 65,750	52,119
c. Direct write-downs charged against the allowances	\$ (21,971)	(63,200)
d. Recoveries of amounts previously charged off	\$ 0	0
e. Balance at end of period	\$ 301,370	257,592

(8) Mortgage Loans Derecognized as a Result of Foreclosure:

	Current Year
a. Aggregate amount of mortgage loans derecognized	\$ 0
b. Real estate collateral recognized	\$ 0
c. Other collateral recognized	\$ 0
d. Receivables recognized from a government guarantee of the foreclosed mortgage loan	\$ 0

(9) Interest income on impaired commercial mortgage loans is recognized until the loans are more than 90 days delinquent. Interest income and accrued interest receivable are reversed when a loan is put on non-accrual status. Interest income on loans more than 90 days delinquent is recognized in the period the cash is collected. Interest income recognition is continued when the loan becomes less than 90 days delinquent and management determines it is probable that the loan will continue to perform.

NOTES TO FINANCIAL STATEMENTS

B. Debt Restructuring

	Current Year	Prior Year
(1) Total recorded investment in restructured loans, as of year end	\$ 3,330,192	4,548,050
(2) The realized capital losses related to these loans	\$ 0	0
(3) Total contractual commitments to extend credit to debtors owing receivables whose terms have been modified in troubled debt restructurings	\$ 0	0
(4) The Company accrues interest income on impaired loans to the extent it is deemed collectible (delinquent less than 90 days) and the loan continues to perform under its original or restructured contractual terms. Interest income on non-performing loans is generally recognized on a cash basis.		

C. Reverse Mortgages

- (1) Not Applicable
- (2) Not Applicable

D. Loan-Backed Securities

- (1) Prepayment speed assumptions are updated monthly with data sourced from the Bloomberg data service.

	(1) Amortized Cost Basis Before Other-than-Temporary Impairment	(2) Other-than-Temporary Impairment Recognized in Loss	(3) Fair Value 1 - 2
OTTI recognized 1st Quarter			
a. Intent to sell	\$ 0	0	0
b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	\$ 0	0	0
c. Total 1st Quarter	\$ 0	0	0
OTTI recognized 2nd Quarter			
d. Intent to sell	\$ 0	0	0
e. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	\$ 0	0	0
f. Total 2nd Quarter	\$ 0	0	0
OTTI recognized 3rd Quarter			
g. Intent to sell	\$ 0	0	0
h. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	\$ 0	0	0
i. Total 3rd Quarter	\$ 0	0	0
OTTI recognized 4th Quarter			
j. Intent to sell	\$ 0	0	0
k. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	\$ 0	0	0
l. Total 4th Quarter	\$ 0	0	0
m. Annual Aggregate Total	\$ X X X	0	

(3)

(1) CUSIP	(2) Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	(3) Present Value of Projected Cash Flows	(4) Recognized Other-than-Temporary Impairment	(5) Amortized Cost After Other-Than-Temporary Impairment	(6) Fair Value at time of OTTI	(7) Date of Financial Statement Where Reported
59023X-AB-2	36,996	34,317	2,679	34,317	34,398	09/30/2021
04018K-AE-7	7,159,546	5,878,530	1,281,016	5,878,530	5,925,185	12/31/2021
\$ Total	X X X	X X X	1,283,695	X X X	X X X	X X X

NOTE: Each CUSIP should be listed separately each time an OTTI is recognized

For Securities with amortized cost or adjusted amortized cost:

Column 2 minus Column 3 should equal Column 4

Column 2 minus Column 4 should equal Column 5

- (4) All impaired Loan Backed Securities for which an other-than-temporary impairment has not been recognized in earnings as a realized loss as of December 31, 2021:

NOTES TO FINANCIAL STATEMENTS

a. The aggregate Amount of unrealized losses:

	(1)
Less than 12 months	\$ (7,505,144)
12 Months or Longer	\$ (11,210,690)

b. The aggregate related fair value of securities with unrealized losses:

Less than 12 months	\$ 1,135,245,400
12 Months or Longer	\$ 436,845,899

(5) The Company reviews fixed income securities for impairment on a quarterly basis. Securities are reviewed for both quantitative and qualitative considerations including, but not limited to: (a) the extent of the decline in fair value below book value, (b) the duration of the decline, (c) significant adverse changes in the financial condition or near term prospects of the investment or issuer, (d) significant change in the business climate or credit ratings of the issuer, (e) general market conditions and volatility, (f) industry factors, and (g) the past impairment of the security holding or the issuer. If the Company believes a decline in the value of a particular investment is temporary, the decline is recorded as an unrealized loss in policyholders' equity. If the decline is believed to be "other-than-temporary," and the Company believes it will not be able to collect all cash flows due on its fixed income securities, then the carrying value of the investment is written down to the expected cash flow amount and a realized loss is recorded as a credit impairment.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

(1) The company has not entered into any repurchase agreements during the year. Refer to Note 17B for the policy on requiring collateral for securities lending.

(2) The Company has not pledged any of its assets as collateral as of December 31, 2021.

(3) Collateral Received

a. Aggregate Amount Collateral Received

1. Securities Lending

	Fair Value
Open	\$ 1,693,613,420
30 Days or Less	\$ 0
31 to 60 Days	\$ 0
61 to 90 Days	\$ 0
Greater Than 90 Days	\$ 0
Sub-Total	\$ 1,693,613,420
Securities Received	\$ 278,236,078
Total Collateral Received	\$ 1,971,849,498

2. Dollar Repurchase Agreement

	Fair Value
Open	\$ 0
30 Days or Less	\$ 0
31 to 60 Days	\$ 0
61 to 90 Days	\$ 0
Greater Than 90 Days	\$ 0
Sub-Total	\$ 0
Securities Received	\$ 0
Total Collateral Received	\$ 0

b. The fair value of that collateral and of the portion that it has sold or repledged

\$ 1,971,849,498

c. All collateral is received in the form of cash and/or securities equal to or in excess of 102% of the loaned value and are maintained in a separate custody account. Cash collateral is reinvested into short-term investments as outlined in the terms of the investment agreement. Per the terms of the investment agreement the Company has the right and ability to redeem any eligible securities on short notice.

(4) Securities Lending Transactions Administered by an Affiliated Agent

Not Applicable for any LMG reporting entity

(5) Collateral Reinvestment

a. Aggregate Amount Collateral Reinvested

NOTES TO FINANCIAL STATEMENTS

1. Securities Lending

	Amortized Cost	Fair Value
Open	\$ 0	0
30 Days or Less	879,519,209	879,519,209
31 to 60 Days	592,730,630	592,730,630
61 to 90 Days	221,363,581	221,363,581
91 to 120 Days	0	0
121 to 180 Days	0	0
181 to 365 Days	0	0
1 to 2 years	0	0
2 to 3 year	0	0
Greater Than 3 years	0	0
Sub-Total	\$ 1,693,613,420	1,693,613,420
Securities Received	\$ 0	0
Total Collateral Reinvested	\$ 1,693,613,420	1,693,613,420

2. Dollar Repurchase Agreement

Open	\$ 0	0
30 Days or Less	0	0
31 to 60 Days	0	0
61 to 90 Days	0	0
91 to 120 Days	0	0
121 to 180 Days	0	0
181 to 365 Days	0	0
1 to 2 years	0	0
2 to 3 year	0	0
Greater Than 3 years	0	0
Sub-Total	\$ 0	0
Securities Received	\$ 0	0
Total Collateral Reinvested	\$ 0	0

b. The reporting entity's sources of cash that it uses to return the cash collateral is dependent on the liquidity of the current market conditions. Under current conditions, the reporting entity could liquidate all or a portion of its cash collateral reinvestment securities in order to meet the collateral calls that could come due under a worst-case scenario.

(6) The Company has not accepted collateral that it is not permitted by contract or custom to sell or re-pledge.

(7) Collateral for securities lending transactions that extend beyond one year from the reporting date:

The Company has not accepted collateral that extends beyond one year from the reporting date for securities lending transactions.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

(1) Not Applicable

(2) Type of Repo Trades Used

a. Bilateral (YES/NO)

b. Tri-Party (YES/NO)

1	2	3	4
First Quarter	Second Quarter	Third Quarter	Fourth Quarter
NO	NO	NO	NO
NO	NO	NO	NO

(3) Original (Flow) & Residual Maturity

a. Maximum Amount

1. Open – No Maturity
2. Overnight
3. 2 Days to 1 Week
4. > 1 Week to 1 Month
5. > 1 Month to 3 Months
6. > 3 Months to 1 Year
7. > 1 Year

FIRST	SECOND	THIRD	FOURTH
QUARTER	QUARTER	QUARTER	QUARTER
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

b. Ending Balance

1. Open – No Maturity
2. Overnight
3. 2 Days to 1 Week
4. > 1 Week to 1 Month
5. > 1 Month to 3 Months
6. > 3 Months to 1 Year
7. > 1 Year

FIRST	SECOND	THIRD	FOURTH
QUARTER	QUARTER	QUARTER	QUARTER
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0

(4-11) Not Applicable

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

(2) Type of Repo Trades Used

a. Bilateral (YES/NO)

b. Tri-Party (YES/NO)

1	2	3	4
First Quarter	Second Quarter	Third Quarter	Fourth Quarter
NO	NO	NO	NO
NO	NO	NO	NO

H. Repurchase Agreements Transactions Accounted for as a Sale

NOTES TO FINANCIAL STATEMENTS

(2) Type of Repo Trades Used

1	2	3	4
First Quarter	Second Quarter	Third Quarter	Fourth Quarter
NO	NO	NO	NO
NO	NO	NO	NO

a. Bilateral (YES/NO)

b. Tri-Party (YES/NO)

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

(2) Type of Repo Trades Used

1	2	3	4
First Quarter	Second Quarter	Third Quarter	Fourth Quarter
NO	NO	NO	NO
NO	NO	NO	NO

a. Bilateral (YES/NO)

b. Tri-Party (YES/NO)

J. Real Estate

Not Applicable

K. Investment in Low Income Housing Tax Credit ("LIHTC")

1. There are ten years remaining of unexpired tax credits. The required holding period for the LIHTC investment is fifteen years.
2. There were \$40,342,161 of LIHTC and other tax benefits recognized during the year.
3. The balance of the investment recognized in the statement of financial position for the current year is \$115,792,287.
4. The Company's LIHTC property is required to meet regulatory benchmarks to comply with the LIHTC program which include the review of tenant files. Oversight of the projects is administered by the State Housing agencies.
5. The carrying value of the Company's investment in LIHTC did not exceed 10% of its admitted assets.
6. The Company did not recognize any impairment loss on its LIHTC investment during the year.
7. The Company did not write-down its LIHTC investment or reclassify the LIHTC during the year due to the forfeiture or ineligibility of tax credits.

L. Restricted Assets

NOTES TO FINANCIAL STATEMENTS

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted						
	Current Year					6 Total From Prior Year	7 Increase/ (Decrease) (5 minus 6)
	1 Total General Account (G/A)	2 G/A Supporting S/A Activity (a)	3 Total Separat Account (S/A) Restricted Ass	4 S/A Assets Supporting G/A Activity (b)	5 Total (1 plus 3)		
a. Subject to contractual obligation for which liability is not shown	\$ 0	0	0	0	0	0	0
b. Collateral held under security lending agreements	\$ 1,693,613,419	0	0	0	1,693,613,419	569,345,193	1,124,268,226
c. Subject to repurchase agreements	\$ 0	0	0	0	0	0	0
d. Subject to reverse repurchase agreements	\$ 0	0	0	0	0	0	0
e. Subject to dollar repurchase agreements	\$ 0	0	0	0	0	0	0
f. Subject to dollar reverse repurchase agreements	\$ 0	0	0	0	0	0	0
g. Placed under option contracts	\$ 0	0	0	0	0	0	0
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	\$ 0	0	0	0	0	0	0
i. FHLB capital stock	\$ 15,466,800	0	0	0	15,466,800	16,000,000	-533,200
j. On deposit with states	\$ 1,213,235,592	0	0	0	1,213,235,592	1,214,313,442	-1,077,850
k. On deposit with other regulatory bodies	\$ 1,567,185,040	0	0	0	1,567,185,040	1,413,432,559	153,752,481
l. Pledged as collateral to FHLB (including assets backing funding agreements)	\$ 161,871,010	0	0	0	161,871,010	154,987,763	6,883,247
m. Pledged as collateral not captured in other categories	\$ 1,887,814,669	0	0	0	1,887,814,669	1,980,169,658	-92,354,989
n. Other restricted Assets	\$ 0	0	0	0	0	0	0
o. Total Restricted Assets	\$ 6,539,186,530	0	0	0	6,539,186,530	5,348,248,615	1,190,937,915

(a) Subset of Column 1

(b) Subset of Column 3

Restricted Asset Category	Current Year			
	8 Total Nonadmitted Restricted	9 Total Admitted Restricted (5 minus 8)	Percentage	
			10 Gross (Admitt Nonadmitted) Restricted to Total Assets (c)	11 Admitted Restricted to T Admitted Asset (d)
a. Subject to contractual obligation for which liability is not shown	\$ 0	0	0.000	0.000
b. Collateral held under security lending agreements	\$ 0	1,693,613,419	2.534%	2.584%
c. Subject to repurchase agreements	\$ 0	0	0.000	0.000
d. Subject to reverse repurchase agreements	\$ 0	0	0.000	0.000
e. Subject to dollar repurchase agreements	\$ 0	0	0.000	0.000
f. Subject to dollar reverse repurchase agreements	\$ 0	0	0.000	0.000
g. Placed under option contracts	\$ 0	0	0.000	0.000
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	\$ 0	0	0.000	0.000
i. FHLB capital stock	\$ 0	15,466,800	0.023%	0.024%
j. On deposit with states	\$ 0	1,213,235,592	1.815%	1.851%
k. On deposit with other regulatory bodies	\$ 0	1,567,185,040	2.345%	2.392%
l. Pledged as collateral to FHLB (including assets backing funding agreements)	\$ 0	161,871,010	0.242%	0.247%
m. Pledged as collateral not captured in other categories	\$ 0	1,887,814,669	2.824%	2.881%
n. Other restricted Assets	\$ 0	0	0.000	0.000
o. Total Restricted Assets	\$ 0	6,539,186,530	9.783%	9.979%

(c) Column 5 divided by Asset Page, Column 1, Line 28

(d) Column 9 divided by Asset Page, Column 3, Line 28

NOTES TO FINANCIAL STATEMENTS

- (2) Details of Assets Pledged as Collateral Not Captured in Other Categories
 (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in Aggregate)

Description of Assets		Gross (Admitted & Nonadmitted) Restricted						
		Current Year					6	7
		1	2	3	4	5		
		Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ Decrease (5 minus 6)
01	LLOYDS REINSURANCE AGREEMENT	887,689,085	0	0	0	887,689,085	1,089,274,671	201,585,586
02	FMAC REINSURANCE AGREEMENT	134,065,020	0	0	0	134,065,020	89,005,552	45,059,468
03	FNMA REINSURANCE AGREEMENT	95,145,720	0	0	0	95,145,720	72,718,571	22,427,149
04	CITIBANK HONG KONG LOC	27,166,217	0	0	0	27,166,217	26,310,031	856,186
05	LM EUROPE PLEDGED ASSETS	404,165,992	0	0	0	404,165,992	378,718,621	25,447,371
06	LM EUROPE QUOTA SHARE	339,582,636	0	0	0	339,582,636	324,142,212	15,440,424
Total (c)		1,887,814,670	0	0	0	1,887,814,670	1,980,169,658	(92,354,988)

Description of Assets		Percentage		
		8	9	10
		Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
01.	LLOYDS REINSURANCE AGREEMENT	887,689,085	1.328%	1.355%
02.	FMAC REINSURANCE AGREEMENT	134,065,020	0.201%	0.205%
03.	FNMA REINSURANCE AGREEMENT	95,145,720	0.142%	0.145%
04.	CITIBANK HONG KONG LOC	27,166,217	0.041%	0.041%
05.	LM EUROPE PLEDGED ASSETS	404,165,992	0.605%	0.617%
06.	LM EUROPE QUOTA SHARE	339,582,636	0.508%	0.518%
Total (c)		1,887,814,670	2.825%	2.881%

(a) Subset of column 1

(b) Subset of column 3

(c) Total Line for Column 1 through 7 should equal 5L(1)m Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5L(1)m Columns 9 through 11 respectively

NOTES TO FINANCIAL STATEMENTS

(4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statement.

	1	2	3	4
Collateral Assets	Book/Adjusted Carrying Value (BACV)	Fair Value	% of BACV to Total Assets (Admitted and Nonadmitted*)	% of BACV to Total Admitted Assets**
General Account:				
a. Cash, Cash Equivalents and Short-Term Investments	\$ 0	0	0.000	0.000
b. Schedule D, Part 1	\$ 0	0	0.000	0.000
c. Schedule D, Part 2, Section 1	\$ 0	0	0.000	0.000
d. Schedule D, Part 2, Section 2	\$ 0	0	0.000	0.000
e. Schedule B	\$ 0	0	0.000	0.000
f. Schedule A	\$ 0	0	0.000	0.000
g. Schedule BA, Part 1	\$ 0	0	0.000	0.000
h. Schedule DL, Part 1	\$ 1,693,613,419	1,693,613,419	2.534%	2.584%
i. Other	\$ 0	0	0.000	0.000
j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	\$ 1,693,613,419	1,693,613,419	2.534%	2.584%
Separate Account:				
k. Cash, Cash Equivalents and Short-Term Investments	\$ 0	0	0.000	0.000
l. Schedule D, Part 1	\$ 0	0	0.000	0.000
m. Schedule D, Part 2, Section 1	\$ 0	0	0.000	0.000
n. Schedule D, Part 2, Section 2	\$ 0	0	0.000	0.000
o. Schedule B	\$ 0	0	0.000	0.000
p. Schedule A	\$ 0	0	0.000	0.000
q. Schedule BA, Part 1	\$ 0	0	0.000	0.000
r. Schedule DL, Part 1	\$ 0	0	0.000	0.000
s. Other	\$ 0	0	0.000	0.000
t. Total Collateral Assets (k+l+m+n+o+p+q+r+s)	\$ 0	0	0.000	0.000

* j = Column 1 divided by Asset Page, Line 26 (Column 1)
t = Column 1 divided by Asset Page, Line 27 (Column 1)

** j = Column 1 divided by Asset Page, Line 26 (Column 3)
t = Column 1 divided by Asset Page, Line 27 (Column 3)

u. Recognized Obligation to Return Collateral Assets (General Account)
v. Recognized Obligation to Return Collateral Asset (Separate Account)

	1	2
	Amount	% of Liability to Total Liabilities*
\$	1,693,613,419	3.895%
\$	0	0.000

* u = Column 1 divided by Liability Page, Line 26 (Column 1)
v = Column 1 divided by Liability Page, Line 27 (Column 1)

M. Working Capital Finance Investments
Not Applicable

N. Offsetting and Netting of Assets and Liabilities
Not Applicable

O. 5GI Securities
Not Applicable

P. Short Sales
Not Applicable

Q. Prepayment Penalty and Acceleration Fees

(1) Number of CUSIPs
(2) Aggregate Amount of Investment Income

	General Account	Protected Cell
(1)	283	0
(2)	16,903,213	0

R. Reporting Entity's Share of Cash Pool by Asset type.

NOTES TO FINANCIAL STATEMENTS

Asset Type	Percent Share
(1) Cash	0.00
(2) Cash Equivalents	58.26%
(3) Short-Term Investments	0.00
(4) Total	58.26%

6. Joint Ventures, Partnerships and Limited Liability Companies

A. Detail for Those Greater than 10% of Admitted Assets

The Company's investment in joint ventures, partnerships, or limited liability companies does not exceed 10% of its admitted assets.

B. Writedowns for Impairments of Joint Ventures, Partnerships, & LLCs

The Company's limited partnership investment is reported in accordance with SSAP No. 48. These limited partnerships are valued by the equity method using traditional private equity valuation measures. Interim poor performance which indicates a probable inability to recover the carrying amount of the assets leads to impairment losses being recognized by management. The Company did not realize any impairment losses during the year.

7. Investment Income

A. The Company does not admit investment income due and accrued if amounts are over 90 days past due.

B. No amounts were excluded as of December 31, 2021.

8. Derivative Instruments

A. Derivatives under SSAP No. 86—Derivatives

- (1) 1., 2., 3. Derivative financial instruments utilized by the Company during 2021 and 2020 included futures contracts, interest rate swaps, foreign currency forwards, credit default swaps, total return swaps, commodity swaps and option agreements.

Market risk is defined as the risk of adverse financial impact due to fluctuations in market rates or prices. To mitigate this risk, the Company's senior management has established risk control limits for derivative transactions. Credit/counterparty risk is defined as the risk of financial loss if a counterparty is either unable or unwilling to repay borrowings or settle a transaction in accordance with the underlying contractual terms. The Company manages credit and counterparty risk by using highly rated counterparties and obtaining collateral, where appropriate. Collateral requirements are determined after a comprehensive review of the credit quality of each counterparty and the collateral requirements are monitored and adjusted as needed.

- (2) The Company uses derivatives for risk management, income generation, and to increase investment portfolio returns through asset replication. The Company does not use derivatives for speculative purposes. The Company may also acquire derivatives as additions to bond, common stock, or preferred stock investments. These derivatives are ancillary to the overall investment and immaterial to the underlying investment portfolio.

NOTES TO FINANCIAL STATEMENTS

(3) The following summarizes the objectives and accounting policies for each type of derivative used:

The Company uses interest rate futures contracts to manage interest rate risk associated with holding certain fixed income investments. Daily cash settlements of variation margins are required for futures contracts and is based on the changes in daily prices. The daily cash settlements of margin gains or losses for futures contracts that received non-hedged accounting treatment and have terminated are reported in net realized capital gains or losses. The daily cash settlements of margin gain or losses for open futures contracts that receive non-hedge accounting treatment are reported as net unrealized capital gains or losses within unassigned surplus.

The Company uses interest rate swap contracts to hedge floating rate bond exposure by exchanging a portion of the Company's future floating cash flows for fixed rate cash flows. The daily cash settlements of margin gain or losses for open swap contracts that receive hedge accounting treatment are reported as net unrealized capital gains or losses within other comprehensive income. Settlements of margin gains or losses for swap contracts that received hedged accounting treatment and have terminated are reported in net realized capital gains or losses.

The Company uses foreign currency forward contracts to manage foreign currency risk associated with holding foreign currency denominated investments. Foreign currency forward contracts receive hedge accounting treatment and the change in fair value of open contracts is reported as net unrealized gains or losses within unassigned surplus, until closed. Cash settlement is required when the contract matures. The amount of cash exchanged is based on the difference between the specified rate on the date the contract was entered into (contract rate) compared to the actual rate on the settlement date. Gains or losses at maturity or termination are recorded as net realized capital gains or losses.

The Company uses swap agreements as well as purchased and written call and put options to manage price risk associated with oil and gas price indices. The swap agreements and options receive non-hedge accounting treatment and the change in fair value of open contracts is reported as net unrealized gains or losses in unassigned surplus. Periodic settlements of the swap agreements, which represent amounts receivable from or payable to the counterparty are based on the settlement terms of the agreement and any gains or losses are recorded as net realized capital gains or losses. Cash settlement for the options only occurs if the options are exercised. Gains at the exercise date are reported as net realized gains.

Total return swap ("TRS") agreements are agreements where one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of an underlying asset, which includes both the income it generates and any capital gains. The Company uses TRS agreements to hedge valuation flux in certain bond portfolios and replicate a return profile substantially the same as investing in otherwise permissible investments. Cash settlements occur at dates specified in individual agreements. The amount of cash exchanged is equal to the difference between the set rate in the contract and the return of the underlying asset.

A credit default swap index ("CDX") is an exchange traded credit derivative security. CDX are comprised of a collection of other credit default swaps (CDS). There are numerous types of CDX: high-yield, investment grade, high volatility, and emerging markets. CDXs measure the total returns for different sectors of the bond market and are examined and updated every six months. CDX are standardized and exchange-traded; as such, they possess a high level of liquidity and transparency. The Company uses CDX to mitigate credit risk or to replicate credit exposure in a particular bond portfolio.

TRS and CDX agreements receive non-hedge accounting treatment. Periodic settlements, which represent amounts receivable from/payable to the counterparties or a clearing house are based on the settlement terms within the agreement and reported as a component of net realized gains and losses. The change in the fair value of open swap agreements that receive non-hedge accounting treatment are reported as net unrealized capital gains and losses, within unassigned surplus.

(4) The Company entered into futures contracts, interest rate swaps, foreign currency forwards, commodity swaps and option agreements, total return swaps, and credit default swaps in 2021 and 2020 which required the payment/receipt of premiums at either the inception of the contracts or throughout the life of the contracts, depending on the agreement with counterparties and brokers.

(5) The Company did not have gains or losses in net unrealized capital gains or losses that represented a component of any derivatives' gain or loss that was excluded from the assessment of hedge effectiveness in 2021.

(6) The Company did not have gains or losses in net unrealized gains or losses that resulted from derivatives that no longer qualify for hedge accounting treatment in 2021.

(7) The company did not have derivatives accounted for as cash flow hedges of a forecasted transaction.

B. Derivatives under SSAP No. 108—Derivative Hedging Variable Annuity Guarantees

(1) Discussion of hedged item/hedging instruments and hedging strategy:

Not Applicable

9. Income Taxes

A. The components of the net deferred tax asset/(liability) at Dec. 31 are as follows:

	12/31/2021			12/31/2020		
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	(Col 1 + 2) Total	Ordinary	Capital	(Col 4 + 5) Total
a. Gross Deferred Tax Assets	\$ 1,728,528,000	58,438,000	1,786,966,000	1,659,765,000	161,752,000	1,821,517,000
b. Statutory Valuation Allowance Adjustments	\$ 25,441,000	0	25,441,000	0	0	0
c. Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 1,703,087,000	58,438,000	1,761,525,000	1,659,765,000	161,752,000	1,821,517,000
d. Deferred Tax Assets Nonadmitted	\$ 0	0	0	5,389,802	0	5,389,802
e. Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 1,703,087,000	58,438,000	1,761,525,000	1,654,375,198	161,752,000	1,816,127,198
f. Deferred Tax Liabilities	\$ 313,023,000	484,208,000	797,231,000	321,652,000	508,865,000	830,517,000
g. Net Admitted Deferred Tax Assets / (Net Deferred Tax Liability) (1e - 1f)	\$ 1,390,064,000	(425,770,000)	964,294,000	1,332,723,198	(347,113,000)	985,610,198

NOTES TO FINANCIAL STATEMENTS

	Change		
	(7)	(8)	(9)
	(Col 1 - 4) Ordinary	(Col 2- 5) Capital	(Col 7 + 8) Total
a. Gross Deferred Tax Assets	\$ 68,763,000	(103,314,000)	(34,551,000)
b. Statutory Valuation Allowance Adjustments	\$ 25,441,000	0	25,441,000
c. Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 43,322,000	(103,314,000)	(59,992,000)
d. Deferred Tax Assets Nonadmitted	\$ (5,389,802)	0	(5,389,802)
e. Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 48,711,802	(103,314,000)	(54,602,198)
f. Deferred Tax Liabilities	\$ (8,629,000)	(24,657,000)	(33,286,000)
g. Net Admitted Deferred Tax Assets / (Net Deferred Tax Liability) (1e - 1f)	\$ 57,340,802	(78,657,000)	(21,316,198)

	12/31/2021			12/31/2020		
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	(Col 1 + 2) Total	Ordinary	Capital	(Col 4 + 5) Total
Admission Calculation Components SSAP No. 101						
a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 0	0	0	0	0	0
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. (The Lesser of 2(b)1 and 2(b)2 Below)	\$ 1,020,179,501	44,836,328	1,065,015,829	954,022,910	31,587,287	985,610,197
1. Adjusted Gross Deferred Tax Assets to be Realized Following the Balance Sheet Date.	\$ 1,020,179,501	44,836,328	1,065,015,829	954,022,910	31,587,287	985,610,197
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	\$ X X X	X X X	3,056,422,063	X X X	X X X	2,489,829,036
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.	\$ 313,023,000	383,486,171	696,509,171	321,652,000	508,865,000	830,517,000
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 1,333,202,501	428,322,499	1,761,525,000	1,275,674,910	540,452,287	1,816,127,197

	Change		
	(1)	(2)	(3)
	(Col 1 - 4) Ordinary	(Col 2- 5) Capital	(Col 7 + 8) Total
Admission Calculation Components SSAP No. 101			
a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 0	0	0
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. (The Lesser of 2(b)1 and 2(b)2 Below)	\$ 66,156,591	13,249,041	79,405,632
1. Adjusted Gross Deferred Tax Assets to be Realized Following the Balance Sheet Date.	\$ 66,156,591	13,249,041	79,405,632
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	\$ X X X	X X X	566,593,027
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.	\$ (8,629,000)	(125,378,829)	(134,007,829)
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 57,527,591	(112,129,788)	(54,602,197)

	2021	2020
a. Ratio Percentage Used to Determine Recover Period And Threshold Limitation Amount.	388.60%	335.20%
b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 22,049,616,067.000	18,034,264,930.000

	12/31/2021	12/31/2020	Change
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NOTES TO FINANCIAL STATEMENTS

Impact of Tax-Planning Strategies	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
a. Determination of Adjusted Gross Deferred Tax Assets and Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.					(Col 1 - 3)	(Col 2 - 4)
1. Adjusted Gross DTAs Amount From Note 9A1(c)	\$ 1,703,087,000	58,438,000	1,659,765,000	161,752,000	43,322,000	(103,314,000)
2. Percentage of Adjusted Gross DTAs By Tax Character Attributable To The Impact of Tax Planning Strategies	0.000	0.000	0.000	0.000	0.000	0.000
3. Net Admitted Adjusted Gross DTAs Amount from Note 9A1(e)	\$ 1,703,087,000	58,438,000	1,654,375,198	161,752,000	48,711,802	(103,314,000)
4. Percentage of Net Admitted Adjusted Gross DTAs by Tax Character Attributable To The Impact of Tax Planning Strategies	0.000	0.000	0.000	0.000	0.000	0.000

b. Does the Company's Tax-planning Strategies include the use of reinsurance? NO

B. Regarding deferred tax liabilities that are not recognized:

The Company does not have any DTLs described in SSAP No. 101 Income Taxes, a Replacement of SSAP No. 10R and SSAP No. 10, paragraph 23.

C. Current income taxes incurred consist of the following major components:

	(1)	(2)	(3)
	12/31/2021	12/31/2020	(Col 1 - 2) Change
(1) Current Income Tax			
a. Federal	\$ (32,774,309)	(177,705,307)	144,930,998
b. Foreign	\$ 37,528,549	54,249,080	(16,720,531)
c. Subtotal	\$ 4,754,240	(123,456,227)	128,210,467
d. Federal Income Tax on net capital gains	\$ 12,659,760	49,539,938	(36,880,178)
e. Utilization of capital loss carry-forwards	\$ 0	0	0
f. Other	\$ 0	0	0
g. Federal and foreign income taxes incurred	\$ 17,414,000	(73,916,289)	91,330,289

(2) Deferred Tax Assets:

a. Ordinary

1. Discounting of unpaid losses	\$ 349,677,000	324,990,000	24,687,000
2. Unearned premium reserve	\$ 392,795,000	364,908,000	27,887,000
3. Policyholder reserves	\$ 0	0	0
4. Investments	\$ 66,136,000	56,109,000	10,027,000
5. Deferred acquisition costs	\$ 0	0	0
6. Policyholder dividends accrual	\$ 0	0	0
7. Fixed assets	\$ 57,852,000	9,068,000	48,784,000
8. Compensation and benefits accrual	\$ 439,842,000	307,274,000	132,568,000
9. Pension accrual	\$ 94,753,000	87,142,000	7,611,000
10. Receivables - nonadmitted	\$ 247,994,000	377,655,000	(129,661,000)
11. Net operating loss carry-forward	\$ 0	0	0
12. Tax credit carry-forward	\$ 25,441,000	73,141,000	(47,700,000)
13 Other (including items <5% of total ordinary tax assets)	\$ 54,038,000	59,478,000	(5,440,000)
99. Subtotal	\$ 1,728,528,000	1,659,765,000	68,763,000

b. Statutory valuation allowance adjustment	\$ 25,441,000	0	25,441,000
c. Nonadmitted	\$ 0	5,389,802	(5,389,802)
d. Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 1,703,087,000	1,654,375,198	48,711,802

e. Capital:

(1) Investments	\$ 41,544,000	61,452,000	(19,908,000)
(2) Net capital loss carry-forward	\$ 0	0	0
(3) Real estate	\$ 0	0	0
(4) Other (including items <5% of total capital tax assets)	\$ 16,894,000	100,300,000	(83,406,000)
(99) Subtotal	\$ 58,438,000	161,752,000	(103,314,000)

f. Statutory valuation allowance adjustment	\$ 0	0	0
g. Nonadmitted	\$ 0	0	0
h. Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$ 58,438,000	161,752,000	(103,314,000)
i. Admitted deferred tax assets (2d + 2h)	\$ 1,761,525,000	1,816,127,198	(54,602,198)

NOTES TO FINANCIAL STATEMENTS

(3) Deferred Tax Liabilities:

a. Ordinary

1. Investments	\$ 45,577,000	43,153,000	2,424,000
2. Fixed assets	\$ 164,821,000	117,195,000	47,626,000
3. Deferred and uncollected premium	\$ 0	0	0
4. Policyholder reserves	\$ 52,549,000	65,686,000	(13,137,000)
5. Other Compensation	\$ 24,225,000	0	24,225,000
6. Other (including items <5% of total ordinary tax liabilities)	\$ 25,851,000	95,618,000	(69,767,000)
99. Subtotal	\$ 313,023,000	321,652,000	(8,629,000)

b. Capital:

1. Investments	\$ 484,208,000	508,865,000	(24,657,000)
2. Real Estate	\$ 0	0	0
3. Other (including items <5% of total capital tax liabilities)	\$ 0	0	0
99. Subtotal	\$ 484,208,000	508,865,000	(24,657,000)

c. Deferred tax liabilities (3a99 + 3b99)	\$ 797,231,000	830,517,000	(33,286,000)
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(4) Net deferred tax assets/liabilities (2i - 3c)	\$ 964,294,000	985,610,198	(21,316,198)
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D. Effective tax rates differ from the current statutory rate of 21% principally due to the effects of discounting of unpaid losses and loss adjustment expenses, compensation adjustments, tax exempt income, intercompany dividends, LP & LLC income, mark to market adjustments, limits on unearned premium reserve deductions, amortization, impairments, partnership income/loss, fixed assets, non-admitted assets, loss reserve transitional adjustment, disposition of subsidiary, utilization of foreign tax credits, utilization of general business credits, revisions to prior year estimates, foreign branch tax and foreign withholding.

E. The Company has no net operating loss carry-forward available to offset future net income subject to Federal income tax.

(1) The Company has foreign tax credit carry-forwards which expire as follows:

Year Generated	Amount	Expiration
2019	\$536,000	2029
2020	\$8,906,000	2030
2021	\$15,999,000	2031

(2) The amount of Federal income taxes incurred and available for recoupment in the event of future losses are none from the current year and none from the preceding year.

F. The method of federal income tax allocation is subject to a written agreement. Allocation is based upon separate return calculations with credit applied for losses as appropriate. The Company has the enforceable right to recoup prior year payments in the event of future losses.

The Company's Federal income tax return is consolidated with the following entities:

Andover, Inc.	Liberty Mutual Holding Company Inc.
America First Insurance Company	Liberty Mutual Insurance Company
America First Lloyd's Insurance Company	Liberty Mutual Personal Insurance Company
American Economy Insurance Company	Liberty Mutual Technology Group, Inc.
American Fire and Casualty Company	Liberty Northwest Insurance Corporation
American States Insurance Company	Liberty Personal Insurance Company
American States Insurance Company of Texas	Liberty RE (Bermuda) Limited
American States Lloyds Insurance Company	Liberty Sponsored Insurance (Vermont), Inc.
American States Preferred Insurance Company	Liberty Surplus Insurance Corporation
Barrier Ridge LLC	LIH-RE of America Corporation
Berkeley Management Corporation	LIU Specialty Insurance Agency Inc.
Colorado Casualty Insurance Company	LM General Insurance Company
Consolidated Insurance Company	LM Insurance Corporation
Diversified Settlements, Inc.	LM Property and Casualty Insurance Company
Emerald City Insurance Agency, Inc.	LMCRT-FRE-01 IC
Employers Insurance Company of Wausau	LMHC Massachusetts Holdings Inc.
Excelsior Insurance Company	Managed Care Associates Inc.
Excess Risk Reinsurance Inc.	Mid-American Fire & Casualty Company
F.B. Beattie & Co., Inc.	Nationale Borg Reinsurance N.V.
First National Insurance Company of America	North Pacific Insurance Company
First State Agency Inc.	Ocasco Budget, Inc.
General America Corporation	OCI Printing, Inc.
General America Corporation of Texas	Ohio Casualty Corporation
General Insurance Company of America	Ohio Security Insurance Company
Golden Eagle Insurance Corporation	Open Seas Solutions, Inc.
Gulf States AIF, Inc.	Oregon Automobile Insurance Company
Hawkeye-Security Insurance Company	Peerless Indemnity Insurance Company
Indiana Insurance Company	Peerless Insurance Company
Insurance Company of Illinois	Pymatuning, Inc.

NOTES TO FINANCIAL STATEMENTS

Ironshore Holdings (US) Inc.	Rianoc Research Corporation
Ironshore Indemnity Inc.	SAFECARE Company, Inc.
Liberty Specialty Markets Bermuda Limited	Safeco Corporation
Ironshore Management Inc.	Safeco General Agency, Inc.
Ironshore Services Inc.	Safeco Insurance Company of America
Ironshore Specialty Insurance Company	Safeco Insurance Company of Illinois
Ironshore Surety Holdings Inc.	Safeco Insurance Company of Indiana
LEXCO Limited	Safeco Insurance Company of Oregon
Liberty-USA Corporation	Safeco Lloyds Insurance Company
Liberty Energy Canada, Inc.	Safeco National Insurance Company
Liberty Financial Services, Inc.	Safeco Properties, Inc.
Liberty Hospitality Group, Inc.	Safeco Surplus Lines Insurance Company
Liberty Insurance Corporation	San Diego Insurance Company
Liberty Insurance Holdings, Inc.	SCIT, Inc.
Liberty Insurance Underwriters Inc.	The First Liberty Insurance Corporation
Liberty International Holdings Inc.	The Midwestern Indemnity Company
Liberty Life Holdings Inc.	The National Corporation
Liberty Lloyds of Texas Insurance Company	The Netherlands Insurance Company
Liberty Management Services, Inc.	The Ohio Casualty Insurance Company
Liberty Mexico Holdings Inc.	Wausau Business Insurance Company
Liberty Mutual Agency Corporation	Wausau General Insurance Company
Liberty Mutual Credit Risk Transfer PCC Inc.	Wausau Underwriters Insurance Company
Liberty Mutual Fire Insurance Company	West American Insurance Company
Liberty Mutual Group Asset Management Inc.	Winmar Company, Inc.
Liberty Mutual Group Inc.	Workgrid Software, Inc.

G. The Company does not expect the Federal and Foreign income tax loss contingencies, as determined in accordance with SSAP No. 5R, Liabilities, Contingencies and Impairments of Assets, with the modifications provided in SSAP No. 101, Income Taxes – A Replacement of SSAP No. 10R and SSAP No. 10, to significantly increase within twelve months of the reporting date.

H. Repatriation Transition Tax

Not Applicable

I. Alternative Minimum Tax Credit

Not Applicable

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. All the outstanding shares of capital stock of the Company are held by Liberty Mutual Group Inc. ("LMGI"), a Massachusetts company. The ultimate parent of LMGI is Liberty Mutual Holding Company Inc. ("LMHC"), a Massachusetts company.

B. Transactions between the Company and its affiliates are listed on Schedule Y Part 2.

As of December 31, 2021, the Company had the following capital transactions with its parent and subsidiaries:

1. Received capital contributions of	\$859,625,260
2. Received return of capital distributions of	\$6,234,595
3. Contributed capital in the amount of	\$591,426,560
4. Received dividends in the amount of	\$826,985,359

C. Transactions with related party who are not reported on Schedule Y

Not Applicable

D. At December 31, 2021, the Company reported a net \$183,100,667 due to affiliates. In general, the terms of the intercompany arrangements require settlement at least quarterly.

NOTES TO FINANCIAL STATEMENTS

E. Refer to Note 26 for information regarding the Inter-Company Reinsurance Agreement.

The Company is a party to a Federal Tax Sharing Agreement between LMHC and affiliates (Refer to Note 9F).

The Company is party to service agreements with the following SCA companies -

Berkeley/Columbus II LLC
 Berkeley/Columbus Real Estate LLC
 Helmsman Insurance Agency LLC
 Helmsman Management Services LLC
 Ironshore Insurance Services LLC
 Ironshore Services Inc.
 Ironshore Management Inc.
 Ironshore Holdings (U.S.) Inc.
 Liberty Information Technology Limited
 Liberty Insurance Company Limited
 Liberty Lloyd's of Texas Insurance Company
 Liberty Mutual Agency Corporation
 Liberty Mutual Auto and Home Services LLC
 Liberty Mutual Credit Risk Transfer PPC, Inc.
 Liberty Mutual Equity LLC
 Liberty Mutual Group Inc.
 Liberty Mutual Managed Care LLC
 Liberty Mutual Technology Group Inc.
 Liberty Seguros, S.A. de C.V.
 Liberty Specialty Markets Limited
 Liberty Specialty Markets Europe Sàrl
 LIU Specialty Insurance Agency Inc.
 LM Property and Casualty Insurance Company
 San Diego Insurance Company

Under these agreements, the Company may provide the SCA companies with office space, supplies, equipment, telephone and wire services, the use of computers and similar machines and services of personnel employed by the Company and through a management services agreement entered into by the Company and LMGI. Services include but are not limited to the following: claims handling, credit and collections, sales, policy production, underwriting and a variety of computer activities.

The Company is a party to a management services agreement with LMGI. Under the agreement, the Company may provide the SCA companies with office space, supplies, equipment, telephone and wire services, the use of computers and similar machines and services of personnel employed by the Company and through a management services agreement entered into by the Company and LMGI. Services include but are not limited to the following: claims handling, credit and collections, sales policy production, underwriting and a variety of computer activities.

Pursuant to an Employee Benefit Plans Cost-Sharing Agreement, the Company has agreed to reimburse LMGI for certain costs related to one or more employee benefit or welfare plans covering current or past employees of the Company or its affiliates which have been transferred to LMGI or which may be transferred to LMGI in the future. The amount of the reimbursement is: (a) the required contributions to the pension plans and (b) with respect to other plans, the benefits incurred on the Company's behalf.

The Company is a party to an investment management agreement with Liberty Mutual Investment Advisors LLC ("LMIA"). The Company is a party to an investment management agreement with Liberty Mutual Group Asset Management Inc. ("LMGAM"). Under these agreements, LMIA and LMGAM provide services to the Company.

The Company is party to an account services agreement with Liberty Mutual Group Asset Management Inc. ("LMGAM"). Under the agreement LMGAM provides services to the Company with respect to the cash management account.

The Company is a party to an investment management agreement with the Liberty Mutual Retirement Plan Master Trust (the "Trust"). Under the agreement, the Company provides services to the Trust.

The Company is a party to an investment management agreement with LMGAM. Under the agreement, LMGAM provides sub-adviser services to the Company.

The Company is party to revolving credit agreements under which the Company may lend funds to the following SCA companies for the purpose of accommodating fluctuations in daily cash flow and to promote efficient management of investments:

Company	Credit Line
Liberty Mutual Fire Insurance Company	\$130,000,000
Employers Insurance Company of Wausau	\$125,000,000
Liberty Mutual Group Inc.	\$1,500,000,000
Peerless Insurance Company	\$475,000,000
Safeco Insurance Company of America	\$150,000,000
The Ohio Casualty Insurance Company	\$200,000,000
Liberty Corporate Capital Limited	\$100,000,000
Liberty International Holdings, Inc.	\$20,000,000
Liberty Specialty Markets Bermuda Limited	\$100,000,000
Liberty Mutual Insurance Europe SE	\$270,890,000
Liberty Seguros, Compañía de Seguros y Reaseguros, S.A.	\$199,010,000
Liberty International European Holdings, S.L.U.	\$295,672,000
Liberty Specialty Markets Hong Kong Limited	\$19,239,896

There were no outstanding borrowings as of December 31, 2021.

The Company is party to revolving credit agreements under which the Company may borrow funds from the following SCA companies for the purpose of accommodating fluctuations in daily cash flow and to promote efficient management of investments:

Company	Credit Line
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NOTES TO FINANCIAL STATEMENTS

Liberty Mutual Fire Insurance Company	\$130,000,000
Employers Insurance Company of Wausau	\$125,000,000
Liberty Mutual Group Inc.	\$1,500,000,000
Peerless Insurance Company	\$475,000,000
Safeco Insurance Company of America	\$150,000,000
The Ohio Casualty Insurance Company	\$200,000,000
Liberty Specialty Markets Bermuda Limited	\$100,000,000

There were no outstanding borrowings as of December 31, 2021.

There is an "Agent-Company Agreement" between the Company and Helmsman Insurance Agency, LLC ("Helmsman") whereby Helmsman is appointed a property-casualty insurance agent of the Company and provides usual and customary services of an insurance agent on all insurance contracts placed by Helmsman with the Company.

The Company is a party to management service agreements (the "Agreements") with the following SCA companies –

America First Insurance Company
 America First Lloyds' Insurance Company
 American Economy Insurance Company
 American Fire and Casualty Company
 American States Insurance Company
 American States Insurance Company of Texas
 American States Lloyds Insurance Company
 American States Preferred Insurance Company
 Colorado Casualty Insurance Company
 Consolidated Insurance Company
 Employers Insurance Company of Wausau
 Excelsior Insurance Company
 First National Insurance Company of America
 General Insurance Company of America
 Golden Eagle Insurance Corporation
 Hawkeye-Security Insurance Company
 Indiana Insurance Company
 Ironshore Indemnity Inc.
 Ironshore Specialty Insurance Company
 Insurance Company of Illinois
 Liberty Insurance Corporation
 Liberty Insurance Underwriters Inc.
 Liberty Mutual Fire Insurance Company
 Liberty Mutual Mid-Atlantic Insurance Company
 Liberty Mutual Personal Insurance Company
 Liberty Northwest Insurance Corporation
 Liberty Personal Insurance Company
 Liberty Surplus Insurance Corporation
 LM General Insurance Company
 LM Insurance Corporation
 LM Property and Casualty Insurance Company
 Mid-American Fire & Casualty Company
 Montgomery Mutual Insurance Company
 National Insurance Association
 North Pacific Insurance Company
 Ohio Security Insurance Company
 Oregon Automobile Insurance Company
 Peerless Indemnity Insurance Company
 Peerless Insurance Company
 Safeco Insurance Company of America
 Safeco Insurance Company of Illinois
 Safeco Insurance Company of Indiana
 Safeco Insurance Company of Oregon
 Safeco Lloyds Insurance Company
 Safeco National Insurance Company
 Safeco Surplus Lines Insurance Company
 San Diego Insurance Company
 The First Liberty Insurance Corporation
 The Midwestern Indemnity Company
 The Netherlands Insurance Company
 The Ohio Casualty Insurance Company
 Wausau Business Insurance Company
 Wausau General Insurance Company
 Wausau Underwriters Insurance Company
 West American Insurance Company

Under these Agreements, the Company may provide these subsidiaries with office space, supplies, equipment, telephone and wire services, the use of computers and similar machines and services of personnel employed by the Company and LMGI. Services provided include, but are not limited to, risk underwriting, claims processing, claims adjustments, policyholder services, contract management and administration. The Company is reimbursed for the cost of all services which it provides under these Agreements.

NOTES TO FINANCIAL STATEMENTS

F. The Company has entered into guarantees to or on behalf of the following affiliates, as described in Note 14A.

America First Insurance Company
 Liberty Corporate Capital Limited and Liberty Corporate Capital (Two) Limited
 Liberty Specialty Markets Bermuda Limited
 Liberty Information Technology Limited
 Liberty Specialty Markets Holdco S.L.U.
 Liberty Specialty Markets Hong Kong Limited
 Liberty Specialty Markets Singapore Pte. Limited
 Liberty Citystate Holdings Pte. Ltd.
 Liberty Mutual Insurance Europe SE
 Liberty Personal Insurance Company
 Liberty Surplus Insurance Corporation
 Safeco Insurance Company of Oregon
 San Diego Insurance Company
 Companies in the Liberty Mutual Group holding custodial accounts with JP Morgan Chase Bank
 Liberty Seguros, S.A. de C.V.

G. The Company is a member of a holding company structure as illustrated in Schedule Y Part 1.

H. The Company does not own shares of any upstream intermediate or ultimate parent, either directly or indirectly via a downstream subsidiary, controlled or affiliated company

I. The Company owns 100.00% of Liberty Insurance Holdings, Inc. ("LIH, Inc"), a downstream holding company. LIH, Inc. is carried at audited U.S. Generally Accepted Accounting Principles ("GAAP") equity, adjusted for statutory basis of accounting in accordance with SSAP No 97.

At December 31, 2021 the Company's ownership interest in LIH, Inc.'s assets, liabilities and results of operations are as follows:

LMIC Admitted Unamortized GW for the purchase of LMFIC & EICOW's shares of LIH Inc.

Assets: \$0
 Liabilities: \$0
 Results of Operations: \$0

Liberty Insurance Holdings, Inc.

Assets: \$ 7,766,961,864
 Liabilities: \$0
 Results of Operations: \$21,228,964

J. The Company did not recognize any impairment write down for its SCA companies during the statement period.

K. The Company does not use CARVM in calculating its investment in its foreign subsidiaries.

L. The company utilizes the look-through approach for the valuation of the following downstream non-insurance holding companies:

Carrying Value

Berkeley Management Corporation	\$ 20,290,475
LM Captive Holdings LLC	\$ 10,676,790
Liberty Mutual Mexico LLC	\$ 58,076,645
Berkeley/Columbus III, LLC	\$ 319,092,791
Liberty International Holdings Inc.	\$ 5,693,328,114
Liberty Insurance Holdings, Inc.	\$ 7,766,961,864
Ohio Casualty Corporation	\$ 1,957,747,897
Ironshore Holdings (U.S.) Inc.	\$ 441,849,439

The company has limited the value of its investment in these companies to the value contained in the audited financial statements. All liabilities, commitments, contingencies, guarantees or obligations of the downstream non-insurance holding company, which are required to be recorded as liabilities, commitments, contingencies, guarantees or obligations under applicable accounting guidance, are reflected in the company's determination of the carrying value of the investment in the downstream non-insurance holding company.

M. All SCA Investments

(1) Balance Sheet Value (Admitted and Nonadmitted) All SCAs (Except 8bi Entities)

	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
b. SSAP No. 97 8b(ii) Entities				
01. Liberty Insurance Holdings, Inc.	100.000	7,766,961,864	7,755,778,163	11,183,702
02. Ohio Casualty Corporation	78.000	1,957,747,897	1,951,079,539	6,668,358
Total SSAP No. 97 8b(ii) Entities	X X X	9,755,677,026	9,724,523,681	31,153,347

NOTES TO FINANCIAL STATEMENTS

b. SSAP No. 97 8b(ii) Entities					
03.	Berkeley Management Corporation	100.000	20,290,475	7,761,174	12,529,302
04.	Liberty Mutual Captive Holdings LLC	100.000	10,676,790	9,904,805	771,985
Total SSAP No. 97 8b(ii) Entities		X X X	9,755,677,026	9,724,523,681	31,153,347
c. SSAP No. 97 8b(iii) Entities					
01.	St. James/Arlington Real Estate Limited Partnership	92.000	715,493,998	715,493,998	0
02.	Liberty Energy Holdings, LLC	100.000	895,245,948	895,245,948	0
03.	Liberty Metals & Mining Holdings, LLC	100.000	98,275,078	98,275,078	0
04.	Liberty Mutual Investment Holdings LLC	40.000	2,303,429,770	2,303,429,770	0
05.	Liberty Mutual Opportunistic Investments LLC	100.000	1,238,999,875	1,238,999,875	0
06.	Liberty Structured Holdings LLC	20.000	400,019,274	400,019,274	0
07.	Liberty Mutual Latam LLC	100.000	15,184,077	156,275	15,027,802
08.	Georgia Tax Credit Fund LM L.P.	0.010	(48,896)	(48,896)	0
09.	RBC State Credit Fund	100.000	1,289,614	1,289,614	0
10.	Liberty Mutual Personal Insurance Ventures, LLC	100.000	58,783,265	15,000	58,768,265
11.	Raymond James LM MA LP LIHTC S	100.000	0	0	0
12.	Berkeley/Columbus III LLC	100.000	319,092,800	319,092,800	0
13.	Liberty Mutual Equity LLC	100.000	(12,048)	(9,404)	(2,644)
14.	Solaria Labs, LLC	100.000	3,232,741	0	3,232,741
15.	Liberty Real Estate Holding LLC	100.000	15,941,844	15,941,844	0
16.	LMAT Holdings	30.000	61,228,098	61,228,098	0
17.	Ironshore Holdings (US) Inc.	100.000	441,849,439	369,708,229	72,141,210
Total SSAP No. 97 8b(iii) Entities		X X X	6,568,004,877	6,418,837,503	149,167,374
d. SSAP No. 97 8b(iv) Entities					
01.	Liberty Re Bermuda Limited	100.000	498,923,841	498,923,841	0
02.	Liberty Sponsored Insurance Vermont	100.000	4,248,236	4,248,236	0
03.	Liberty Insurance Company Limited	100.000	26,931,740	26,931,740	0
04.	Liberty Insurance Berhad	100.000	158,675,047	158,675,047	0
05.	Liberty Brasil Investimentos e Participacoes Ltda.	100.000	930,302	0	930,302
06.	Liberty Mutual Mexico LLC	100.000	58,076,645	57,715,493	361,152
07.	Liberty International Holdings Inc.	100.000	5,693,328,114	5,693,328,114	0
08.	Nationale Borg Re	100.000	57,587,724	57,587,724	0
09.	Ironshore Inc.	100.000	2,066,816,911	2,066,816,911	0
Total SSAP No. 97 8b(iv) Entities		X X X	8,565,518,560	8,564,227,106	1,291,454
e. Total SSAP No. 97 8b Entities (except 8bi entities) (b + c + d)		X X X	24,889,200,463	24,707,588,290	181,612,175
f. Aggregate Total (a + e)		X X X	24,889,200,463	24,707,588,290	181,612,175

(2) NAIC Filing Response Information

SCA Entity (Should be same entities as shown in M(1) above.)	Type of NAIC Filing *	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received Y / N	NAIC Disallowe Entities Valuatio Method, Resubmission Required Y / N	Code **	
b. SSAP No. 97 8b(ii) Entities							
01.	Liberty Insurance Holdings, Inc. (filed for non-P&C only)	S2	11/11/2021	6,616,775,300	Yes	No	i
02.	Ohio Casualty Corporation (filed for non-P&C only)	S2	11/11/2021	1,668,944,026	Yes	No	i
03.	Berkeley Management Corporation	S2	11/11/2021	7,688,508	Yes	No	i
Total SSAP No. 97 8b(ii) Entities		X X X	X X X	8,293,407,834	X X X	X X X	X X X
c. SSAP No. 97 8b(iii) Entities							
01.	Ironshore Holdings (US) Inc.	S1	11/11/2021	427,117,424	No	No	i
Total SSAP No. 97 8b(iii) Entities		X X X	X X X	427,117,424	X X X	X X X	X X X
d. SSAP No. 97 8b(iv) Entities							
01.	Liberty Re Bermuda Limited	S2	11/19/2021	501,954,151	Yes	No	i
02.	Liberty Sponsored Insurance Vermont	S2	11/19/2021	4,475,277	Yes	No	i
Total SSAP No. 97 8b(iv) Entities		X X X	X X X	8,400,159,281	X X X	X X X	X X X
e. Total SSAP No. 97 8b Entities (except 8bi entities) (b + c + d)		X X X	X X X	17,120,684,539	X X X	X X X	X X X
f. Aggregate Total (a + e)		X X X	X X X	17,120,684,539	X X X	X X X	X X X

* S1 - Sub-1, S2 - Sub 2 or RDF - Resubmission of Disallowed

** I - Immaterial or M - Material

NOTES TO FINANCIAL STATEMENTS

d. SSAP No. 97 8b(iv) Entities						
03. Liberty International Holdings Inc.	S2	02/18/2022	5,490,660,375	No	No	i
04. Nationale Borg Re	S1	11/19/2021	64,715,689	Yes	No	i
05. Ironshore Inc.	S2	02/18/2022	2,338,353,789	No	No	i
Total SSAP No. 97 8b(iv) Entities	X X X	X X X	8,400,159,281	X X X	X X X	X X X
e. Total SSAP No. 97 8b Entities (except 8bi entities) (b + c + d)	X X X	X X X	17,120,684,539	X X X	X X X	X X X
f. Aggregate Total (a + e)	X X X	X X X	17,120,684,539	X X X	X X X	X X X

* S1 - Sub-1, S2 - Sub 2 or RDF - Resubmission of Disallowed

** I - Immaterial or M - Material

N. Investment in Insurance SCAs

Not Applicable

O. SCA Loss Tracking

Not Applicable

11 Debt

A. Debt (Including Capital Notes)

The Company has no debt, including capital notes.

B. FHLB (Federal Home Loan Bank) Agreements

(1) The Company is a member of the Federal Home Loan Bank (FHLB) of Boston. Through its membership, the Company has conducted business activity (borrowings) with the FHLB. On March 23, 2012, the Company borrowed \$127,000,000 under the agreement with a maturity date of March 23, 2032. On April 2, 2012, the Company borrowed \$23,000,000 under the agreement with a maturity date of April 2, 2032. The borrowings are fully collateralized. Interest on the March 23, 2012 borrowing accrues at an annual rate of 4.24%. Interest on the April 2, 2012 borrowing accrues at an annual rate of 4.25. For December year-to-date, the Company has incurred and paid expense of \$6,450,665. It is part of the Company's strategy to utilize these funds as backup liquidity. The Company has determined the actual maximum borrowing capacity as \$2,000,000,000 per Board of Directors consent.

(2) FHLB Capital Stock

a. Aggregate Totals

1. Current Year

	(1) Total 2+3	(2) General Account	(3) Protected Cell Accounts
(a) Membership Stock - Class A	\$ 0	0	0
(b) Membership Stock - Class B	\$ 9,016,274	9,016,274	0
(c) Activity Stock	\$ 6,000,000	6,000,000	0
(d) Excess Stock	\$ 450,526	450,526	0
(e) Aggregate Total (a + b + c + d)	\$ 15,466,800	15,466,800	0
(f) Actual or est. Borrowing Capacity as Determined by the Insurer	\$ 2,000,000,000	X X X	X X X

2. Prior Year-end

	(1) Total 2+3	(2) General Account	(3) Protected Cell Accounts
(a) Membership Stock - Class A	\$ 0	0	0
(b) Membership Stock - Class B	\$ 10,000,000	10,000,000	0
(c) Activity Stock	\$ 6,000,000	6,000,000	0
(d) Excess Stock	\$ 0	0	0
(e) Aggregate Total (a + b + c + d)	\$ 16,000,000	16,000,000	0
(f) Actual or est. Borrowing Capacity as Determined by the Insurer	\$ 2,000,000,000	X X X	X X X

b. Membership Stock (Class A and B) Eligible and Not Eligible for Redemption

	1 Current Year Total (2 + 3 + 4 + 5 + 6)	2 Not Eligible for Redemption	Eligible for Redemption			
			3 Less Than 6 Months	4 6 Months to Less Than 1 Year	5 1 to Less Than 3 Years	6 3 to 5 Years
1. Class A	\$ 0	0	0	0	0	0
2. Class B	\$ 9,016,274	9,016,274	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

(3) Collateral Pledged to FHLB

a. Amount Pledged as of Reporting Date

	1	2	3
	Fair Value	Carrying Value	Aggregate Total Borrowing
1. Current Year Total General and Protected Cell (Lines 2 + 3)	\$ 167,102,627	161,871,010	150,000,000
2. Current Year General Account (Total Pledged)	\$ 167,102,627	161,871,010	150,000,000
3. Current Year Protected Cell (Total Pledged)	\$ 0	0	0
4. Prior Year-end Total General and Protected Cell (Total Pledged)	\$ 163,960,100	157,123,088	150,000,000

b. Maximum Amount Pledged During Reporting Period

	1	2	3
	Fair Value	Carrying Value	Amount Borrowed at Time of Max. Collateral
1. Current Year Total General and Protected Cell (Lines 2 + 3)	\$ 167,102,627	161,871,010	150,000,000
2. Current Year General Account (Maximum Pledged)	\$ 167,102,627	161,871,010	150,000,000
3. Current Year Protected Cell (Maximum Pledged)	\$ 0	0	0
4. Prior Year-end Total General and Protected Cell (Maximum Pledged)	\$ 164,403,827	158,605,090	150,000,000

(4) Borrowing From FHLB

a. Amount as of the Reporting Date

1. Current Year

	1	2	3	4
	Total 2+3	General Account	Protected Cell Account	Funding Agreements Reserves Established
(a) Debt	\$ 150,000,000	150,000,000	0	X X X
(b) Funding Agreements	\$ 0	0	0	0
(c) Other	\$ 0	0	0	X X X
(d) Aggregate Total (a + b + c)	\$ 150,000,000	150,000,000	0	0

2. Prior Year-end

	1	2	3	4
	Total 2+3	General Account	Protected Cell Account	Funding Agreements Reserves Established
(a) Debt	\$ 150,000,000	150,000,000	0	X X X
(b) Funding Agreements	\$ 0	0	0	0
(c) Other	\$ 0	0	0	X X X
(d) Aggregate Total (a + b + c)	\$ 150,000,000	150,000,000	0	0

b. Maximum Amount during Reporting Period (Current Year)

	1	2	3
	Total 2+3	General Account	Protected Cell Accounts
1. Debt	\$ 150,000,000	150,000,000	0
2. Funding Agreements	\$ 0	0	0
3. Other	\$ 0	0	0
4. Aggregate Total (1 + 2 + 3)	\$ 150,000,000	150,000,000	0

c. FHLB- Prepayment Obligations

	Does the company have prepayment obligations under the following arrangements (YES/NO)?
1. Debt	NO
2. Funding Agreements	NO
3. Other	NO

C.

NOTES TO FINANCIAL STATEMENTS

The Company maintains a \$200,000,000 revolving line of credit with Ohio Casualty Insurance Company ("OCIC"), a \$150,000,000 line with Liberty Mutual Fire Insurance Company ("LMFIC") and a \$475,000,000 revolving line of credit with Peerless Insurance Company ("PIC") (see Note 10F). On June 1, 2021, the company borrowed \$75,000,000 under the OCIC agreement, \$75,000,000 under the LMFIC agreement and \$80,000,000 under the PIC agreement at an annual interest rate of 1.28875% and a maturity date of July 1, 2021. All loans were repaid on June 10, 2021. For December year-to-date, the Company has incurred and paid interest expense of \$74,103.

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

A. Defined Benefit Plans

Eligible employees may participate in the Liberty Mutual Retirement Benefit Plan for U.S. Employees, the Supplemental Income at Retirement Plan (SIRP) which has both a defined benefit component and defined contribution savings component, the Liberty Mutual 401(k) plan (defined contribution savings) and the U.S. postretirement health and life insurance benefit plans sponsored by the Holding Company, Liberty Mutual Group Inc. (LMGI). Accordingly, the plan assets and obligations are not included in the Company's summary of assets and obligations below.

The Company continues to sponsor non-contributory defined benefit pension and contributory defined contribution savings plans covering substantially all Canadian employees and certain U.S. employees. Also, the Company continues to provide certain health care and life insurance postretirement benefits for Canadian and certain U.S. employees. The pension and postretirement benefits and eligibility are based on age, years of service and the employee's compensation as more fully defined in the plan documents. As of December 31, the Company accrued pension and postretirement cost in accordance with actuarially determined amounts.

In 2020, the Company offered a voluntary early retirement option ("ERO") to U.S. employees meeting certain age and service requirements. Employees opting into the program received an enhanced pension benefit and were required to terminate employment with the Company between December 31, 2020 and December 30, 2021. The Company recorded \$2,366,639 of ERO benefit costs in the statement of income for the Year ended December 31, 2020.

A summary of assets, obligations, and assumptions of the Company sponsored Pension Plans and Postretirement Benefit Plans are as follows as of December 31, 2021 and December 31, 2020.

	Overfunded		Underfunded	
	2021	2020	2021	2020
(1) Change in benefit obligation:				
a. Pension Benefits				
1. Benefit obligation at beginning of year	\$ 0	0	230,614,060	206,845,948
2. Service cost	\$ 0	0	1,246,427	1,301,789
3. Interest cost	\$ 0	0	4,746,967	6,042,155
4. Contribution by plan participants	\$ 0	0	0	0
5. Actuarial gain (loss)	\$ 0	0	(3,054,580)	23,468,452
6. Foreign currency exchange rate changes	\$ 0	0	832,888	1,811,526
7. Benefits paid	\$ 0	0	(10,227,427)	(11,222,449)
8. Plan amendments	\$ 0	0	0	2,366,639
9. Business combinations, etc.	\$ 0	0	0	0
10. Benefit obligation at end of year	\$ 0	0	224,158,335	230,614,060
b. Postretirement Benefits				
1. Benefit obligation at beginning of year	\$ 0	0	363,305,213	312,802,085
2. Service cost	\$ 0	0	3,619,949	3,021,584
3. Interest cost	\$ 0	0	9,160,346	10,146,777
4. Contribution by plan participants	\$ 0	0	0	0
5. Actuarial gain (loss)	\$ 0	0	(8,035,615)	35,129,889
6. Foreign currency exchange rate changes	\$ 0	0	119,970	312,730
7. Benefits paid	\$ 0	0	(73,851)	(113,442)
8. Plan amendments	\$ 0	0	0	0
9. Business combinations, etc.	\$ 0	0	0	2,005,590
10. Benefit obligation at end of year	\$ 0	0	368,096,012	363,305,213
c. Special or Contractual Benefits Per SSAP No. 11				
1. Benefit obligation at beginning of year	\$ 0	0	0	0
2. Service cost	\$ 0	0	0	0
3. Interest cost	\$ 0	0	0	0
4. Contribution by plan participants	\$ 0	0	0	0
5. Actuarial gain (loss)	\$ 0	0	0	0
6. Foreign currency exchange rate changes	\$ 0	0	0	0
7. Benefits paid	\$ 0	0	0	0
8. Plan amendments	\$ 0	0	0	0
9. Business combinations, etc.	\$ 0	0	0	0
10. Benefit obligation at end of year	\$ 0	0	0	0

NOTES TO FINANCIAL STATEMENTS

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
	2021	2020	2021	2020	2021	2020
(2) Change in plan assets:						
a. Fair value of plan assets beginning of year	\$ 65,871,448	67,300,542	0	0	0	0
b. Actual return on plan assets	\$ 7,789,145	610,312	0	0	0	0
c. Foreign currency exchange rate changes	\$ 524,967	1,071,714	0	0	0	0
d. Reporting Entity contribution	\$ 354,985	283,375	0	0	0	0
e. Plan participants contributions	\$ 0	0	0	0	0	0
f. Benefits paid	\$ (2,831,367)	(3,394,495)	0	0	0	0
g. Business combinations, etc.	\$ 0	0	0	0	0	0
h. Fair value of plan assets end of year	\$ 71,709,178	65,871,448	0	0	0	0

(3) Funded status:						
a. Components:						
1. Prepaid benefit costs	\$ 12,052,096	13,731,529	0	0		
2. Overfunded plan assets	\$ (12,052,096)	(13,731,529)	0	0		
3. Accrued benefit costs	\$ 92,308,130	89,653,354	230,686,679	196,481,889		
4. Liability for pension benefits	\$ 60,141,027	75,089,258	137,409,333	166,823,324		
b. Assets and liabilities recognized						
1. Assets (nonadmitted)	\$ 0	0	0	0		
2. Liabilities recognized	\$ 152,449,157	164,742,612	368,096,012	363,305,213		
c. Unrecognized liabilities	\$ 0	0	0	0		

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits Per SSAP No. 11	
	2021	2020	2021	2020	2021	2020
(4) Components of net periodic benefit cost:						
a. Service cost	\$ 1,246,427	1,301,789	3,619,949	3,021,584	0	0
b. Interest cost	\$ 4,746,967	6,042,155	9,160,346	10,146,777	0	0
c. Expected return on plan assets	\$ (2,297,899)	(2,557,688)	0	0	0	0
d. Amortization of unrecognized transition oblig. or transition asset	\$ 0	493,883	5,303,259	5,936,041	0	0
e. Amount of recognized gains and losses	\$ 8,667,338	6,796,036	16,119,182	7,800,480	0	0
f. Amount of prior service cost recognized	\$ (185,654)	(189,021)	11,090	253,008	0	0
g. Amount of gain or loss recog. due to a settlement or curtailment	\$ 0	0	0	9,598,973	0	0
h. Total net periodic benefit cost	\$ 12,177,179	11,887,154	34,213,826	36,756,863	0	0
i. ERP P&L Charge	\$ 0	2,366,639	0	0	0	0
j. Total net periodic benefit cost	\$ 12,177,179	14,253,793	34,213,826	36,756,863	0	0

	Pension Benefits		Postretirement Benefits	
	2021	2020	2021	2020
(5) Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost:				
a. Items not yet recognized as a components of net period cost - pri	\$ 88,820,788	69,644,482	166,823,323	153,167,782
b. Net transition asset or obligation recognized	\$ 0	(493,883)	(5,303,259)	(13,529,424)
c. Net prior service cost or credit arising during the period	\$ 0	0	0	0
d. Net prior service cost of credit recognized	\$ 185,654	189,021	(11,090)	(253,008)
e. Net gain and loss arising during the period	\$ (8,145,981)	26,277,204	(7,980,460)	35,238,453
f. Net gain and loss recognized	\$ (8,667,338)	(6,796,036)	(16,119,182)	(7,800,480)
g. Items not yet recognized as a component of net periodic cost - cu	\$ 72,193,123	88,820,788	137,409,332	166,823,323

	Pension Benefits		Postretirement Benefits	
	2021	2020	2021	2020
(6) Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit cost:				
a. Net transition asset or obligation	\$ 0	0	58,335,840	63,639,099
b. Net prior service cost or credit	\$ (268,327)	(459,237)	0	10,911
c. Net recognized gains and losses	\$ 72,461,450	89,280,025	79,073,492	103,173,314

NOTES TO FINANCIAL STATEMENTS

(7) Weighted-average assumptions used to determine net periodic benefit costs as of Dec. 31:

a. Weighted average discount rate	0.027	0.033
b. Expected long-term rate of return on plan assets	0.035	0.040
c. Rate of compensation increase	0.049	0.046
d. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates)	0.018	0.025

Weighted-average assumptions used to determine projected benefit obligations as of Dec. 31:

e. Weighted average discount rate	0.029	0.027
f. Rate of compensation increase	0.050	0.049
g. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates)	0.020	0.018

(8) For measurement purposes, a 6.75% percent annual rate of increase in the per capita cost of covered health care benefits was assumed for 2021. The rate was assumed to decrease gradually to 4.50% percent for 2032 and remain at that level thereafter.

The amount of the accumulated benefit obligation for the defined benefit pension plans was \$222,453,982 for the current year and \$228,818,105 for the prior year.

(9) Not applicable

(10) The following estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the years indicated:

2022	\$ 19,199,463
2023	\$ 20,306,576
2024	\$ 21,232,338
2025	\$ 22,187,691
2026	\$ 23,148,708
2027 thru 2031	\$ 129,817,463

(11) The Company currently intends to make a contribution of \$300,677 to the defined benefit pension plan in 2022 as required by regulation.

(12) Not applicable.

(13) Not applicable.

(14) Not applicable.

(15) Not applicable.

(16) Not applicable.

(17) See items 1-9.

(18) The Company elected to apply the transition guidance to record the surplus impact of adopting SSAP No. 92 - Accounting for Postretirement Benefits Other Than Pensions, SSAP No. 102 Accounting for Pensions, and EITF 06-04 Accounting for Split-Dollar Life Insurance Arrangements in 2013. The full transition surplus impact as of January 1, 2019 was \$3,771,427. During 2019, \$3,771,427 was recognized resulting in an end of year transition liability of \$0.

B.

(1) Information about Plan Assets

NOTES TO FINANCIAL STATEMENTS

The Company recognizes that, based on historical data, the asset classes most likely to produce the greatest return in excess of inflation over time are also likely to exhibit the most volatility. Conversely, the asset classes likely to be the least volatile are likely to produce the lowest return over time. Therefore, the investment philosophies and strategies must take into account both return and risk objectives.

Based on the following considerations, the Company can tolerate a moderate amount of risk while striving to maximize investment returns:

- i. The Company is responsible for financing any unfunded liabilities emerging because of poor investment returns. Therefore, the Company has a direct exposure to risk. While it is important to avoid excessive volatility in investment returns, the Company can tolerate some volatility risk;
- ii. The Company contributes to the Plan in compliance with regulatory requirements and at a level sufficient to finance the defined benefits. The Company will establish these contributions based on the advice of an actuary. However, periodic increases in pension contributions, to finance unfunded liabilities emerging from poorer than expected investment performance, should not significantly affect the Company's overall cash flow. Therefore, the Company can tolerate some volatility of investment returns; and,
- iii. The Plan is managed on a going concern basis, including management of the assets. In the foreseeable future, it is unlikely that there will be any special liquidity demands on the Plan. Thus, shorter-term fluctuations in security values will not have a significant adverse impact on the financial stability of the Plan. Therefore, the Company can tolerate some volatility of investment returns.

Taking into consideration the investment risk and philosophy of the Plan, the Canada Pension Plan weighted-average asset allocation and target allocation for each major category of plan assets is as follows:

	2021	2020	Target Allocation
Debt Securities	55%	55%	55%-80%
Equity Securities	43%	43%	20%-45%
Other	2%	2%	0%-10%
Total	100%	100%	

The investment strategy for each category of Plan assets is as follows:

Fixed maturities: To achieve superior performance against the FTSE TMX Universe Bond Index over a longer time horizon.

Canadian equities: To achieve superior performance against a composite benchmark of Standard & Poor's/Toronto Stock Exchange over a longer time horizon.

Global equities: To achieve superior performance against the MSCI World ex- Canada Index over a longer time horizon.

The Plans' assets are administered by the Liberty Mutual Retirement Committee who has the fiduciary responsibility for management of the Plans' assets in accordance with the Liberty Mutual Retirement Benefit Plan for Canadian Employees Statement of Investment Policies and Procedures.

C.

(1) Fair Value Measurements at December 31, 2021

	(1)	(2)	(3)	(4)	(5)
Description for each class of plan assets	(Level 1)	(Level 2)	(Level 3)	Total	
01. Cash, Cash Equivalents, and Short-term Investments	\$ 260,204	1,373,059	0	1,633,263	
02. Fixed Maturities	0	0	0	0	
03. Corporate and Other	0	15,900,652	0	15,900,652	
04. Foreign Government Securities	0	23,347,281	0	23,347,281	
05. Equities	0	0	0	0	
06. Global Equities	10,019,192	0	0	10,019,192	
07. Canadian Equities	20,808,790	0	0	20,808,790	
Total Plan Assets	\$ 31,088,186	40,620,992	0	71,709,178	

(2) Fair Value Measurements at December 31, 2020

	(1)	(2)	(3)	(4)	(5)
Description for each class of plan assets	(Level 1)	(Level 2)	(Level 3)	Total	
01. Cash, Cash Equivalents, and Short-term Investments	\$ 293,945	1,199,471	0	1,493,416	
02. Fixed Maturities	0	0	0	0	
03. Corporate and Other	0	13,495,181	0	13,495,181	
04. Foreign Government Securities	0	22,793,537	0	22,793,537	
05. Equities	0	0	0	0	
06. Global Equities	9,449,157	0	0	9,449,157	
07. Canadian Equities	18,640,157	0	0	18,640,157	
Total Plan Assets	\$ 28,383,259	37,488,189	0	65,871,448	

D.

Narrative description of expected long term rate of return assumption

NOTES TO FINANCIAL STATEMENTS

The expected long-term rate of return is estimated based on many factors including the expected forecast for inflation, risk premiums for each asset class, expected asset allocation, current and future financial market conditions, and diversification and rebalancing strategies.

E. Defined Contribution Plan

The Company continues to sponsor various contributory defined contribution savings plans for Canadian and certain U.S. employees. The Company's expense charged to operations amounted to approximately \$701,179 and \$583,101 in 2021 and 2020, respectively. The Company's contribution to the contributory defined contribution savings plans is based on the employee contribution amounts and company performance.

F. Multiemployer Plans

Not applicable.

G. Consolidated/Holding Company Plans

The Company participates in noncontributory defined benefit pension plans and contributory defined contribution savings plans sponsored by LMGI, a Holding Company. In addition, the Company provides certain other postretirement benefits to retired employees through a postretirement health and life insurance plan sponsored by LMGI. The Company has no legal obligation for benefits under these plans subsequent to September 24, 2003 except for the minimum required contributions described in Note 14.

The Holding Company allocates costs to the Company pursuant to the Employee Benefits Plans Cost-Sharing Agreement disclosed in Note 10. The Company's cost allocation for the noncontributory defined benefit pension plans was \$13,514,995 and \$4,617,260 for 2021 and 2020, respectively. The Company's cost allocation for the contributory defined contribution savings plans was \$130,795,070 and \$123,821,700 for 2021 and 2020, respectively. The Company's cost allocation for the other postretirement benefit plans was \$14,273,129 and \$79,630,552 for 2021 and 2020, respectively.

H. Postemployment benefits and Compensated Absences

The Company has no obligations to current or former employees for benefits after their employment but before their retirement other than for compensation related to earned vacation. The liability for earned but untaken vacation has been accrued.

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT-04-17)

Not Applicable

13 Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

A. The Company has 100,000 shares authorized, issued and outstanding as of December 31, 2021. All shares have a stated par value of \$100.

The Company has 100,000 shares authorized of Series A Preferred Stock, 7,468 shares issued and outstanding as of December 31, 2021. All shares have a stated par value of \$0.01.

B. On December 31, 2008, the Company issued 7,468 preferred shares, at an issuance price of \$647,660,000, to its parent, LMGI. Dividends, based on the issuance price, are cumulative and payable on a quarterly basis.

C. There are no dividend restrictions.

D. The Company paid dividends to its parent in 2021 of:

Month	Ordinary
March	\$16,191,500
June	\$16,191,500
September	\$16,191,500
December	\$16,191,500
Total	\$64,766,000

E. The maximum amount of dividends which can be paid by Massachusetts-domiciled insurance companies to shareholders without the prior approval of the Insurance Commissioner is the greater of (a) 10% of surplus or (b) net income, subject to the availability of accumulated undistributed earnings. The maximum dividend payout which may be made without prior approval in 2022 is \$ \$2,099,623.

F. The Company does not have restricted unassigned surplus.

G. The Company had no advances to surplus.

H. The Company does not hold stock for special purposes.

I. The Company had changes in special surplus funds resulting from prior year's retroactive reinsurance contracts during 2021.

J. The portion of unassigned funds (surplus) represented or reduced by
cumulative unrealized gains and losses: \$ (3,658,742,972)
after applicable deferred taxes of (\$22,597,605)

K. The company issued the following surplus debentures or similar obligations:

NOTES TO FINANCIAL STATEMENTS

1	2	3	4	5	6	7	8
Item Number	Date Issues	Interest Rate	Original Issue Amount of Note	Is Surplus Note Holder A Related Party (Yes/No)	Carrying Value of Note Prior Year	Carrying Value of Note Current Year	Unapproved Intere And/Or Principal
0	05/18/1995	0.085	150,000,000	NO	139,958,599	139,968,237	0
0	10/21/1996	0.079	250,000,000	NO	227,011,190	227,023,843	0
0	10/15/1997	0.077	500,000,000	NO	256,853,084	256,897,074	0
Total	XXX	XXX	900,000,000	XXX	623,822,873	623,889,154	0

*Total should agree with Page 3, Line 32 of Annual Statement

1	9	10	11	12	13	14
Item Number	Current Year Interest Expense Recognized	Life-To-Date Interest Expense Recognized	Current Year Interest Offset Percentage (not including amounts paid to a 3rd party liquidity provider).	Current Year Principal Paid	Life-To-Date Principal Paid	Date of Maturity
0	11,900,000	327,530,972	0	0	10,000,000	05/15/2025
0	17,882,944	470,233,353	0	0	22,915,000	10/15/2026
0	20,030,134	735,390,001	0	0	239,767,000	10/15/2097
Total	49,813,078	1,533,154,326	XXX	0	272,682,000	XXX

1	15	16	17	18	19
Item Number	Are Surplus Note payments contractually linked? (Y/N)	Surplus Note payments subject to administrative offsetting provisions? (Y/N)	Were Surplus Note proceeds used to purchase an asset directly from the holder of the surplus note? (Y/N)	Is Asset Issuer a Related Party (Y/N)	Type of Assets Received Upon Issuance
0	NO	NO	NO	NO	
0	NO	NO	NO	NO	
0	NO	NO	NO	NO	
Total	XXX	XXX	XXX	XXX	0

1	20	21	23
Item Number	Principal Amount of Assets Received Upon Issuance	Book/Adjusted Carry Value of Assets	Is Liquidity Source a Related Party to the Surplus Note Issuer? (Y/N)
0	0	0	NO
0	0	0	NO
0	0	0	NO
Total	0	0	XXX

The 8.50% surplus debenture listed above was issued pursuant to Rule 144A under the Securities Act of 1993, underwritten by Merrill Lynch & Co., Goldman Sachs & Co. and Salomon Brothers Inc. and is administered by The Bank of New York Mellon as registrar/paying agent. The original amount outstanding was \$150,000,000. In 2009, pursuant to approval from the Massachusetts Division of Insurance, the Company repurchased \$10,000,000 of the outstanding notes. The surplus debenture has the following repayment conditions and restrictions: All interest and maturity payments must be approved by the Massachusetts Division of Insurance.

The 7.875% surplus debenture listed above was issued pursuant to Rule 144A under the Securities Act of 1993, underwritten by CS First Boston, Morgan Stanley & Co. and Salomon Brothers Inc. and is administered by The Bank of New York Mellon as registrar/paying agent. The original amount outstanding was \$250,000,000. In 2009, pursuant to approval from the Massachusetts Division of Insurance, the Company repurchased \$22,915,000 of the outstanding notes. The surplus debenture has the following repayment conditions and restrictions: All interest and maturity payments must be approved by the Massachusetts Division of Insurance.

The 7.697% surplus debenture listed above was issued pursuant to Rule 144A under the Securities Act of 1993, underwritten by CS First Boston, Goldman Sachs & Co. and Merrill Lynch & Co. and is administered by The Bank of New York Mellon as registrar/paying agent. The original amount outstanding was \$500,000,000. In 2009 and 2012, pursuant to approval from the Massachusetts Division of Insurance, the Company repurchased \$64,917,000 and \$174,850,000, respectively, of the outstanding notes. The surplus debenture has the following repayment conditions and restrictions: All interest and maturity payments must be approved by the Massachusetts Division of Insurance.

- L. The impact of any restatement due to prior quasi-reorganizations is as follows:
Not Applicable

NOTES TO FINANCIAL STATEMENTS

M Quasi-Reorganization
Not Applicable

14. Liabilities, Contingencies and Assessments

A. The Company has made no material commitments or contingent commitments on behalf of affiliates.

(2)

	1	2	3	4	5
	Nature and circumstances of guarantee and key attributes, including date and duration of agreement	Liability recognition of guarantee. (Include amount recognized at inception. If no initial recognition, document exception allowed under SSAP No. 5R)	Ultimate financial statement impact if action under the guarantee is required	Maximum potential amount of future payments (undiscounted) the guarantor could be required to make under the guarantee. If unable to develop an estimate, this should be specifically noted. (a)	Current status of payment or performance risk of guarantee. Also provide additional discussion as warranted
01.	The Company guarantees full and punctual payment of all obligations of Liberty Citystate Holdings Pte. Ltd. to Citigroup Inc., its subsidiaries and affiliates. The Company's maximum liability with respect to face amounts of any Letters of Credit will not exceed INR 1,880,000,000 plus reasonable fees and expenses.	Wholly-owned indirect subsidiary	Increase in investment in SCA	25,290,700	Guaranteed affiliate is in compliance with the terms of guaranteed contract
02.	The Company guarantees any undisputed obligations of Liberty Specialty Markets Hong Kong Limited (f/k/a Liberty International Underwriters Ltd. (Hong Kong)) arising out of or in connection with any policy of insurance, contract of reinsurance or surety bond.	Wholly-owned indirect subsidiary Guarantee is considered unlimited	Increase in investment in SCA		We do not believe it is possible to determine the maximum potential amount that could become due under this guarantee in the future. Guaranteed affiliate is in compliance with the terms of guaranteed contract
03.	The Company guarantees the future non-cancellable lease obligations of Liberty Information Technology Ltd. in the amount of \$18,482,188. This guarantee was executed on March 13, 2007. The lease expires in June 2031.	No liability at inception of the guarantee	Increase in investment in SCA	18,482,188	Guaranteed affiliate is in compliance with the terms of guaranteed contract
04.	The Company guarantees the full and punctual payment when due of any undisputed obligations of Liberty Specialty Markets Singapore Pte. Limited (f/k/a Liberty International Underwriters Pte Limited) to an obligee arising out of or in connection with any policy of insurance, contract of reinsurance or Surety Bond issued to the obligee by Liberty International Underwriters Pte Limited. The liability of the Company shall not be limited to any specific sum other than as set forth as an obligation under the obligee's contract.	Wholly-owned indirect subsidiary Guarantee is considered unlimited	Increase in investment in SCA		We do not believe it is possible to determine the maximum potential amount that could become due under this guarantee in the future. Guaranteed affiliate is in compliance with the terms of guaranteed contract
05.	The Company guarantees full and punctual payment of all obligations of Liberty Specialty Markets Hong Kong Limited (f/k/a Liberty International Underwriters Limited) to Citigroup Inc., its subsidiaries and affiliates. The Company's maximum liability with respect to face amounts of any Letters of Credit will not exceed HKD 158,860,000 plus reasonable fees and expenses.	Wholly-owned indirect subsidiary	Increase in investment in SCA	20,376,332	Guaranteed affiliate is in compliance with the terms of guaranteed contract
06.	The Company guarantees obligations of Liberty Mutual Insurance Europe SE ("LMIE") on policies and contracts issued until such time as LMIE can achieve a Standard & Poor's rating as specified in the guarantee. This guarantee was executed April 13, 2006 and shall continue until terminated. A Restated Guarantee was executed on August 29, 2018 to reflect the change in corporate entity of LMIE to a Societas Europaea. All terms of the guarantee remain unchanged.	Wholly-owned indirect subsidiary; Guarantee is considered unlimited	Increase in investment in SCA		We do not believe it is possible to determine the maximum potential amount that could become due under this guarantee in the future. Guaranteed affiliate is in compliance with the terms of guaranteed contract
07.	The Company guarantees that, if America First Insurance Company should suffer any reduction to its capital or surplus as a direct result of a default of an obligor under any "qualifying Louisiana investment" as defined in Louisiana Revised Statutes 22:823, the Company shall pay America First Insurance Company a sufficient amount to reimburse it for such reduction, not exceeding \$5,000,000. As of December 31, 2021, \$4,627,959 in "qualifying Louisiana investment" was held. This guarantee shall remain effective until the Company no longer holds "qualifying Louisiana investments"	Wholly-owned indirect subsidiary	Increase in investment in SCA	4,627,959	Guaranteed affiliate is in compliance with the terms of guaranteed contract
08.	The Company guarantees that, if Liberty Personal Insurance Company should suffer any reduction to its capital or surplus as a direct result of a default of an obligor under any "qualifying Louisiana investment" as defined in Louisiana Revised Statutes 22:823, the Company shall pay Liberty Personal Insurance Company a sufficient amount to reimburse it for such reduction, not exceeding \$7,000,000. As of December 31, 2021, \$7,078,400 "qualifying Louisiana investment" was held. This guarantee shall remain effective until the Company no longer holds "qualifying Louisiana investments".	Wholly-owned indirect subsidiary	Increase in investment in SCA	7,000,000	Guaranteed affiliate is in compliance with the terms of guaranteed contract
09.	The Company guarantees that, if Safeco Insurance Company of Oregon, should suffer any reduction to its capital or surplus as a direct result of a default of an obligor under any "qualifying Louisiana investment", as defined in Louisiana Revised Statutes 22:832, the Company shall pay Safeco Insurance Company of Oregon a sufficient amount to reimburse it for such reduction, not exceeding \$15,000,000. As of December 31, 2021, \$7,987,567 in "qualifying Louisiana investment" was held. This guarantee shall remain effective until the Company no longer owns or controls Safeco Insurance Company of Oregon.	Wholly-owned indirect subsidiary	Increase in investment in SCA	7,987,567	Guaranteed affiliate is in compliance with the terms of guaranteed contract
10.	The Company guarantees obligations of San Diego Insurance Company ("SDIC") under a reinsurance agreement with Golden Eagle Insurance Company (in liquidation) and the California Insurance Commissioner, providing reinsurance of \$190,000,000 in excess of SDIC's existing obligations under an August 21, 1997 agreement, and further guarantees obligations of SDIC under an Aggregate Excess of Loss Reinsurance Agreement dated as of November 30, 2006. These agreements shall continue until there are no longer outstanding liabilities under the reinsurance agreements.	Wholly-owned subsidiary	Increase in investment in SCA	22,492,790	Guaranteed affiliate is in compliance with the terms of guaranteed contract
11.	The Company unconditionally guarantees that in order for Liberty Surplus Insurance Corporation (LSI) to operate as an insurance company in the state of Maine, LSI will maintain capital and surplus levels each in the amount of \$500,000. This guarantee was executed on October 14, 1998 and shall continue until terminated.	Wholly-owned subsidiary	Increase in investment in SCA	1,000,000	Guaranteed affiliate is in compliance with the terms of guaranteed contract
12.	The Company guarantees to cover any overdraft of funds, not exceeding \$500,000,000, in the custodial accounts of any Liberty Mutual Group company with JPMorgan Chase Bank. This guarantee was executed on February 19, 2003 and shall continue until terminated.	No liability at inception of the guarantee	Dividend to Stockholder		We do not believe it is possible to determine the maximum potential amount that could become due under this guarantee in the future. Guaranteed affiliate is in compliance with the terms of guaranteed contract
13.	The Company guarantees undisputed obligations of Liberty Specialty Markets Bermuda Limited (f/k/a Ironshore Insurance Ltd.) to an obligee arising from or in connection with any policy of insurance, contract of reinsurance or surety bond. The guarantee was executed on May 2, 2017.	Guarantee is considered unlimited	Increase in investment in SCA		We do not believe it is possible to determine the maximum potential amount that could become due under this guarantee in the future. Guaranteed affiliate is in compliance with the terms of guaranteed contract
	Total	0	X X X	1,432,360,369	X X X

(a) Pursuant to the terms of the guarantee, the Company would be required to perform in the event of default by the Company, but would also be permitted to take control of the real estate.

NOTES TO FINANCIAL STATEMENTS

(2)

1	2	3	4	5
Nature and circumstances of guarantee and key attributes, including date and duration of agreement	Liability recognition of guarantee. (Include amount recognized at inception. If no initial recognition, document exception allowed under SSAP No. 5R)	Ultimate financial statement impact if action under the guarantee is required	Maximum potential amount of future payments (undiscounted) the guarantor could be required to make under the guarantee. If unable to develop an estimate, this should be specifically noted. (a)	Current status of payment or performance risk of guarantee. Also provide additional discussion as warranted
14. The Company is contingently liable for certain payment obligations of Liberty Corporate Capital Limited and Liberty Corporate Capital (Two) Limited. The Company's obligations have been collateralized by a direct pledge of assets. As of December 31, 2021, there have been no drawings on the collateral.	Wholly-owned subsidiary	Increase in investment in SCA	899,852,833	Guaranteed affiliate is in compliance with the terms of guaranteed contract.
15. The Company is contingently liable for the performance of certain capital contribution obligations of Liberty Specialty Markets Holdco S.L.U. in the aggregate amount of \$425,000,000. The Company's obligations have been collateralized. As of December 31, 2021, there is no current payment obligation.	Wholly-owned subsidiary	Increase in investment in SCA	425,000,000	Guaranteed affiliate is in compliance with the terms of guaranteed contract.
16. The Company guarantees the fulfillment and/or payment of all the rent obligations and any other sums properly due in charge of Liberty Seguros, S.A. de C.V. (the Lessee). The aggregate amount of payments shall not exceed \$250,000. This guarantee was executed on May 12, 2021.	Wholly-owned indirect subsidiary	Increase in investment in SCA	250,000	Guaranteed affiliate is in compliance with the terms of guaranteed contract.
Total	0	X X X	1,432,360,369	X X X

(a) Pursuant to the terms of the guarantee, the Company would be required to perform in the event of default by the Company, but would also be permitted to take control of the real estate.

(3)

a. Aggregate Maximum Potential of Future Payments of All Guarantees (undiscounted) the guarantor could be required to make under guarantees. (Should equal total of Column 4 for (2) above.)

b. Current Liability Recognized in F/S:

- 1. Noncontingent Liabilities
- 2. Contingent Liabilities

c. Ultimate Financial Statement Impact if action under the guarantee is required.

- 1. Investments in SCA
- 2. Joint Venture
- 3. Dividends to Stockholders (capital contribution)
- 4. Expense
- 5. Other
- 6. Total (Should equal (3)a.)

	\$ 1,432,360,369
	\$ 0
	\$ 0
	\$ 1,432,360,369
	\$ 0
	\$ 0
	\$ 0
	\$ 0
	\$ 1,432,360,369

B. Assessments

(1) The Company is subject to guaranty fund and other assessments by the states in which it writes business. Guaranty fund assessments and premium-based assessments are presumed probable when the premium on which the assessments are expected to be based are written. In the case of loss-based assessments, the event that obligates the entity is an entity incurring the losses on which the assessments are expected to be based.

The Company has accrued a liability for guaranty funds and other assessments of \$43,317,291 that is offset by future premium tax credits of \$745,486. Current guaranty fund assessments and assessments based on losses paid are expected to be paid out in the next two years, while premium tax offsets are realized over the period determined by each individual state once the guaranty fund assessment has been paid. The Company continues to remit payment relating to prior year insolvencies.

(2)

a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end

\$ 1,090,009

b. Decreases current year:

01. Premium tax offset applied	\$ 1,090,009
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c. Increases current year:

01. Premium tax offset increase	\$ 745,486
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d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end

\$ 745,486

NOTES TO FINANCIAL STATEMENTS

C. Gain Contingencies

Not Applicable

D. Claims related extra contractual obligations and bad faith losses stemming from lawsuits

Claims related ECO and bad faith losses paid during the reporting period \$ 2,549,443

Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period: (a) 0-25 claims (b) 26-50 claims (c) 51-100 claims (d) 101-500 claims (e) More than 500 claims

Answer (A, B, C, D, or E): D

Indicate whether claim count information is disclosed (f) per claim or (g) per claimant

Answer (F or G): F

E. Product Warranties

Not Applicable

F. Joint and Several Liabilities

The Company is not a participant in any joint and several liabilities.

G. All Other Contingencies

Lawsuits arise against the Company in the normal course of business. Contingent liabilities arising from litigation, income taxes, and other matters are not considered material in relation to the financial position of the Company.

As disclosed in Note 9F, the Company is a member of a controlled group for federal income tax purposes, and that group includes Liberty Mutual Group Inc. ("LMGI"). LMGI is the plan sponsor of the Liberty Mutual Retirement Benefit Plan, a qualified plan under federal law. Pursuant to federal law, if LMGI has not made the minimum required contributions with respect to the Liberty Mutual Retirement Benefit Plan, the Company, jointly and severally with all other members of the controlled group, would be contingently liable to make such contributions.

The Company routinely assesses the collectability of its premium receivable balances. The Company does not believe the amounts in excess of non-admitted amounts are material.

The Company refunded all premium and interest held in an escrow fund to certain of its policyholders in accordance with North Carolina General Statutes § 58-36-25(b). These distributions represented the full disposition of the Company's escrow fund.

15. Leases.

A. Lessee Leasing Arrangements

a. See below

(1)

a. The Company leases office space, plant and equipment under various non-cancelable operating lease arrangements. The Company's minimum lease obligations, including sales-leaseback transactions, under these agreements are as follows:

b. See below

c. See below

(2)

a. At January 1, 2022, the minimum aggregate rental commitments are as follows: (Dollars in thousands)

Operating Leases

Year Ending December 31 Operating Leases

2022 (as seen in Notes text)	\$ 33,864,809
2023 (as seen in Notes text)	\$ 35,845,506
2024 (as seen in Notes text)	\$ 34,639,885
2025 (as seen in Notes text)	\$ 23,107,150
2026 (as seen in Notes text)	\$ 15,544,550
2027 & thereafter	\$ 21,419,398
Total	\$ 164,421,298

(3) The amount of liability the Company recognized in its financial statements for lease agreements for which it is no longer using the leased property benefits is \$53,042,017.

The Company's sales-leaseback transactions are included in the operating lease obligations.

In the 1st quarter of 2021, the Company entered into two sale-leaseback transactions with unaffiliated third parties to sell and leaseback certain fixed assets. The Company sold these assets for \$237.5M, receiving cash on the transaction date, which resulted in deferred gains of \$12.8M to be amortized over the lease terms. The leases have three-year terms that expire in 2024. The total lease payments will be \$240.2M.

In the 4th quarter of 2021, the Company entered into four sale-leaseback transactions with unaffiliated third parties to sell and leaseback select internally developed software. The Company sold these assets for \$520.3M, receiving cash on the transaction dates, which resulted in deferred gains of \$14.7M to be amortized over the lease terms. The leases have five-year terms that expire in 2026. The total lease payments will be \$543.4M.

B. Leasing as a Significant Part of Lessors's Business Activities

NOTES TO FINANCIAL STATEMENTS

- a. Leasing is not a significant part of the Company's business activities.

16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

The notional amounts specified in the agreements are used to calculate the exchange of contractual payments under the agreements and are generally not representative of the potential for gain or loss on these agreements.

- (1) The table below summarizes the face amount of the Company's financial instruments with off-balance-sheet risk.

	ASSETS		LIABILITIES	
	2021	2020	2021	2020
	(years as seen in Notes text)		(years as seen in Notes text)	
a. Swaps	\$ 0	0	125,000,000	0
b. Futures	\$ 13,548,000	0	4,524,000	14,576,000
c. Options	\$ 0	0	0	0
d. Totals	\$ 13,548,000	0	129,524,000	14,576,000

See Schedule DB of the Company's annual statement for additional detail.

- (2) The credit risk, market risk, cash requirements, and accounting policies of the Company's derivative instruments utilized during 2021 and 2020 are discussed in Note 8.
- (3) The Company is exposed to credit-related losses in the event of nonperformance by counterparties to financial instruments, but it does not expect any counterparties to fail to meet their obligations given their high credit ratings. The credit exposure is represented by the fair value of contracts with a positive statement value at the reporting date. Because exchange-traded futures are affected through a regulated exchange and positions are marked to market on a daily basis, the Company has little exposure to credit-related losses in the event of nonperformance by counterparties to such financial instruments. The Company has not incurred any losses on derivative financial instruments due to counterparty non-performance.
- (4) The Company is required to put up collateral for any futures contracts that are entered. The Company pledges or obtains collateral when certain predetermined exposure limits are exceeded. The amount of collateral that is required is determined by the exchange on which it is traded and is typically in the form of cash. The Company currently puts up cash and U.S. Treasury Bonds to satisfy this collateral requirement.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

- (1) The company does not have any transfers of receivables reported as sales.
- (2) Not applicable

B. Transfers and Servicing of Financial Assets

- (1) The Company participates in a Securities Lending Program to generate additional income, whereby certain fixed income and mortgage backed securities are loaned for a period of time from the Company's portfolio to qualifying third parties, via a lending agent. The company does not participate in term loans; therefore, the company does not have contractual collateral transactions that extend beyond one year from the reporting date. Borrowers of these securities provide collateral equal to or in excess of 102% of the market value of the loaned securities. Acceptable collateral may be in the form of cash or U.S. Government securities, such as Treasuries and Agency Bonds. The market value of the loaned securities is monitored and additional collateral is obtained if the market value of the collateral falls below 102% of the market value of the loaned securities. Additionally, the lending agent indemnifies the Company against borrower defaults. Cash collateral is carried as an asset with an offsetting liability on the balance sheet, as the collateral is unrestricted and the Company can exercise discretion as to how the collateral is invested. The loaned securities remain a recorded asset of the Company.

At December 31, 2021 the total fair value of securities on loan was \$1,799,373,310 with corresponding collateral value of \$1,971,849,497 of which \$1,693,613,419 represents cash collateral that was reinvested.

C. Wash Sales:

- (1) 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

The Company has no direct premiums written or produced through managing general agents or third party administrators.

20. Fair Value Measurements

A. Inputs Used for Assets and Liabilities Measured at Fair Value

NOTES TO FINANCIAL STATEMENTS

Fair Value Measurements by Levels 1, 2 and 3

Fair value is the price that would be received to sell an asset or would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Company primarily uses the market approach which generally utilizes market transaction data for identical or similar instruments.

Included in various investment related line items in the financial statements are certain financial instruments carried at fair value. Other financial instruments are periodically measured at fair value, such as when impaired, or, for certain bonds and preferred stock, when carried at the lower of cost or market.

The hierarchy level assigned to each security in the Company's portfolio is based on the Company's assessment of the transparency and reliability of the inputs used in the valuation of each instrument at the measurement date. The highest priority is given to unadjusted quoted prices in active active markets for identical assets (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Securities are classified based on the lowest level of input that is significant to the fair value measurement. The Company recognizes transfers between levels at the end of each reporting period. The three hierarchy levels are defined as follows:

- Level 1 — Valuations based on unadjusted observable quoted market prices in active markets for identical assets or liabilities that the Company has the ability to access.
- Level 2 — Valuations based on observable inputs (other than Level 1 prices), such as quoted prices for similar assets or liabilities at the measurement date, quoted prices in markets that are not active, or other inputs that are observable, either directly or indirectly.
- Level 3 — Valuations based on inputs that are unobservable and significant to the overall fair value measurement and involve measurement judgment. The unobservable inputs reflect the Company's estimates of the assumptions that market participants would use in valuing the assets and liabilities.

(1) Fair Value Measurements at Reporting Date

(1) Description	(2) (Level 1)	(3) (Level 2)	(4) (Level 3)	(6) Net Asset Value	(7) Total
a. Assets at fair Value					
01. Bonds	\$ 0	0	0	0	0
02. Residential MBS	\$ 0	141,482	0	0	141,482
03. Commercial MBS	\$ 0	0	0	0	0
04. Other MBS and ABS	\$ 0	75,595,233	0	0	75,595,233
05. U.S. State and municipal	\$ 0	0	17,404,857	0	17,404,857
06. Corporate and other	\$ 0	499,444,007	53,315,328	0	552,759,335
07. Foreign government securities	\$ 0	67,540,871	0	0	67,540,871
09. Preferred Stocks	\$ 0	0	1,800,000	0	1,800,000
11. Common Stocks	\$ 676,474,096	7,315,310	16,456,391	0	700,245,797
12. Derivative Assets	\$ 245,094	0	0	0	245,094
Total assets at fair value	\$ 676,719,190	650,036,903	88,976,576	0	1,415,732,669

b. Liabilities at fair value					
01. Derivative Liabilities	\$ 0	695,963	0	0	695,963
Total liabilities at fair value	\$ 0	695,963	0	0	695,963

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Beginning Balance at 01/01/2021	Transfers in- to Level 3 (a)	Transfers out of Level 3 (b)	Total gains and (losses) included in Net income	Total gains and (losses) included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2021
Assets:										
Bonds	\$ 0	0	0	0	0	0	0	0	0	0
Residential MBS	\$ 0	0	0	0	0	0	0	0	0	0
Commercial MBS	\$ 0	0	0	0	0	0	0	0	0	0
Other MBS and ABS	\$ 0	0	0	0	0	0	0	0	0	0
U.S. State and municipal	\$ 0	17,743,986	0	0	(339,129)	0	0	0	0	17,404,857
Corporate and other	\$ 21,100,971	23,537,947	(50,184,692)	147,182	(527,117)	73,731,834	0	(14,490,799)	0	53,315,326
Foreign government securities	\$ 0	0	0	0	0	0	0	0	0	0
Preferred Stocks	\$ 1,800,000	0	0	0	0	0	0	0	0	1,800,000
Common Stocks	\$ 16,000,000	0	0	0	(3,598)	993,189	0	(533,200)	0	16,456,391
Total	\$ 38,900,971	41,281,933	(50,184,692)	147,182	(869,844)	74,725,023	0	(15,023,999)	0	88,976,574

(3) Policy on Transfers Into and Out of Level 3

The Company holds NAIC designated 6 fixed maturity securities at the lower of amortized cost or fair value defined by SSAP No. 26, Bonds and NAIC designated 4-6 preferred stocks at the lower of cost or fair value as defined by SSAP No. 32, Investments in Preferred Stock. Market fluctuations cause securities to change from being held at cost or amortized cost to fair value or vice versa. These changes result in a transfer in or out of Level 3. In addition, the Company also transfers securities into or out of level 3 as a result of re-evaluation of the observability of pricing inputs.

NOTES TO FINANCIAL STATEMENTS

(4) Inputs and Techniques Used for Fair Value

Fixed Maturities

At each valuation date, the Company uses various valuation techniques to estimate the fair value of its fixed maturities portfolio. The primary method for valuing the Company's securities is through independent third-party valuation service providers. For positions where valuations are not available from independent third-party valuation service providers, the Company utilizes broker quotes and internal pricing methods to determine fair values. The Company obtains a single non-binding price quote from a broker familiar with the security who, similar to the Company's valuation service providers, may consider transactions or activity in similar securities, as applicable, among other information. The brokers providing price quotes are generally from the brokerage divisions of leading financial institutions with market making, underwriting and distribution expertise regarding the security subject to valuation. The evaluation and prioritization of these valuation sources is systematic and predetermined resulting in a single quote or price for each financial instrument. The following describes the techniques generally used to determine the fair value of the Company's fixed maturities by asset class:

U.S. Government and Agency Securities

U.S. government and agency securities consist primarily of bonds issued by the U.S. Treasury and mortgage pass-through agencies such as the Federal Home Loan Bank, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. As the fair values of the Company's U.S. Treasury securities are based on active markets and unadjusted market prices, they are classified within Level 1. The fair value of U.S. government agency securities is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, reported trades, bids, offers and credit spreads. Accordingly, the fair value of U.S. government agency securities is classified within Level 2.

Mortgage-Backed Securities

The Company's portfolio of residential mortgage-backed securities ("MBS") and commercial MBS are originated by both agencies and non-agencies, the majority of which are pass-through securities issued by U.S. government agencies. The fair value of MBS is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, contractual cash flows, prepayment speeds, collateral performance and credit spreads. Accordingly, the fair value of MBS is primarily classified within Level 2.

Asset-Backed Securities

Asset-backed securities ("ABS") include mostly investment-grade bonds backed by pools of loans with a variety of underlying collateral, including automobile loan receivables, credit card receivables, and collateralized loan obligation securities originated by a variety of financial institutions. The fair value of ABS is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, contractual cash flows, prepayment speeds, collateral performance and credit spreads. Accordingly, the fair value of ABS is primarily classified within Level 2.

Municipal Securities

The Company's municipal portfolio is comprised of bonds issued by U.S. domiciled state and municipal entities. The fair value of municipal securities is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, binding broker quotes, issuer ratings, reported trades and credit spreads. Accordingly, the fair value of municipal securities is primarily classified within Level 2.

Corporate debt and other

Corporate debt securities consist primarily of investment-grade debt of a wide variety of corporate issuers and industries. The fair value of corporate and other securities is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, new issuances, issuer ratings, reported trades of identical or comparable securities, bids, offers and credit spreads. Accordingly, the fair value of corporate and other securities is primarily classified within Level 2. In the event third-party vendor valuation is not available, prices are determined using non-binding price quotes from a broker familiar with the security. In this instance, the valuation inputs are generally unobservable and the fair value is classified within Level 3.

Foreign government securities

Foreign government securities include bonds issued or guaranteed by foreign governments. The fair value of foreign government securities is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active, benchmark yields, binding broker quotes, issuer ratings, reported trades of identical or comparable securities and credit spreads. Accordingly, the fair value of foreign government securities is primarily classified within Level 2. In the event third-party vendor valuation is not available, prices are determined using non-binding price quotes from a broker familiar with the security. In this instance, the valuation inputs are generally unobservable and the fair value is classified within Level 3.

Common and Preferred Stocks

Common stocks are recorded at fair value and preferred stocks are reported at cost or fair value, depending on their NAIC designation. Common stocks with fair values based on quoted market prices in active markets are classified in Level 1. Common stocks with fair values determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active are classified in Level 2. The fair value of preferred stock is generally determined using observable market inputs that include quoted prices for identical or similar assets in markets that are not active. Accordingly, the fair value of preferred stock is primarily classified within Level 2.

Other Invested Assets

Other invested assets include limited partnership investments, other equity method investments and other alternative investments, which are not subject to these disclosures and therefore are excluded from the table in this note.

Derivatives

Derivatives can be exchange-traded or traded over-the-counter ("OTC"). OTC derivatives are valued using market transactions and other market evidence whenever possible, including market based inputs to models, model calibration to market clearing transactions, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. When models are used, the selection of a particular model to value an OTC derivative depends on the contractual terms of, and specific risks inherent in the instrument, as well as the availability of pricing information in the market. The Company generally uses similar models to value similar instruments. Valuation models require a variety of inputs, including contractual terms, market prices and rates, yield curves, credit curves, measures of volatility, prepayment rates and correlations of such inputs. For OTC derivatives that trade in liquid markets, such as generic forwards, swaps and options, model inputs can generally be corroborated by observable market data by correlation or other means, and model selection does not involve significant management judgement. The fair value of derivatives using models with observable inputs are classified as Level 2 within the fair value hierarchy and the fair value of derivatives using models with unobservable inputs are classified as Level 3 within the fair value hierarchy.

B. Other Fair Value Disclosures

Not Applicable

C. Aggregate Fair Value of All Financial Instruments

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets				Net Asset Value (NAV)	Not Practicable (Carrying Value)
			(Level 1)	(Level 2)	(Level 3)		
01 Cash, Cash Equivalents & Short Term	\$ 2,234,362,211	2,234,770,744	319,390,623	1,318,265,745	9,891,389	586,814,454	0
02 Bonds	\$ 21,620,648,023	21,233,781,673	3,880,919,144	16,385,349,686	1,354,379,193	0	0
03 Preferred Stock	\$ 2,303,100	2,303,100	0	503,100	1,800,000	0	0
04 Common Stock	\$ 700,245,797	699,256,208	676,474,096	7,315,310	16,456,391	0	0
05 Securities Lending	\$ 1,693,625,737	1,693,613,419	0	1,693,625,737	0	0	0
06 Mortgage Loans	\$ 1,031,594,136	1,031,895,507	0	0	1,031,594,136	0	0
07 Surplus Notes	\$ 60,583,302	63,232,988	0	3,207	60,580,096	0	0
Total	\$ 27,342,911,437	26,958,402,770	4,877,028,957	19,404,366,822	2,474,701,205	586,814,454	0

NOTES TO FINANCIAL STATEMENTS

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Practicable (Carrying Value)
09 Net Derivatives	\$ (450,869)	(450,869)	245,094	(695,963)	0	0	0
Total	\$ 27,342,911,437	26,958,402,770	4,877,028,957	19,404,366,822	2,474,701,205	586,814,454	0

D. Reasons Not Practical to Estimate Fair Value

Not Applicable

E. Instruments Measures at Net Asset Value (NAV)

- (1) The Company elected to use NAV for all money market mutual funds in lieu of fair value as NAV is more readily available. These funds are backed by high quality, very liquid short-term instruments and the probability is remote that the funds would be sold for a value other than NAV.

21. Other items

A. Unusual or Infrequent Items

The Company has no unusual or infrequent items to report.

B. Troubled Debt Restructuring

Not Applicable

C. Other Disclosures

1. Florida Special Disability Trust Fund

- a. The Company took a credit in the determination of its loss reserves of \$8,371,798 in 2021 and \$5,342,559 in 2020.
b. The Company received payments from the Special Disability Trust Fund of \$416,111 in 2021 and \$500,577 in 2020.
c. The amount the Company was assessed by the Special Disability Trust Fund was \$10 in 2021 and \$11 in 2020

D. Business Interruption Insurance Recoveries

Not Applicable

E. State Transferable Tax Credits

(1) Description of State Transferrable Tax Credits

Carrying value of transferable and non-transferable state tax credits gross of any related state tax liabilities and total unused transferable and non-transferable state tax credits by state and in total

(1) Description of State Transferable Tax Credits	State	Carrying Value	Unused Amount
01. Brownfield Credit	MA	5,000,288	5,000,288
02. Film Credit	RI	23,125	23,125
03. Film Credit	MA	2,170,299	2,170,299
Total		7,193,712	7,193,712

(2) Method of Estimating Utilization of Remaining Transferable and Non-transferable State Tax Credits

The Company estimated the utilization of the remaining transferable and non-transferable State Tax credits by projecting future premium taking into account policy growth and rate changes, projecting future tax liability based on projected premium, tax rates and tax credits, and comparing projected future tax liability to the availability of remaining transferable and non-transferable state tax credits.

(3) Impairment Loss

The Company has not recognized any impairment losses associate with its transferable and non-transferable state tax credits during the reporting period.

(4) State Tax Credits Admitted and Nonadmitted

	Total Admitted	Total Non-Admitted
a. Transferable	7,193,712	0
b. Non-transferable	0	0

F. Subprime-Mortgage-Related Risk Exposure

NOTES TO FINANCIAL STATEMENTS

(1) The Company has not purchased securities characterized by the market as subprime. The Company looks at such factors as average FICO scores, loan to value ratios, and levels of documentation when evaluating securities. The Company's only exposure to subprime was inherited through past acquisitions of insurance companies.

(2) Direct exposure through investments in subprime mortgage loans.

	1	2	3	4	5
	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Value of Land and Buildings	Other-Than- Temporary Impairment Losses Recognized	Default Rate
a. Mortgages in the process of foreclosure	0	0	0	0	0
b. Mortgages in good standing	0	0	0	0	0
c. Mortgages with restructure terms	0	0	0	0	0
d. Total	0	0	0	0	0

(3) Direct exposure through other investments.

	1	2	3	4
	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other-Than- Temporary Impairment Losses Recognized
a. Residential mortgage-backed securities	198,436	208,536	207,137	173,941
b. Commercial mortgage-backed securities	0	0	0	0
c. Collateralized debt obligations	0	0	0	0
d. Structured securitie	0	0	0	0
e. Equity investment in SCAs *	0	0	0	0
f. Other assets	0	0	0	0
g. Total	198,436	208,536	207,137	173,941

*ABC Company's subsidiary XYZ Company has investments in subprime mortgages. These investments comprise _____% of the companies invested assets. 0.000

(4) Underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage.

	1	2	3	4
	Losses Paid in the Current Year	Losses Incurred in the Current Year	Case Reserves at End of Current Period	IBNR Reserves at End of Current Period
a. Mortgage Guaranty Coverage	0	0	0	0
b. Financial Guaranty Coverage	0	0	0	0
c. Other Lines (specify):	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
	0	0	0	0
d. Total	0	0	0	0

G. Insurance-Linked Securities (ILS) Contracts

Management of Risk Related To:

(1) Directly Written Insurance Risks

	1	2
	Number of Outstanding ILS Contracts	Aggregate Maximum Proceeds
a. ILS Contracts as Issuer	0	0
b. ILS Contracts as Ceding Insurer	3	600,000,000
c. ILS Contracts as Counterparty	0	0

(2) Assumed Insurance Risks

	1	2
	Number of Outstanding ILS Contracts	Aggregate Maximum Proceeds
a. ILS Contracts as Issuer	0	0
b. ILS Contracts as Ceding Insurer	0	0
c. ILS Contracts as Counterparty	0	0

NOTES TO FINANCIAL STATEMENTS

- H. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy

Not Applicable

22. Events Subsequent

The Company evaluated subsequent events through February 22, 2022, the date the annual statement was available to be issued.

There were no events subsequent to December 31, 2021 that would require disclosure.

The Company did not receive any assessments under the Affordable Care Act.

23. Reinsurance

- A. Unsecured Reinsurance Recoverables

Excluding amounts arising pursuant to the Liberty Mutual Amended and Restated Intercompany Reinsurance Agreement, the following are the unsecured reinsurance recoverable or ceded unearned premium of an individual reinsurer which exceed 3% of policyholder's surplus.

Reinsurer	NAIC No.	Federal ID No.	Reinsurer
Swiss Re Group			
North American Elite Insurance Co	29700	13-3440360	
North American Specialty Insurance Co	29874	02-0311919	
Swiss Re Life & Health America Inc	82627	06-0839705	
Swiss Reinsurance America Corp	25364	13-1675535	
Westport Insurance Corp	39845	48-0921045	
Swiss Re Australia LTD	00000	AA-1934100	
Swiss Re Europe S.A.	00000	AA-1370021	
Swiss Re Frankona Ruck	00000	AA-1340090	
Swiss Re International SE	00000	AA-1121405	
Swiss Re Life & Health Canada	00000	AA-1560016	
Swiss Reinsurance Co Limited	00000	AA-1460146	
Swiss Reinsurance Co UK LTD	00000	AA-1121400	
Union Ruckversicherungs-Gesell Schaft	00000	AA-1460155	
Swiss Re Group Total			\$1,002,187,145
National Workers' Compensation Reinsurance	00000	AA-9992118	\$1,335,329,000
Total			\$2,337,516,145

- B. Reinsurance Recoverable in Dispute

Not Applicable

- C. REINSURANCE ASSUMED AND CEDED

- (1) Report the maximum amount of return commission which would have been due reinsurers....

	Assumed		Ceded		Net	
	Premium Reserve (1)	Commission Equity (2)	Premium Reserve (3)	Commission Equity (4)	Premium Reserve (5)	Commission Equity (6)
a. Affiliates	\$ 17,460,411,476	4,543,514	9,317,806,188	6,258,233	8,142,605,288	(1,714,719)
b. All Other	\$ 666,203,708	166,067,579	1,451,811,521	246,834,793	(785,607,813)	(80,767,214)
c. TOTAL	\$ 18,126,615,184	170,611,093	10,769,617,709	253,093,026	7,356,997,475	(82,481,933)
d. Direct Unearned Premium Reserve	\$ 1,749,968,371					

Line (c) of Column 3 must Equal page 3, Line 9, first inside amt.

- (2) Additional or return commission ... on any form of profit sharing arrangements

Certain contracts provide for additional or return commissions based on the actual loss experience of the produced or reinsured business. Amounts accrued at December 31, 2021 are as follows:

REINSURANCE	Direct	Assumed	Ceded	Net
a. Contingent Commission	\$ 17,425,775	490,849,759	256,549,690	251,725,844
b. Sliding Scale Adjustments	\$ 0	0	0	0
c. Other Profit Commission Arrangements	\$ 0	0	0	0
d. TOTAL	\$ 17,425,775	490,849,759	256,549,690	251,725,844

- D. UNCOLLECTIBLE REINSURANCE

NOTES TO FINANCIAL STATEMENTS

(1) The company has written off in the current year reinsurance balances due (from the companies listed below) in the amount of

\$ 490,358

which is reflected as:

a.	Losses incurred	\$ 876,014
b.	Loss adjustment expenses incurred	\$ 85,730
c.	Premiums earned	\$ (471,386)
d.	Other	\$ 0

e.

	Company	Amount
01.	Renaissance Reinsurance Ltd.	\$ 333,853
02.	Lloyd's Underwriters	\$ 321,610
03.	Munich Reinsurance America Inc	\$ 305,168
04.	Insurance Co of North America	\$ 177,574
05.	Renaissance Reinsurance US	\$ (149,766)
06.	General Reinsurance Corp	\$ 145,370
07.	All Other	\$ (153,092)
08.	Peerless Insurance Company, 24198	\$ (196,143)
09.	Employers Insurance Company of Wausau, 21458	\$ (78,457)
10.	Liberty Mutual Fire Insurance Company, 23035	\$ (78,457)
11.	The Ohio Casualty Insurance Company, 24074	\$ (78,457)
12.	Safeco Insurance Company of America, 24740	\$ (58,843)
13.	TOTAL	\$ 490,358

E. COMMUTATION OF CEDED REINSURANCE

The Company commuted several ceded reinsurance treaties in the current year with the reinsurers listed below. The net effect of all commutations was a decrease in Net Income of \$37,732. This amount is shown below by Income Statement classification and by reinsurer.

The company has reported in its operations in the current year as a result of commutation of reinsurance with the companies listed below, amounts that are reflected as:

(1)	Losses Incurred	\$ (37,732)
(2)	Loss adjustment expenses incurred	\$ 0
(3)	Premiums Earned	\$ 0
(4)	Other	\$ 0

(5)

	Company	Amount
01.	Ethanol Risk Management Spc, Ltd.	\$ (424,254)
02.	UPINSCO	\$ 348,790
03.	All Other	\$ 0
04.	Peerless Insurance Company, 24198	\$ 15,093
05.	Employers Insurance Company of Wausau, 21458	\$ 6,037
06.	Liberty Mutual Fire Insurance Company, 23035	\$ 6,037
07.	The Ohio Casualty Insurance Company, 24074	\$ 6,037
08.	Safeco Insurance Company of America, 24740	\$ 4,528
09.	TOTAL	\$ (37,732)

F. RETROACTIVE REINSURANCE

NOTES TO FINANCIAL STATEMENTS

(1)	Reported Company	
	As:	
	Assumed	Ceded
a. Reserves Transferred:		
1. Initial Reserves	\$ 944,472,697	2,228,591,920
2. Adjustments - Prior Year(s)	\$ (488,692,622)	32,496,390
3. Adjustments - Current Year	\$ 474,246,893	221,768,886
4. Current Total	\$ 930,026,968	2,482,857,196
b. Consideration Paid or Received:		
1. Initial Consideration	\$ 990,362,112	2,360,727,202
2. Adjustments - Prior Year(s)	\$ 14,829,212	42,765,075
3. Adjustments - Current Year	\$ 577,111,080	288,555,540
4. Current Total	\$ 1,582,302,404	2,692,047,817
c. Paid Losses Reimbursed or Recovered:		
1. Prior Year(s)	\$ 581,909,633	380,888,882
2. Current Year	\$ 8,364,196	5,801,994
3. Current Total	\$ 590,273,829	386,690,876
d. Special Surplus from Retroactive Reinsurance:		
1. Initial Surplus Gain or Loss	\$ 61,344,869	130,322,438
2. Adjustments - Prior Year(s)	\$ (78,387,799)	(328,889,923)
3. Adjustments - Current Year	\$ 94,499,991	56,263,146
4. Current Year Restricted Surplus	\$ 251,909	(177,940,453)
5. Cumulative Total Transferred to Unassigned Funds	\$ 77,708,970	(320,244,792)
e. All cedents and reinsurers involved in all transactions included in summary totals above:		

Column 1: Cedents and Reinsurers Company Name	Assumed Amt	Ceded Amt
01 Lloyd's Syndicate, AA-1120098	\$ 24,975,873	0
02 Great American Insurance Company, 16691	\$ 34,812,886	0
03 Liberty Mutual Insurance Europe, AA-1120855	\$ 869,501,461	0
04 Wetteureau Insurance Co LTD., AA-3191047	\$ 110,410	0
05 Employers Insurance Company of Wausau, 21458	\$ (250,004)	0
06 Ironshore Indemnity Inc., 23647	\$ 876,343	0
07 Ironshore Specialty Insurance Co., 25445	\$ 0	0
08 National Indemnity Co, 20087	\$ 0	3,980,632,784
09 Federal Insurance Company, 20281	\$ 0	39,923,891
10 Munich Reinsurance America Inc., 10227	\$ 0	9,294,638
11 Swiss Reinsurance America Corporation, 25364	\$ 0	2,101,613
12 Liberty Mutual Insurance Company, 04-1543470	\$ 0	(2,038,121)
13 Westport Insurance Corporation, 39845	\$ 0	3,175,181
14 American National Insurance Company, 60739	\$ 0	774,514
15 Everest Reinsurance Co., 22-2005057	\$ 0	1,066,368
16 Legion Insurance Co., 23-1892289	\$ 0	326,391
17 Reliastar Life Insurance Company, 67105	\$ 0	272,803
18 Nokatus Insurance Co Limited, AA-0000000	\$ 0	53,322
19 American United Life Insurance Company, 60895	\$ 0	54,253
20 Continental Casualty Co, 20443	\$ 0	54,561
21 Other	\$ 0	(4,776)
22 Peerless Insurance Company, 24198	\$ 0	(621,132,091)
23 Employers Insurance Company of Wausau, 21458	\$ 0	(248,452,836)
24 Liberty Mutual Fire Insurance Company, 23035	\$ 0	(248,452,836)
25 The Ohio Casualty Insurance Company, 24074	\$ 0	(248,452,836)
26 Safeco Insurance Company of America, 24740	\$ 0	(186,339,627)
Total*	\$ 930,026,969	2,482,857,196

* Total amounts must agree with totals in a. 4 above. Include the NAIC Company Code or Alien Insurer Identification Number for each ins

NOTES TO FINANCIAL STATEMENTS

g. There are no Paid Loss/Loss Adjustment Expense amounts recoverable or amounts recoverable from unauthorized reinsurers:

There are no reinsurance contracts covering losses that have occurred prior to the inception of the contract that have not been accounted for in conformity with the NAIC Accounting Practices and Procedures Manual.

The following are material retroactive reinsurance agreements that the company has entered into recently:

On November 5, 2019, the company entered into a reinsurance transaction with National Indemnity Company ("NICO"), a subsidiary of Berkshire Hathaway Inc, on a combined aggregate excess of loss agreement for certain U.S. Business Lines and National Insurance workers compensation liabilities, commercial auto liability and general liability excluding umbrella and warranty.

In conjunction with the Ironshore acquisition and effective May 1, 2017, Ironshore entered into a reinsurance transaction with National Indemnity Company ("NICO"), a subsidiary of Berkshire Hathaway Inc., on a combined aggregate excess of loss agreement providing coverage for substantially all of Ironshore's reserves related to losses occurring prior to January 1, 2017. This agreement is being accounted for as retroactive reinsurance.

On July 17, 2014, Liberty Mutual Insurance reached a definitive agreement with NICO, on a combined aggregate adverse development cover for substantially all of Liberty Mutual Insurance's U.S. workers compensation, asbestos and environmental liabilities. The agreement, accounted for as retroactive reinsurance, is effective January 1, 2014.

G. Reinsurance Accounted for as a Deposit

At December 31, 2021, the deposit receivable balance for reinsurance contracts accounted for under the deposit method was (\$297,803).

At December 31, 2021, the deposit liability balance for reinsurance contracts accounted for under the deposit method was \$20,798,484.

H. Disclosures for the Transfer of Property and Casualty Run-off Agree

The Company has not entered into any agreements which have been approved by their domiciliary regulator and have qualified pursuant to SSAP No. 62R, Property and Casualty Reinsurance to receive P&C Run-off Accounting Treatment.

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

b. The Certified Reinsurers that the Company transacts business with were not Downgraded or Status Subject to Revocation.

(2) Reporting Entity's Certified Reinsurer Rating Downgraded or Status Subject to Revocation

b. The Company is not a Certified Reinsurer.

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

The Counterparty reporting party does not apply to the Company.

K. Reinsurance Credit

The Company has not entered into any agreements covering health business.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A. Accrued retrospective premiums reported in Line 15.3 of the asset page have been determined based upon loss experience on business subject to such experience rating adjustment.

B. The Company records accrued retrospective premium as an adjustment to earned premium.

C. For detail of net premium written subject to retrospective rating features refer to Schedule P, Part 7A.

D. Medical loss ratio rebates required pursuant to the Public Health Service Act.

Not Applicable

E.

(1) For Ten Percent (10%) Method of determining Non-admitted

Ten Percent of the amount of accrued retrospective premiums not offset by retrospective return premiums, other liabilities to the same party (other than loss and loss adjustment expense reserves), or collateral as permitted by SSAP No. 66, Retrospectively Rated Contracts, has been nonadmitted.

a. Total accrued retro premiums	\$ 86,472,729
b. Unsecured amount	\$ 0
c. Less: Nonadmitted amount (10%)	\$ 8,748,775
d. Less: Nonadmitted for any person for whom agents' balances	\$ 0
e. Admitted amount (a) - (c) - (d)	\$ 77,723,954

NOTES TO FINANCIAL STATEMENTS

(2) For Quality Rating Method of Determining Nonadmitted Retro. Premium

Not Applicable.

Insured's Current Q Rating	Total Amount	Unsecured Balances	%	Nonadmitted Amount	Admitted Amount
	a. 1	\$ 0	0	0.01	0
b. 2	\$ 0	0	0.02	0	0
c. 3	\$ 0	0	0.05	0	0
d. 4	\$ 0	0	0.10	0	0
e. 5	\$ 0	0	0.20	0	0
f. 6	\$ 0	0	1.00	0	0
g. Nonadmitted for any person for whom agents' balances are nonadmitted					0
h. Total (a) through (f) - (g)	\$ 0	0		0	0

F.

(1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions (YES/NO)?

NO

The Company did not receive any assessments under the Affordable Care Act.

25. Changes in Incurred Losses and Loss Adjustment Expenses

A. Incurred loss and loss adjustment expense attributable to insured events on prior years increased through the fourth quarter of 2021. The increase was driven by reserve adjustments on General Liability and Reinsurance - Nonproportional Assumed Property lines. These increases were partially offset by decreases in reserve estimates for Workers' Compensation, Auto Physical Damage, Homeowners', Special Property, Private Passenger Auto, and Commercial Multi-Peril lines. Prior estimates are revised as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements

The Company is a member of the Liberty Mutual Second Amended and Restated Intercompany Reinsurance Agreement consisting of the following affiliated companies:

	NAIC Company Number	Pooling Companies	Line of Business	
Lead Company:	Liberty Mutual Insurance Company ("LMIC")	23043	50.00%	All Lines
Affiliated	Peerless Insurance Company ("PIC")	24198	20.00%	All Lines
Pool Companies:	Employers Insurance Company of Wausau ("EICOW")	21458	8.00%	All Lines
	Liberty Mutual Fire Insurance Company ("LMFIC")	23035	8.00%	All Lines
	The Ohio Casualty Insurance Company ("OCIC")	24074	8.00%	All Lines
	Safeco Insurance Company of America ("SICOA")	24740	6.00%	All Lines
	American Economy Insurance Company ("AEIC")	19690	0.00%	All Lines
	America First Insurance Company ("AFIC")	12696	0.00%	All Lines
	America Fire and Casualty Company ("AFCIC")	24066	0.00%	All Lines
	America First Lloyd's Insurance Company ("AFLIC")	11526	0.00%	All Lines
	American States Insurance Company ("ASIC")	19704	0.00%	All Lines
	American States Insurance Company of Texas ("ASICT")	19712	0.00%	All Lines
	American States Lloyd's Insurance Company ("ASLCO")	31933	0.00%	All Lines
	American States Preferred Insurance Company ("ASPCO")	37214	0.00%	All Lines
	Colorado Casualty Insurance Company ("CCIC")	41785	0.00%	All Lines
	Consolidated Insurance Company ("CIC")	22640	0.00%	All Lines
	Excelsior Insurance Company ("EIC")	11045	0.00%	All Lines
	First National Insurance Company of America ("FNICA")	24724	0.00%	All Lines
	The First Liberty Insurance Corporation ("FST")	33588	0.00%	All Lines
	General Insurance Company of America ("GICA")	24732	0.00%	All Lines
	Golden Eagle Insurance Corporation ("GEIC")	10836	0.00%	All Lines
	Hawkeye-Security Insurance Company ("HSIC")	36919	0.00%	All Lines
	Insurance Company of Illinois ("ICIL")	26700	0.00%	All Lines
	Indiana Insurance Company ("IIC")	22659	0.00%	All Lines
	Ironshore Indemnity Inc. ("III")	23647	0.00%	All Lines
Ironshore Specialty Insurance Company ("ISIC")	25445	0.00%	All Lines	
Liberty Insurance Corporation ("LIC")	42404	0.00%	All Lines	
Liberty Insurance Underwriters, Inc. ("LIU")	19917	0.00%	All Lines	
Liberty County Mutual Insurance Company ("LCMIC")	19544	0.00%	All Lines	
LM General Insurance Company ("LMGIC")	36447	0.00%	All Lines	
Liberty Lloyd's of Texas Insurance Company ("LLOT")	11041	0.00%	All Lines	
LM Insurance Corporation ("LMC")	33600	0.00%	All Lines	

NOTES TO FINANCIAL STATEMENTS

	Liberty Mutual Mid-Atlantic Insurance Company ("LMMAIC")	14486	0.00%	All Lines
	Liberty Mutual Personal Insurance Company ("LMPICO")	12484	0.00%	All Lines
	Liberty Northwest Insurance Corporation ("LNW")	41939	0.00%	All Lines
	Liberty Personal Insurance Company ("LPIC")	11746	0.00%	All Lines
	Liberty Surplus Insurance Corporation ("LSI")	10725	0.00%	All Lines
	Mid-American Fire & Casualty Company ("MAFCC")	23507	0.00%	All Lines
	Montgomery Mutual Insurance Company ("MMIC")	14613	0.00%	All Lines
	The Midwestern Indemnity Company ("MWIC")	23515	0.00%	All Lines
	National Insurance Association ("NIA")	27944	0.00%	All Lines
	The Netherlands Insurance Company ("NIC")	24171	0.00%	All Lines
	North Pacific Insurance Company ("NPIC")	23892	0.00%	All Lines
	Ohio Security Insurance Company ("OSIC")	24082	0.00%	All Lines
	Oregon Automobile Insurance Company ("OAIC")	23922	0.00%	All Lines
	Peerless Indemnity Insurance Company ("PIC")	18333	0.00%	All Lines
	Safeco Insurance Company of Illinois ("SICIL")	39012	0.00%	All Lines
	Safeco Insurance Company of Indiana ("SICIN")	11215	0.00%	All Lines
	Safeco Insurance Company of Oregon ("SICOR")	11071	0.00%	All Lines
	Safeco Lloyds Insurance Company ("SLICO")	11070	0.00%	All Lines
	Safeco National Insurance Company ("SNIC")	24759	0.00%	All Lines
	Safeco Surplus Lines Insurance Company ("SSLIC")	11100	0.00%	All Lines
	Wausau Business Insurance Company ("WBIC")	26069	0.00%	All Lines
	Wausau General Insurance Company ("WGIC")	26425	0.00%	All Lines
	Wausau Underwriters Insurance Company ("WUIC")	26042	0.00%	All Lines
100% Quota Share	West American Insurance Company ("WAIC")	44393	0.00%	All Lines
Affiliated Companies:	LM Property and Casualty Insurance Company ("LMPAC")	32352	0.00%	All Lines

Under the terms of the Reinsurance Agreements, the sequence of transactions is as follows:

- A. Except for WBIC, WGIC and WUIC, each Affiliated Pool Company cedes its underwriting activity to the Lead Company. WBIC, WGIC and WUIC cede 100% of its direct underwriting activity to EICOW.
- B. After recording the assumed affiliate transactions noted above, the Lead Company records 100% of its external assumed and ceded reinsurance activity.
- C. The Lead Company's remaining underwriting activity, after processing all internal and external reinsurance, is retroceded to the pool members in accordance with each company's pool participation percentage, as noted above.
- D. There were no members that are parties to reinsurance agreements with non-affiliated reinsurers covering business subject to the pooling agreement and have a contractual right of direct recovery from the non-affiliated reinsurer per the terms of such reinsurance agreements.
- E. There were no discrepancies between entries regarding pooled business on the assumed and ceded reinsurance schedules of the Lead Company and corresponding entries on the assumed and ceded reinsurance schedules of other pooled participants.
- F. The write-off of uncollectible reinsurance is pooled and the provision for reinsurance is recognized by the entity placing the outbound external reinsurance.
- G. Amounts due (to)/from affiliated entities participating in the Liberty Mutual Second Amended and Restated Intercompany Reinsurance Agreement as of December 31, 2021:

Affiliate	Amount
Peerless Insurance Company	\$(27,746,805)
Employers Insurance Company of Wausau	\$(11,098,722)
Liberty Mutual Fire Insurance Company	\$(11,098,722)
The Ohio Casualty Insurance Company	\$(11,098,722)
Safeco Insurance Company of America	\$(8,324,042)
Wausau General Insurance Company	\$960,031
Wausau Underwriters Insurance Company	\$13,616,922
Wausau Business Insurance Company	\$(302,422)
Ironshore Specialty Insurance Company	\$125,673,171
Ironshore Indemnity Inc.	\$(1,213,677)

27. Structured Settlements

- A. As a result of purchased annuities with the claimant as payee, the Company no longer carries reserves after applying Intercompany Reinsurance Agreement percentages. The Company is contingently liable should the issuers of the purchased annuities fail to perform under the terms of the annuities. The amount of unrecorded loss contingencies related to the purchased annuities as of December 31, 2021 is as follows:

		Loss Reserves	Unrecorded Loss
		Elim. by Annu.	Contingencies
Disclose the amount of reserves no longer carried	\$	466,984,329	466,984,329

- B. A summary of purchased structured settlement annuities exceeding 1% of policyholders' surplus and whereby the Company has not obtained a release of liability from the claimant is as follows:

NOTES TO FINANCIAL STATEMENTS

	Licensed in Company's State of Domicile	Statement Value (ie: Present Value) of Annuities
Life Insurance Company and Location		
01. Prudential Insurance Company New Jersey	YES	245,087,547

28. Health Care Receivables

Not Applicable

29. Participating Policies

Not Applicable

30. Premium Deficiency Reserves

01. Liability carried for premium deficiency reserves	\$	(1)	0
02. Date of the most recent evaluation of this liability		12/31/2021	
03. Was anticipated investment income utilized in the calculation?		Yes [] No [X]	

31. High Deductible

As of December 31, 2021, the amount of reserve credit recorded for high dollar deductible policies on unpaid losses was \$3,528,157,500 and the amount billed and recoverable on paid claims was \$148,956,500. There are no unsecured high dollar deductible recoverables from professional employer organizations included in these amounts.

- A. Reserve Credit Recorded on Unpaid Claims and Amount Billed and Recoverable on Paid Claims for High Deductibles
Not Applicable
- B. Unsecured High Deductible Recoverables for Individual Obligors Part of a Group Under the Same
Not Applicable

32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

For Workers' Compensation, the Company discounts its reserves for unpaid losses using a tabular discount on the long-term annuity portion of certain workers compensation claims. The tabular discount is based on Unit Statistical Plan tables as approved by the respective states at an annual discount rate of 4.0%. The December 31, 2021 liabilities include \$6,191,698,551 of such discounted reserves. The Company recognized \$13,093,324 of interest accretion in the Statement of Income for the current year related to tabular discount on Workers' Compensation. The December 31, 2021 liabilities subject to discount were carried at a value representing a discount of \$112,028,195 net of all reinsurance.

A. TABULAR DISCOUNT

Schedule P Lines of Business:

	Schedule P, Part 1*	
	Tabular Disc. CASE	Tabular Disc. IBNR
01. HOME OWNERS / FARMOWNERS	\$ 0	0
02. PRIVATE PASSENGER AUTO LIABILITY/MEDICAL	\$ 0	0
03. COMMERCIAL AUTO/TRUCK LIABILITY/MEDICAL	\$ 0	0
04. WORKERS' COMPENSATION	\$ 187,229,030	80,784,159
05. COMMERCIAL MULTIPLE PERIL	\$ 0	0
06. MEDICAL PROFESSIONAL LIABILITY - OCCURRENCE	\$ 0	0
07. MEDICAL PROFESSIONAL LIABILITY - CLAIMS-MADE	\$ 0	0
08. SPECIAL LIABILITY	\$ 0	0
09. OTHER LIABILITY - OCCURRENCE	\$ 0	0

NOTES TO FINANCIAL STATEMENTS

10. OTHER LIABILITY - CLAIMS-MADE	\$	0	0
11. SPECIAL PROPERTY	\$	0	0
12. AUTO PHYSICAL DAMAGE	\$	0	0
13. FIDELITY, SURETY	\$	0	0
14. OTHER (INCLUDING CREDIT, A&H)	\$	0	0
15. INTERNATIONAL	\$	0	0
16. REINSURANCE NONPROPORTIONAL ASSUMED PROPERTY	\$	0	0
17. REINSURANCE NONPROPORTIONAL ASSUMED LIABILITY	\$	0	0
18. REINSURANCE NONPROPORTIONAL ASSUMED FINANCIAL LINES	\$	0	0
19. PRODUCTS LIABILITY - OCCURRENCE	\$	0	0
20. PRODUCTS LIABILITY - CLAIMS-MADE	\$	0	0
21. FINANCIAL GUARANTY/MORTGAGE GUARANTY	\$	0	0
22. WARRANTY	\$	0	0
23. TOTAL	\$	187,229,030	80,784,159

* Must exclude medical loss reserves and all loss adjustment expense reserves.

B. NON-TABULAR DISCOUNT
Not Applicable

33. Asbestos/Environmental Reserves

A. Does the company have on the books, or has it ever written an insured for which you have identified a potential for the existence of, a liability due to asbestos losses? YES

Factors Contributing to Uncertainty in Establishing Adequate Reserves

The process of establishing reserves for asbestos and environmental claims is subject to greater uncertainty than the establishment of reserves for liabilities relating to other types of insurance claims. A number of factors contribute to this greater uncertainty surrounding the establishment of asbestos and environmental reserves, including, without limitation: (i) the lack of available and reliable historical claims data as an indicator of future loss development, (ii) the long waiting periods between exposure and manifestation of any bodily injury or property damage, (iii) the difficulty in identifying the source of asbestos or environmental contamination, (iv) the difficulty in properly allocating liability for asbestos or environmental damage, (v) the uncertainty as to the number and identity of insured with potential exposure, (vi) the cost to resolve claims, and (vii) the collectability of reinsurance.

The uncertainties associated with establishing reserves for asbestos and environmental claims and claim adjustment expenses are compounded by the differing, and at times inconsistent, court rulings on environmental and asbestos coverage issues involving: (i) the differing interpretations of various insurance policy provisions and whether asbestos and environmental losses are or were ever intended to be covered, (ii) when the loss occurred and what policies provide coverage, (iii) whether there is an insured obligation to defend, (iv) whether a compensable loss or injury has occurred, (v) how policy limits are determined, (vi) how policy exclusions are applied and interpreted, (vii) the impact of entities seeking bankruptcy protection as a result of asbestos-related liabilities, (viii) whether clean-up costs are covered as insured property damage, and (ix) applicable coverage defenses or determinations, if any, including the determination as to whether or not an asbestos claim is a products/completed operation claim subject to an aggregate limit and the available coverage, if any, for that claim. The uncertainties cannot be reasonably estimated, but could have a material impact on the Company's future operating results and financial condition.

In 2021, the Company and its affiliated pool members completed asbestos ground-up and aggregate environmental reserve studies. These studies were completed by a multi-disciplinary team of internal claims, legal, reinsurance and actuarial personnel, and included all major business segments of the Company's direct, assumed, and ceded A&E unpaid claim liabilities. As part of the internal review, policyholders with the largest direct asbestos unpaid claim liabilities were individually evaluated using the Company's proprietary stochastic ground-up model, which is consistent with published actuarial methods of asbestos reserving. Among the factors reviewed in depth by the team of specialists were the type of business, level of exposure, coverage limits, geographic distribution of products, injury type, jurisdiction and legal defenses. Reinsurance recoveries for these policyholders were then separately evaluated by the Company's reinsurance and actuarial personnel. A&E unpaid claim liabilities for all other policyholders were evaluated using aggregate methods that utilized information and experience specific to these policyholders. The studies resulted in an increase to reserves of \$150,000,000 including: \$68,000,000 of asbestos reserves, and \$82,000,000 of pollution reserves.

Uncertainty Regarding Reserving Methodologies

As a result of the significant uncertainty inherent in determining a company's asbestos and environmental liabilities and establishing related reserves, the amount of reserves required to adequately fund the Company's asbestos and environmental claims cannot be accurately estimated using conventional reserving methodologies based on historical data and trends. As a result, the use of conventional reserving methodologies frequently has to be supplemented by subjective considerations including managerial judgment. In that regard, the estimation of asbestos claims and associated liabilities and the analysis of environmental claims considered prevailing applicable law and certain inconsistencies of court decisions as to coverage, plaintiffs' expanded theories of liability, and the risks inherent in major litigation and other uncertainties, the Company believes that in future periods it is possible that the outcome of the continued uncertainties regarding asbestos and environmental related claims could result in a liability that differs from current reserves by an amount that could be material to the Company's future operating results and financial condition.

Effect of Uncertainty in Reserving For Asbestos and Environmental Claims on Company's Financial Condition

The methods of determining estimates for reported and unreported losses and establishing resulting reserves and related reinsurance recoverables are periodically reviewed and updated, and adjustments resulting from this review are reflected in income currently.

The following tables summarize the activity for the Company's asbestos and environmental claims and claim adjustment expenses, a component of the Company's unpaid claims and claim adjustment expenses, for the years ended December 31, 2021, 2020, 2019, 2018 and 2017 before consideration of the NICO Reinsurance Transaction. Refer to Note 23f.

(1) Direct:	2017	2018	2019	2020	2021
a. Beginning reserves:	\$ 774,439,191	734,485,562	762,752,297	782,759,714	762,516,839
b. Incurred losses and loss adjustment expense	\$ 88,670,837	154,569,999	126,989,490	71,600,838	62,429,978
c. Calendar year payments for losses & loss adj expenses	\$ 128,624,467	126,303,263	106,982,073	91,843,714	98,130,358
d. Ending reserves	\$ 734,485,561	762,752,298	782,759,714	762,516,838	726,816,459

NOTES TO FINANCIAL STATEMENTS

(2) Assumed Reinsurance:	2017	2018	2019	2020	2021
a. Beginning reserves:	\$ 255,949,495	265,307,679	248,127,345	227,865,398	219,849,991
b. Incurred losses and loss adjustment expense	\$ 25,333,329	(2,322,094)	(7,440,615)	841,834	(1,049,539)
c. Calendar year payments for losses & loss adj expenses	\$ 15,975,145	14,858,241	12,821,332	8,857,241	10,072,950
d. Ending reserves	\$ 265,307,679	248,127,344	227,865,398	219,849,991	208,727,502

(3) Net of Ceded Reinsurance:	2017	2018	2019	2020	2021
a. Beginning reserves:	\$ 336,003,375	337,545,527	389,750,105	422,335,618	421,567,076
b. Incurred losses and loss adjustment expense	\$ 42,936,041	100,387,034	125,104,774	55,291,390	33,680,571
c. Calendar year payments for losses & loss adj expenses	\$ 41,393,889	48,182,457	92,519,261	56,059,931	38,957,863
d. Ending reserves	\$ 337,545,527	389,750,104	422,335,618	421,567,077	416,289,784

B. State the amount of the ending reserves for Bulk + IBNR included in A (Loss & LAE):

(1) Direct Basis	\$ 483,814,523
(2) Assumed Reinsurance Basis	\$ 147,820,588
(3) Net of Ceded Reinsurance Basis	\$ 267,028,130

C. State the amount of the ending reserves for loss adjustment expenses included in A (Case, Bulk + IBNR):

(1) Direct Basis	\$ 430,800,765
(2) Assumed Reinsurance Basis	\$ 5,221,393
(3) Net of Ceded Reinsurance Basis	\$ 203,206,730

D. Does the company have on the books, or has it ever written an insured for which you have identified a potential for the existence of, a liability due to environmental losses? YES

(1) Direct:	2017	2018	2019	2020	2021
a. Beginning reserves:	\$ 186,350,297	193,197,317	207,212,296	221,552,346	263,002,218
b. Incurred losses and loss adjustment expense	\$ 32,160,670	54,601,495	55,959,780	71,252,715	45,562,822
c. Calendar year payments for losses & loss adj expenses	\$ 25,313,650	40,586,516	41,619,731	29,802,843	46,111,217
d. Ending reserves	\$ 193,197,317	207,212,296	221,552,345	263,002,218	262,453,823

(2) Assumed Reinsurance:	2017	2018	2019	2020	2021
a. Beginning reserves:	\$ 20,855,856	25,430,924	22,492,071	21,325,493	21,741,350
b. Incurred losses and loss adjustment expense	\$ 6,067,609	(410,591)	1,727,335	1,761,131	(831,053)
c. Calendar year payments for losses & loss adj expenses	\$ 1,492,540	2,528,263	2,893,913	1,345,274	2,228,572
d. Ending reserves	\$ 25,430,925	22,492,070	21,325,493	21,741,350	18,681,725

(3) Net of Ceded Reinsurance:	2017	2018	2019	2020	2021
a. Beginning reserves:	\$ 128,018,132	137,576,256	141,249,209	153,916,634	192,214,137
b. Incurred losses and loss adjustment expense	\$ 25,488,255	24,984,025	43,060,036	60,926,322	40,487,235
c. Calendar year payments for losses & loss adj expenses	\$ 15,930,131	21,311,072	30,392,611	22,628,819	35,431,007
d. Ending reserves	\$ 137,576,256	141,249,209	153,916,634	192,214,137	197,270,365

E. State the amt. of the ending res. for Bulk + IBNR included in D (Loss & LAE):

(1) Direct Basis	\$ 181,726,073
(2) Assumed Reinsurance Basis	\$ 9,965,507
(3) Net of Ceded Reinsurance Basis	\$ 136,578,289

F. State the amt. of the ending res. for loss adj. exp. included in D (Case, Bulk + IBNR):

(1) Direct Basis	\$ 109,127,688
(2) Assumed Reinsurance Basis	\$ 1,573,412
(3) Net of Ceded Reinsurance Basis	\$ 77,111,419

34. Subscriber Savings Accounts

Not applicable

35. Multiple Peril Crop Insurance

Not Applicable

36. Financial Guaranty Insurance

A. The expected future premiums shown below are based on various prepayment, collection and other assumptions and circumstances as of December 31, 2021, and actual premiums earned or collected could differ materially. In addition, the expected future premiums shown below do not give effect to policy terminations that have occurred, or may occur, after December 31, 2021, which could materially reduce the actual premiums collected.

NOTES TO FINANCIAL STATEMENTS

(1) Installment contracts:

Financial guarantee insurance contracts where premiums are received as installed payments over the period of the contract, rather than at inception:

b. Schedule of premiums (undiscounted) expected to be collected under all installment contracts:

1.

1st Quarter 2022	\$	5,315,881
2nd Quarter 2022	\$	1,035,867
3rd Quarter 2022	\$	1,066,298
4th Quarter 2022	\$	1,099,868
Year 2023	\$	4,314,400
Year 2024	\$	3,969,806
Year 2025	\$	3,286,269
Year 2026	\$	2,549,957

2.

2027 through 2031	\$	6,092,559
2032 through 2036	\$	1,541,190
2037 through 2041	\$	521,339

c. Roll forward of the expected future premiums (undiscounted), including:

1. Expected future premiums - Beginning of Year	\$	16,018,142
2. Less - Premium payments received for existing installment contracts	\$	0
3. Add - Expected premium payments for new installment contracts	\$	14,775,292
4. Adjustments to the expected future premium payments	\$	0
5. Expected future premiums - End of Year	\$	30,793,434

(2) Non-installment contracts:

b. Schedule of the future expected earned premium revenue on non-installment contracts as of the latest date of the statement of financial position:

1.

1st Quarter 2022	\$	3,491,110
2nd Quarter 2022	\$	380,321
3rd Quarter 2022	\$	279,837
4th Quarter 2022	\$	220,251
Year 2023	\$	457,131
Year 2024	\$	128,718
Year 2025	\$	18,633
Year 2026	\$	0

2.

2027 through 2031	\$	0
2032 through 2036	\$	0
2037 through 2041	\$	0

(3) Claim liability:

a. The company does not discount the claim liability.

b. Significant components of the change in the claim liability for the period:

Components	\$	
1. Accretion of the discount	\$	0
2. Change in timing	\$	0
3. New reserves for defaults of insured contracts	\$	(21,760)
4. Change in deficiency reserves	\$	(1,214)
5. Change in incurred but not reported claims	\$	3,965,534
6. Total	\$	3,942,560

NOTES TO FINANCIAL STATEMENTS

(4) Description of the insurance enterprise's risk management activities used to track and monitor deteriorating insured financial obligations:

a. Description of each grouping or category used to track and monitor deteriorating insured financial obligations

Category A: Includes insured financial obligations that are still currently performing (that is, insured contractual payments are made on time but the likelihood of an event of default has increased since the financial guarantee insurance contract was first issued), but if economic conditions persist for an extended period of time, they may not be performing in the future. The issuer of the insured financial obligation may have experienced credit deterioration as a result of a general economic downturn. As a result, the present value of expected net cash outflows may exceed the unearned premium revenue of the financial guarantee insurance contract sometime in the future.

Category B: Includes insured financial obligations that are currently characterized as potentially nonperforming and may require action by the insurance enterprise to avoid or mitigate an event of default.

Category C: Includes insured financial obligations that are characterized as nonperforming and for which actions to date by the insurance enterprise have not been successful in avoiding or mitigating an event of default. The insurance enterprise continues its efforts to cure the claim, but an event of default is imminent.

Category D: Includes insured financial obligations where an event of default has occurred.

B. Schedule of insured financial obligations at the end of the period:

	Surveillance Categories				
	A	B	C	D	Total
1. Number of policies	592	0	0	1	593
2. Remaining weighted-average contract period (in years)	3	0	0	1	XXX

Insured contractual payments outstanding:

3a. Principal	\$ 1,360,320,362	0	0	625,125	1,360,945,487
3b. Interest	\$ 0	0	0	0	0
3c. Total	\$ 1,360,320,362	0	0	625,125	1,360,945,487
4. Gross claim liability	\$ 4,516,237	0	0	(1,516)	4,514,721
Less:					
5a. Gross potential recoveries	\$ 45,371	0	0	0	45,371
5b. Discount, net	\$ 0	0	0	0	0
6. Net claim liability	\$ 4,470,866	0	0	(1,516)	4,469,350
7. Unearned premium revenue	\$ 24,839,382	0	0	1,876	24,841,257
8. Reinsurance recoverables	\$ 0	0	0	0	0

GENERAL INTERROGATORIES

PART 1 – COMMON INTERROGATORIES

GENERAL

- 1.1 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 No
- If yes, complete Schedule Y, Parts 1, 1A, 2 and 3
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes No N/A
- 1.3 State Regulating? Massachusetts
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes No
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 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
- 2.2 If yes, date of change: _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2018
- 3.2 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
- 3.3 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). 06/19/2020
- 3.4 By what department or departments?
Massachusetts Division of Insurance

- 3.5 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
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes No N/A
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes No
- 4.12 renewals? Yes No
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes No
- 4.22 renewals? Yes No
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No
- If yes, complete and file the merger history data file with the NAIC.

GENERAL INTERROGATORIES

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

6.1 Has the 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]

6.2 If yes, give full information:

.....

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]

7.2 If yes,

7.21 State the percentage of foreign control. _____ 0.00 %

7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity

8.1 Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board? Yes [] No [X]

8.2 If response to 8.1 is yes, please identify the name of the DIHC.

.....

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 the names and locations (city and state of the main office) of any affiliates regulated by a federal financial 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 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

8.5 Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the reporting entity? Yes [] No [X]

8.6 If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule? Yes [] No [X] N/A []

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Ernst & Young, LLP
 200 Clarendon Street
 Boston, MA 02116

GENERAL INTERROGATORIES

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]

10.2 If response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]

10.4 If response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []

10.6 If the response to 10.5 is no or n/a, please explain.

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
 Stephanie Neyenhouse FCAS, MAAA
 175 Berkeley Street, Boston, MA 02116
 Vice President and Chief Actuary, Liberty Mutual Group Inc.

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [X] No []

12.11 Name of real estate holding company	Various
12.12 Number of parcels involved	11
12.13 Total book/adjusted carrying value	\$ 1,050,504,642

12.2 If yes, provide explanation:
 Liberty Mutual Insurance Company directly owns 100% of Liberty Real Estate Holdings, LLC, 92% of St. James/Arlington Real Estate LP, and 100% of Berkeley/Columbus III, LLC.

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No [X]

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No [X]

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A [X]

GENERAL INTERROGATORIES

14.1 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?

- 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.

Yes No

14.11 If the response to 14.1 is no, please explain:

.....

14.2 Has the code of ethics for senior managers been amended?

Yes No

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

.....

14.3 Have any provisions of the code of ethics been waived for any of the specified officers?

Yes No

14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

.....

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?

Yes No

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Cred	4 Amount
11301798	Eastern Bank	Default of payment or expiration	35,000
11600567	Peoples Trust Company of St. Albans	Default of payment or expiration	180,000
21000021	Riyad Bank	Default of payment or expiration	2,294,949
21303618	NBT BANK, NATIONAL ASSOCIATION	Default of payment or expiration	175,000
21305386	Community Bank N.A.	Default of payment or expiration	40,000
21914544	WESTCHESTER BANK, THE	Default of payment or expiration	450,000
31306278	CNB BANK	Default of payment or expiration	1,025,000
44101305	PARK NATIONAL BANK, THE	Default of payment or expiration	220,000
51408949	TOWNEBANK	Default of payment or expiration	40,000
53101121	Branch Banking & Trust Company	Default of payment or expiration	5,192,765
55001096	SANDY SPRING BANK	Default of payment or expiration	384,000
61000104	SunTrust Bank	Default of payment or expiration	239,500
61100606	Synovus Bank	Default of payment or expiration	2,562,967
62001186	Compass Bank	Default of payment or expiration	350,000
63115806	SUNRISE BANK	Default of payment or expiration	1,040,000
63116737	South State Bank, N.A.	Default of payment or expiration	116,764
64009380	CAPSTAR BANK	Default of payment or expiration	445,000
65304385	CITIZENS BANK	Default of payment or expiration	6,050,886
71000152	The Northern Trust Company	Default of payment or expiration	200,000
71001180	REPUBLIC BANK OF CHICAGO	Default of payment or expiration	475,000
71006486	The PrivateBank and Trust Company	Default of payment or expiration	6,038,383
71102076	First Mid Illinois Bank & Trust	Default of payment or expiration	50,000
71118222	STATE BANK OF GRAYMONT	Default of payment or expiration	100,000
71212128	1st Source Bank	Default of payment or expiration	192,798
73901974	Cherokee State Bank	Default of payment or expiration	296,000
81200531	MERCANTILE BANK	Default of payment or expiration	50,000

GENERAL INTERROGATORIES

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Cred	4 Amount
81222593	BANTERRA BANK	Default of payment or expiration	78,000
81500859	Boone County National Bank of Columbia	Default of payment or expiration	4,950,000
82900319	First National Bank of Fort Smith	Default of payment or expiration	125,000
82901567	UNION BANK & TRUST COMPANY	Default of payment or expiration	252,000
83000564	Stock Yards Bank and Trust Co	Default of payment or expiration	400,000
83901621	Citizens Union Bank	Default of payment or expiration	3,575,000
84000026	First Tennessee Bank National Associatio	Default of payment or expiration	1,654,492
91902036	EAGLE BANK	Default of payment or expiration	1,470,000
101100375	Commercial Bank	Default of payment or expiration	50,000
101101950	Morrill & Janes Bank	Default of payment or expiration	865,000
101110488	Stanley Bank	Default of payment or expiration	215,000
102301199	Hilltop National Bank	Default of payment or expiration	6,405,578
103100881	First United Bank & Trust Company	Default of payment or expiration	1,000,000
103101262	Firststar Bank	Default of payment or expiration	50,000
103102106	First Bank & Trust Co.	Default of payment or expiration	130,000
103900036	Bank of Oklahoma National Association	Default of payment or expiration	1,856,000
104901678	Five Points Bank of Grand Island	Default of payment or expiration	75,000
107002448	Bank of Colorado	Default of payment or expiration	2,000,000
111000960	North Dallas Bank & Trust Co.	Default of payment or expiration	150,000
111011878	PAVILLION BANK	Default of payment or expiration	224,000
111322994	PLAINSCAPITAL BANK	Default of payment or expiration	1,671,000
111900581	Extraco Banks National Association	Default of payment or expiration	14,000
112201836	Lea County State Bank	Default of payment or expiration	612,000
113024164	VERITEX COMMUNITY BANK	Default of payment or expiration	267,000
114000763	JEFFERSON BANK	Default of payment or expiration	100,000
114911807	FIRST COMMUNITY BANK	Default of payment or expiration	480,000
114924700	Farm Credit	Default of payment or expiration	350,000
121108441	FARMERS & MERCHANTS BANK OF CENTRAL C	Default of payment or expiration	193,000
121144146	FRESNO FIRST BANK	Default of payment or expiration	198,000
122234149	Citizens Business Bank	Default of payment or expiration	135,000
122238420	Rabobank, N.A.	Default of payment or expiration	109,000
122402382	MEADOWS BANK	Default of payment or expiration	61,500
125100089	WASHINGTON TRUST BANK	Default of payment or expiration	1,940,000
125200060	First National Bank of Alaska	Default of payment or expiration	500,000
211274382	Bangor Savings Bank	Default of payment or expiration	113,416
211770213	MASCOMA SAVINGS BANK	Default of payment or expiration	285,000
221270910	MAGYAR BANK	Default of payment or expiration	105,000
221970443	STERLING NATIONAL BANK	Default of payment or expiration	4,716,000
222370440	First Niagara Bank, N.A.	Default of payment or expiration	1,297,000
265370915	FIRST SOUTHERN BANK	Default of payment or expiration	200,000
292970825	GLACIER BANK	Default of payment or expiration	1,220,000
296075878	FARM CREDIT EMPLOYEES	Default of payment or expiration	360,000
321370765	AMERICAN SAVINGS BANK, F.S.B.	Default of payment or expiration	700,000

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes No
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes No
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes No

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes No

GENERAL INTERROGATORIES

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers	\$ <u>0</u>
20.12 To stockholders not officers	\$ <u>0</u>
20.13 Trustees, supreme or grand (Fraternal only)	\$ <u>0</u>

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers	\$ <u>0</u>
20.22 To stockholders not officers	\$ <u>0</u>
20.23 Trustees, supreme or grand (Fraternal only)	\$ <u>0</u>

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]

21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others	\$ <u>0</u>
21.22 Borrowed from others	\$ <u>0</u>
21.23 Leased from others	\$ <u>0</u>
21.24 Other	\$ <u>0</u>

22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment	\$ <u>0</u>
22.22 Amount paid as expenses	\$ <u>0</u>
22.23 Other amounts paid	\$ <u>0</u>

23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

24.1 Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days? Yes [] No [X]

24.2 If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

1 Name of Third Party	2 Is the Third-Party Agent a Related Party (Yes/No)
.....
.....

INVESTMENT

25.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 25.03) Yes [X] No []

25.02 If no, give full and complete information, relating thereto:

25.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
 See note 17B

25.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk Based Capital Instructions. \$ 1,971,849,497

25.05 For the reporting entity's securities lending program report amount of collateral for other programs. \$ 0

GENERAL INTERROGATORIES

25.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes No N/A

25.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes No N/A

25.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes No N/A

25.09 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

25.091	Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ <u>1,693,613,419</u>
25.092	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ <u>1,693,613,419</u>
25.093	Total payable for securities lending reported on the liability page	\$ <u>1,693,613,419</u>

26.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 25.03). Yes No

26.2 If yes, state the amount thereof at December 31 of the current year:

26.21	Subject to repurchase agreements	\$ <u>0</u>
26.22	Subject to reverse repurchase agreements	\$ <u>0</u>
26.23	Subject to dollar repurchase agreements	\$ <u>0</u>
26.24	Subject to reverse dollar repurchase agreements	\$ <u>0</u>
26.25	Placed under option agreements	\$ <u>0</u>
26.26	Letter stock or securities restricted as to sale - excluding FHLB Capital Stock	\$ <u>0</u>
26.27	FHLB Capital Stock	\$ <u>15,466,800</u>
26.28	On deposit with states	\$ <u>1,213,235,592</u>
26.29	On deposit with other regulatory bodies	\$ <u>1,567,185,040</u>
26.30	Pledged as collateral - excluding collateral pledged to an FHLB	\$ <u>1,887,814,669</u>
26.31	Pledged as collateral to FHLB - including assets backing funding agreements	\$ <u>161,871,010</u>
26.32	Other	\$ <u>0</u>

26.3 For category (26.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
.....	0
.....	0
.....	0

27.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes No

27.2 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.

LINES 27.3 through 27.5 : FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

27.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes No

27.4 If the response to 27.3 is YES, does the reporting entity utilize:

27.41	Special accounting provision of SSAP No. 108	Yes <input type="checkbox"/> No <input type="checkbox"/>
27.42	Permitted accounting practice	Yes <input type="checkbox"/> No <input type="checkbox"/>
27.43	Other accounting guidance	Yes <input type="checkbox"/> No <input type="checkbox"/>

27.5 By responding YES to 27.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting

GENERAL INTERROGATORIES

entity attests to the following:

Yes [] No []

- The reporting entity has obtained explicit approval from the domiciliary state.
- Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
- Actuarial certification has been obtained which indicates that the hedging strategy is incorporated within the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
- Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.

28.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes [] No [X]

28.2 If yes, state the amount thereof at December 31 of the current year.

\$ _____ 0

29. 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 []

29.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
.....
.....

29.02 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)
.....
.....

29.03 Have there been any changes, including name changes, in the custodian(s) identified in 29.01 during the current year?

Yes [] No [X]

29.04 If yes, give full and complete information relating thereto:

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

29.05 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 Firm or Individual	2 Affiliation
Liberty Mutual Group Asset Management Inc.	A
Liberty Mutual Investment Advisors, LLC	A
StanCorp	U
Napier Park Global Capital	U

GENERAL INTERROGATORIES

29.0597 For those firms/individuals listed in the table for Question 29.05, 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 [] No [X]

29.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 29.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets? Yes [] No [X]

29.06 For those firms or individuals listed in the table 29.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Name Firm or Individual	2 Central Registration Depository Number	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
N/A	Liberty Mutual Group	N/A	N/A	DS
N/A	Liberty Mutual Invest	N/A	N/A	DS
N/A	StanCorp	N/A	N/A	DS
N/A	Napier Park Global C	N/A	SEC	DS

30.1 Does the reporting entity have any diversified mutual funds reported in Schedule D – Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])? Yes [] No [X]

30.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
		0
		0
		0
30.2999 TOTAL		0

30.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
		0	
		0	
		0	

31. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1 Bonds	21,257,813,066	21,597,132,009	339,318,943
31.2 Preferred stocks	2,303,100	2,303,100	0
31.3 Totals	21,260,116,166	21,599,435,109	339,318,943

31.4 Describe the sources or methods utilized in determining the fair values:
 The primary source for reported fair values is our pricing vendor, Interactive Data Corporation, followed by backfill from Reuters, Bloomberg, Barclays, Merrill Lynch, and Markit for Term Loan securities. Lastly, management determines fair value based on quoted market prices of similar financial instruments or by using industry recognized valuation techniques.

32.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [] No [X]

32.2 If the answer to 32.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [] No []

GENERAL INTERROGATORIES

32.3 If the answer to 32.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

.....

33.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes No

33.2 If no, list exceptions:

.....

34 By self-designating 5GI securities, the reporting entity is certifying the following elements of 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

35 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 an 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

36. 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

37. By rolling/renewing short-term or cash-equivalent investments with continued reporting on Schedule DA, part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:

- a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
- b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
- c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
- d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 37.a - 37.c are reported as long-term investments.

Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? Yes No N/A

OTHER

38.1 Amount of payments to trade associations, service organizations and statistical or Rating Bureaus, if any? \$ 28,786,124

38.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
INSURANCE SERVICES OFFICE INC	\$ 9,384,969
.....	\$ 0
.....	\$ 0

GENERAL INTERROGATORIES

39.1 Amount of payments for legal expenses, if any?

\$ 18,190,101

39.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$ 0
.....	\$ 0
.....	\$ 0

40.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?

\$ 1,744,178

40.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....	\$ 0
.....	\$ 0
.....	\$ 0

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]

1.2 If yes, indicate premium earned on U.S. business only. \$ 0

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ 0

1.31 Reason for excluding

.....

.....

.....

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$ 0

1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$ 0

1.6 Individual policies:

Most current three years:

1.61 Total premium earned \$ 0

1.62 Total incurred claims \$ 0

1.63 Number of covered lives 0

All years prior to most current three years:

1.64 Total premium earned \$ 0

1.65 Total incurred claims \$ 0

1.66 Number of covered lives 0

1.7 Group policies:

Most current three years:

1.71 Total premium earned \$ 0

1.72 Total incurred claims \$ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned \$ 0

1.75 Total incurred claims \$ 0

1.76 Number of covered lives 0

2. Health Test:

	1		2	
	Current Year		Prior Year	
2.1 Premium Numerator	\$ 42,166,229		\$ 84,033,589	
2.2 Premium Denominator	\$ 16,201,133,840		\$ 15,870,923,692	
2.3 Premium Ratio (2.1 / 2.2)	<u>0.00</u>		<u>0.01</u>	
2.4 Reserve Numerator	\$ 65,982,639		\$ 80,986,114	
2.5 Reserve Denominator	\$ 34,916,279,881		\$ 33,189,136,559	
2.6 Reserve Ratio (2.4 / 2.5)	<u>0.00</u>		<u>0.00</u>	

3.1 Did the reporting entity issue participating policies during the calendar year? Yes [X] No []

3.2 If yes, provide the amount of premium written for participating and/or non-participating policies during the calendar year

3.21 Participating policies \$ 2,218,929,245

3.22 Non-participating policies \$ 638,708,882

4. For Mutual reporting entities and Reciprocal Exchanges only:

4.1 Does the reporting entity issue assessable policies? Yes [] No [X]

4.2 Does the reporting entity issue non-assessable policies? Yes [] No [X]

4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? 0 %

4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. \$ 0

5. For Reciprocal Exchanges Only:

5.1 Does the exchange appoint local agents? Yes [] No [X]

5.2 If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation Yes [] No [] N/A [X]

5.22 As a direct expense of the exchange Yes [] No [] N/A [X]

5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

.....

.....

.....

5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [] No []

5.5 If yes, give full information

.....

.....

.....

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit loss:
 The Company purchases a combination of per risk excess of loss reinsurance and excess of loss per event catastrophe reinsurance.

.....

.....

.....

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:
 The company employs various methods, including the use of proprietary and third-party catastrophe models, in order to assess and manage the potential loss related to natural and man-made catastrophe risks. For natural catastrophe risks, the company models both property and worker's compensation exposures (where appropriate) and applies adjustments for other non-modeled exposure and loss elements. The company's loss estimates for terrorism also reflect U.S. property and workers' compensation exposures.
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
 The Company purchases a combination of quota share reinsurance, per risk excess of loss reinsurance, excess of loss per event catastrophe reinsurance and aggregate programs.
- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [] No [X]
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss
 The Company purchases aggregate coverage to substantially replace nonreinstated catastrophe layers.
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes [X] No []
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions. _____ 12
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [X] No []
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes [] No [X]
- 8.2 If yes, give full information
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
 (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
 (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
 (c) Aggregate stop loss reinsurance coverage;
 (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
 (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
 (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. Yes [] No [X]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
 (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
 (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes [X] No []
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
 (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
 (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
 (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 37 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
 (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
 (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [] No [X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
 (a) The entity does not utilize reinsurance; or, Yes [] No [X]
 (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [] No [X]
 (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [] No [X]

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes No N/A
- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force: Yes No
- 11.2 If yes, give full information
 The Company guarantees policies issued by Liberty Mutual Insurance Europe SE., Liberty Specialty Markets Singapore Pte Limited, Liberty Specialty Markets Hong Kong Limited, and Liberty Specialty Markets Bermuda Limited.
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
- | | | | |
|---|--|----|-------------------|
| 12.11 Unpaid losses | | \$ | (785,207) |
| 12.12 Unpaid underwriting expenses (including loss adjustment expenses) | | \$ | <u>38,309,625</u> |
- 12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds? \$ 2,103,873
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes No N/A
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
- | | | | |
|------------|--|--------------|---------------|
| 12.41 From | | _____ | 0.00 % |
| 12.42 To | | <u>_____</u> | <u>0.00 %</u> |
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes No
- 12.6 If yes, state the amount thereof at December 31 of current year:
- | | | | |
|----------------------------------|--|----|--------------------|
| 12.61 Letters of Credit | | \$ | 1,459,972,437 |
| 12.62 Collateral and other funds | | \$ | <u>421,948,322</u> |
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$ 600,000,000
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes No
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. 2
- 14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes No
- 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
 Premiums and recoverables were allocated pursuant to allocation agreements, including the intercompany pooling agreement.
- 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes No
- 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes No
- 14.5 If the answer to 14.4 is no, please explain:
 N/A
- 15.1 Has the reporting entity guaranteed any financed premium accounts? Yes No
- 15.2 If yes, give full information
- 16.1 Does the reporting entity write any warranty business? Yes No
 If yes, disclose the following information for each of the following types of warranty coverage:
- | | | 1 | 2 | 3 | 4 | 5 |
|------------------|----|---------------------------|-------------------------|---------------------------|----------------------------|--------------------------|
| | | Direct Losses
Incurred | Direct Losses
Unpaid | Direct Written
Premium | Direct Premium
Unearned | Direct Premium
Earned |
| 16.11 Home | \$ | 0 | 0 | 0 | 0 | 0 |
| 16.12 Products | \$ | 0 | 0 | 0 | 0 | 0 |
| 16.13 Automobile | \$ | 0 | 0 | 0 | 0 | 0 |
| 16.14 Other* | \$ | 2,378,758 | 2,310,655 | 0 | 0 | 0 |

* Disclose type of coverage: GL

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

- 17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F – Part 3 that is exempt from the statutory provision for unauthorized reinsurance? Yes [] No [X]
- Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from the statutory provision for unauthorized reinsurance. Provide the following information for this exemption:
- | | |
|--|-------------|
| 17.11 Gross amount of unauthorized reinsurance in Schedule F – Part 3 exempt from the statutory provision for unauthorized reinsurance | \$ <u>0</u> |
| 17.12 Unfunded portion of Interrogatory 17.11 | \$ <u>0</u> |
| 17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11 | \$ <u>0</u> |
| 17.14 Case reserves portion of Interrogatory 17.11 | \$ <u>0</u> |
| 17.15 Incurred but not reported portion of Interrogatory 17.11 | \$ <u>0</u> |
| 17.16 Unearned premium portion of Interrogatory 17.11 | \$ <u>0</u> |
| 17.17 Contingent commission portion of Interrogatory 17.11 | \$ <u>0</u> |
- 18.1 Do you act as a custodian for health savings accounts? Yes [] No [X]
- 18.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ 0
- 18.3 Do you act as an administrator for health savings accounts? Yes [] No [X]
- 18.4 If yes, please provide the balance of the funds administered as of the reporting date. \$ 0
19. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [X] No []
- 19.1 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 [X] N/A []

FIVE – YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6.

	1	2	3	4	5
	2021	2020	2019	2018	2017
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	17,305,954,770	15,886,858,509	15,598,170,913	15,068,933,203	14,747,605,005
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	11,899,213,901	11,190,491,963	10,891,336,694	10,496,346,885	9,940,043,810
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	10,825,882,892	10,273,315,786	9,696,953,192	9,572,025,943	9,262,571,356
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	1,402,845,788	1,476,517,871	1,392,051,685	1,216,269,402	977,735,210
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	381,858,792	808,149,104	546,094,933	732,341,718	370,670,992
6. Total (Line 35)	41,815,756,143	39,635,333,233	38,124,607,417	37,085,917,151	35,298,626,373
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	7,530,034,197	6,946,801,749	6,969,983,933	7,003,727,496	6,771,964,286
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	3,467,123,909	3,704,358,610	3,815,247,863	3,706,989,928	2,595,426,875
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	5,010,761,099	4,674,723,898	4,512,809,102	4,363,874,378	4,265,393,673
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	648,225,546	689,616,671	657,528,655	577,352,965	465,061,209
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	192,682,469	393,496,188	178,620,188	263,539,831	177,259,739
12. Total (Line 35)	16,848,827,220	16,408,997,116	16,134,189,741	15,915,484,598	14,275,105,782
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(811,868,405)	(972,218,665)	(702,030,304)	(67,970,155)	(1,540,802,453)
14. Net investment gain (loss) (Line 11)	1,287,884,406	1,029,380,508	1,172,243,580	2,857,816,874	529,573,001
15. Total other income (Line 15)	26,949,152	90,145,408	58,612,243	(290,182,935)	11,610,122
16. Dividends to policyholders (Line 17)	7,374,012	8,105,712	6,265,862	8,220,582	6,796,773
17. Federal and foreign income taxes incurred (Line 19)	4,754,240	(123,456,227)	(75,843,008)	(402,204,243)	(97,994,788)
18. Net income (Line 20)	490,836,901	262,657,766	598,402,665	2,893,647,445	(908,421,315)
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	65,530,745,401	58,048,967,865	51,103,579,523	48,830,564,857	46,020,754,541
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	3,518,441,805	3,076,916,223	2,320,546,814	2,011,787,572	1,545,946,132
20.2 Deferred and not yet due (Line 15.2)	4,011,522,077	3,816,395,101	3,749,084,403	3,632,858,640	3,517,985,022
20.3 Accrued retrospective premiums (Line 15.3)	77,723,954	76,859,145	148,352,424	173,281,022	194,726,669
21. Total liabilities excluding protected cell business (Page 3, Line 26)	43,481,129,334	39,029,092,737	34,292,195,090	32,465,234,407	31,489,431,268
22. Losses (Page 3, Line 1)	21,463,387,568	20,067,862,413	17,882,077,092	16,732,409,112	16,391,595,471
23. Loss adjustment expenses (Page 3, Line 3)	3,815,770,925	3,811,354,200	3,650,776,695	3,432,800,188	3,267,135,983
24. Unearned premiums (Page 3, Line 9)	9,106,965,847	8,448,706,991	8,007,146,482	7,851,429,449	7,503,154,587
25. Capital paid up (Page 3, Lines 30 & 31)	10,000,075	10,000,075	10,000,075	10,000,000	10,000,000
26. Surplus as regards policyholders (Page 3, Line 37)	22,049,616,067	19,019,875,128	16,811,384,434	16,365,330,449	14,531,323,273
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	2,515,075,364	2,278,350,610	2,613,286,167	2,877,673,035	1,020,240,458
Risk-Based Capital Analysis					
28. Total adjusted capital	22,049,616,067	19,019,875,128	16,811,384,434	16,365,330,449	14,665,993,622
29. Authorized control level risk-based capital	5,674,221,775	5,380,376,875	4,331,454,312	4,106,950,603	4,142,674,161
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	39.5	38.4	37.3	35.4	33.2
31. Stocks (Lines 2.1 & 2.2)	37.4	39.3	39.6	41.5	43.7
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	1.9	1.6	1.5	1.5	1.6
33. Real estate (Lines 4.1, 4.2 & 4.3)	0.3	0.4	0.6	0.6	0.7
34. Cash, cash equivalents and short-term investments (Line 5)	4.2	4.4	1.9	1.2	1.0
35. Contract loans (Line 6)					
36. Derivatives (Line 7)			0.0	0.1	0.1
37. Other invested assets (Line 8)	13.4	14.6	18.4	17.9	19.1
38. Receivables for securities (Line 9)	0.1	0.1	0.0	0.2	0.1
39. Securities lending reinvested collateral assets (Line 10)	3.2	1.2	0.8	1.7	0.4
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	19,475,416,602	18,035,141,458	15,985,516,365	15,558,830,351	16,351,779,441
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)				14,827,800	
46. Affiliated mortgage loans on real estate					
47. All other affiliated	6,232,267,806	5,998,597,233	6,312,570,333	5,908,127,122	6,232,346,407
48. Total of above Lines 42 to 47	25,707,684,408	24,033,738,691	22,298,086,698	21,481,785,273	22,584,125,848
49. Total investment in parent included in Lines 42 to 47 above					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	116.6	126.4	132.6	131.3	155.4

FIVE – YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2021	2020	2019	2018	2017
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	1,192,782,960	1,043,909,678	79,082,534	(1,035,176,416)	(764,286,013)
52. Dividends to stockholders (Line 35)	(64,766,000)	(64,766,000)	(64,766,000)	(64,766,000)	(69,727,700)
53. Change in surplus as regards policyholders for the year (Line 38)	3,029,740,939	2,208,490,696	446,053,983	1,834,007,176	(1,996,882,220)
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	8,169,871,359	7,274,643,175	8,873,757,820	9,019,556,497	7,368,934,353
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	6,909,550,574	6,000,316,590	6,371,586,557	5,944,677,632	5,607,553,716
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	5,998,677,314	5,007,561,657	5,135,845,586	5,202,090,301	4,784,932,081
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	273,011,257	382,402,797	327,600,861	185,310,149	130,143,004
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	495,414,136	185,190,090	269,152,416	197,113,802	116,198,760
59. Total (Line 35)	21,846,524,640	18,850,114,309	20,977,943,240	20,548,748,381	18,007,761,914
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	3,651,927,787	3,522,299,475	4,038,780,391	3,977,910,738	3,222,376,119
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	1,878,891,704	1,758,568,528	2,141,643,630	2,043,117,102	1,505,221,069
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	2,884,896,192	2,395,417,737	2,453,088,844	2,396,117,091	2,311,444,789
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	123,755,485	171,902,845	160,697,594	91,852,448	60,497,383
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	248,506,423	1,121,067	45,505,467	94,460,817	57,177,308
65. Total (Line 35)	8,787,977,591	7,849,309,652	8,839,715,926	8,603,458,196	7,156,716,668
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	63.2	62.9	62.5	57.8	66.0
68. Loss expenses incurred (Line 3)	11.0	11.8	12.6	12.2	13.5
69. Other underwriting expenses incurred (Line 4)	30.9	31.4	29.3	30.4	31.7
70. Net underwriting gain (loss) (Line 8)	(5.0)	(6.1)	(4.4)	(0.4)	(11.2)
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	29.5	29.8	28.7	31.0	30.4
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	74.2	74.7	75.1	70.0	79.5
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	76.4	86.3	96.0	97.3	98.2
One Year Loss Development (\$000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	94,540	477,309	433,065	(357,758)	440,185
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0)	0.5	2.8	2.6	(2.5)	2.7
Two Year Loss Development (\$000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12)	736,848	924,649	34,647	195,920	473,162
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)	4.4	5.7	0.2	1.2	3.0

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

Yes [] No []

If no, please explain:

.....
.....
.....

SCHEDULE P – ANALYSIS OF LOSSES AND LOSS EXPENSES**SCHEDULE P – PART 1 – SUMMARY**

(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1–2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4	5	6	7	8	9			
				Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded			
1. Prior	X X X	X X X	X X X	297,367	110,526	115,652	41,644	20,997	2,571	3,525	279,275	X X X
2. 2012	14,643,997	3,235,193	11,408,804	8,427,976	1,787,268	652,175	116,310	1,056,110	6,511	615,267	8,226,172	X X X
3. 2013	15,460,975	3,482,868	11,978,107	8,040,379	1,774,600	606,110	99,806	1,051,325	9,170	493,566	7,814,238	X X X
4. 2014	15,856,257	3,509,225	12,347,032	8,170,869	1,775,725	597,029	84,379	1,034,050	11,619	404,037	7,930,225	X X X
5. 2015	16,376,932	3,801,906	12,575,026	8,609,015	1,933,109	599,239	72,392	1,034,873	12,210	562,976	8,225,416	X X X
6. 2016	16,800,258	3,812,618	12,987,640	8,831,680	1,927,160	550,819	64,475	1,070,589	21,549	327,718	8,439,904	X X X
7. 2017	17,606,919	3,813,437	13,793,482	9,935,588	2,266,095	524,397	57,340	1,064,762	6,924	389,056	9,194,388	X X X
8. 2018	18,398,094	2,859,697	15,538,397	9,112,127	1,434,843	424,819	26,167	1,064,253	957	508,417	9,139,232	X X X
9. 2019	19,011,127	3,033,522	15,977,605	8,536,453	1,484,168	304,985	22,334	1,024,637	854	521,068	8,358,719	X X X
10. 2020	19,364,019	3,493,497	15,870,522	7,278,892	1,646,346	168,457	17,022	961,390	510	420,910	6,744,861	X X X
11. 2021	20,352,094	4,157,497	16,194,597	6,038,724	1,519,996	59,853	6,449	776,263	501	347,581	5,347,894	X X X
12. Totals	X X X	X X X	X X X	83,279,070	17,659,836	4,603,535	608,318	10,159,249	73,376	4,594,121	79,700,324	X X X

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		Other Unpaid				
	13	14	15	16	17	18	19	20	21	22			
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded			
1. Prior	2,714,780	971,918	2,549,361	777,749	176,196	97,066	823,143	249,745	41,347	206	13,196	4,208,143	X X X
2. 2012	221,279	52,470	455,060	33,519	10,647	3,293	51,049	3,620	8,151		4,023	653,284	X X X
3. 2013	206,772	42,761	511,793	68,604	9,084	2,101	47,456	4,606	30,535		6,207	687,568	X X X
4. 2014	232,855	60,790	322,758	75,348	11,125	2,256	66,260	5,650	17,866		6,536	506,820	X X X
5. 2015	266,427	63,678	424,195	98,439	17,038	2,413	77,929	3,346	21,065		19,467	638,778	X X X
6. 2016	425,617	125,261	515,994	113,761	32,295	4,761	92,512	6,927	66,138		12,665	881,846	X X X
7. 2017	657,869	87,220	764,877	179,050	42,083	8,853	159,357	10,789	90,798	59	30,106	1,429,013	X X X
8. 2018	967,737	141,016	1,202,488	272,511	39,661	3,056	223,725	9,365	95,052		51,676	2,102,715	X X X
9. 2019	1,375,350	249,738	1,779,061	250,051	44,744	4,148	313,985	10,745	149,846		57,563	3,148,304	X X X
10. 2020	1,396,519	215,357	3,311,755	538,634	41,216	6,631	388,934	23,680	170,654		86,182	4,524,776	X X X
11. 2021	1,740,975	160,091	4,980,752	982,893	35,692	5,555	526,492	30,516	393,141		362,836	6,497,997	X X X
12. Totals	10,206,180	2,170,300	16,818,094	3,390,559	459,781	140,133	2,770,842	358,989	1,084,593	265	650,457	25,279,244	X X X

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. Prior	X X X	X X X	X X X	X X X	X X X	X X X			X X X	3,514,474	693,669
2. 2012	10,882,447	2,002,991	8,879,456	74.313	61.913	77.830				590,350	62,934
3. 2013	10,503,454	2,001,648	8,501,806	67.935	57.471	70.978				607,200	80,368
4. 2014	10,452,812	2,015,767	8,437,045	65.922	57.442	68.333				419,475	87,345
5. 2015	11,049,781	2,185,587	8,864,194	67.472	57.487	70.490				528,505	110,273
6. 2016	11,585,644	2,263,894	9,321,750	68.961	59.379	71.774				702,589	179,257
7. 2017	13,239,731	2,616,330	10,623,401	75.196	68.608	77.018				1,156,476	272,537
8. 2018	13,129,862	1,887,915	11,241,947	71.365	66.018	72.349				1,756,698	346,017
9. 2019	13,529,061	2,022,038	11,507,023	71.164	66.656	72.020				2,654,622	493,682
10. 2020	13,717,817	2,448,180	11,269,637	70.842	70.078	71.010				3,954,283	570,493
11. 2021	14,551,892	2,706,001	11,845,891	71.501	65.087	73.147				5,578,743	919,254
12. Totals	X X X	X X X	X X X	X X X	X X X	X X X			X X X	21,463,415	3,815,829

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements, which will reconcile Part 1 with Parts 2 and 4.

SCHEDULE P – PART 2 – SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT		
	1	2	3	4	5	6	7	8	9	10	11	12	
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	One Year	Two Year	
1. Prior	11,988,656	12,356,277	12,350,394	12,385,832	12,420,983	12,527,252	12,307,259	12,504,060	12,592,016	12,666,146	74,130	162,086	
2. 2012	7,803,283	7,862,124	7,788,875	7,743,327	7,773,961	7,801,245	7,832,855	7,836,407	7,837,085	7,831,572	(5,513)	(4,835)	
3. 2013	XXX	7,274,607	7,352,768	7,301,015	7,299,506	7,373,072	7,386,543	7,380,606	7,429,882	7,438,067	8,185	57,461	
4. 2014	XXX	XXX	7,359,619	7,338,674	7,316,402	7,396,881	7,392,768	7,406,748	7,406,036	7,405,643	(393)	(1,105)	
5. 2015	XXX	XXX	XXX	7,568,102	7,632,162	7,711,608	7,659,890	7,773,524	7,823,605	7,828,673	5,068	55,149	
6. 2016	XXX	XXX	XXX	XXX	7,863,820	7,936,901	7,923,413	7,979,819	8,092,923	8,213,749	120,826	233,930	
7. 2017	XXX	XXX	XXX	XXX	XXX	9,426,150	9,312,582	9,326,561	9,375,453	9,484,340	108,887	157,779	
8. 2018	XXX	XXX	XXX	XXX	XXX	XXX	9,906,349	9,946,959	10,089,267	10,087,824	(1,443)	140,865	
9. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	10,402,264	10,387,942	10,337,782	(50,160)	(64,482)	
10. 2020	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	10,307,616	10,142,569	(165,047)	XXX	
11. 2021	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	10,681,903	XXX	XXX	
											12. Totals	94,540	736,848

SCHEDULE P – PART 3 – SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		
1. Prior	000	2,530,007	4,305,146	5,512,474	6,282,193	6,812,393	7,264,529	7,714,805	8,040,884	8,301,733	XXX	XXX
2. 2012	3,352,369	5,034,782	5,804,061	6,335,764	6,687,445	6,874,701	7,013,931	7,100,649	7,141,182	7,176,573	XXX	XXX
3. 2013	XXX	3,159,633	4,674,511	5,415,281	5,966,219	6,273,268	6,507,532	6,627,664	6,720,007	6,772,083	XXX	XXX
4. 2014	XXX	XXX	3,358,195	4,833,036	5,583,164	6,049,308	6,495,449	6,721,536	6,831,635	6,907,794	XXX	XXX
5. 2015	XXX	XXX	XXX	3,478,902	5,029,745	5,745,231	6,437,786	6,845,730	7,064,746	7,202,753	XXX	XXX
6. 2016	XXX	XXX	XXX	XXX	3,693,212	5,192,390	6,126,586	6,785,088	7,151,802	7,390,864	XXX	XXX
7. 2017	XXX	XXX	XXX	XXX	XXX	4,001,574	6,117,827	7,094,608	7,613,337	8,136,550	XXX	XXX
8. 2018	XXX	XXX	XXX	XXX	XXX	XXX	4,263,336	6,438,076	7,375,988	8,075,936	XXX	XXX
9. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,426,524	6,268,381	7,334,936	XXX	XXX
10. 2020	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,027,143	5,783,981	XXX	XXX
11. 2021	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,572,132	XXX	XXX

SCHEDULE P – PART 4 – SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1. Prior	5,722,522	4,796,937	3,864,763	3,345,262	3,066,362	2,941,722	2,510,481	2,457,326	2,380,564	2,392,361
2. 2012	2,854,750	1,643,300	1,130,702	836,031	674,252	614,583	549,861	521,654	498,280	472,116
3. 2013	XXX	2,696,474	1,569,708	1,114,770	797,156	708,975	593,256	529,682	509,348	489,558
4. 2014	XXX	XXX	2,561,970	1,498,018	1,009,325	736,581	487,745	401,102	345,021	315,149
5. 2015	XXX	XXX	XXX	2,619,350	1,538,337	1,088,408	605,870	483,751	457,105	405,409
6. 2016	XXX	XXX	XXX	XXX	2,714,906	1,540,607	877,377	505,664	478,006	493,788
7. 2017	XXX	XXX	XXX	XXX	XXX	3,593,743	1,679,663	1,032,626	937,854	740,835
8. 2018	XXX	XXX	XXX	XXX	XXX	XXX	3,765,299	2,092,251	1,633,198	1,145,224
9. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,153,168	2,695,865	1,832,095
10. 2020	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,706,595	3,136,241
11. 2021	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,497,399

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated By States and Territories

	1	2	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
			Active Status (a)	Direct Premiums Written						
1. Alabama	AL	L	11,898,056	12,009,485	8	3,124,216	1,364,489	26,109,078	293,434	
2. Alaska	AK	L	12,133,400	11,857,440	3	3,058,273	2,687,906	9,931,541	601	
3. Arizona	AZ	L	24,814,917	25,833,468	(3)	3,595,467	8,702,891	31,486,169	134,734	
4. Arkansas	AR	L	3,975,114	4,257,264	6	408,533	80,352	7,105,249	38,571	
5. California	CA	L	170,222,674	152,629,139	50	85,329,672	99,890,717	149,610,106	341,042	
6. Colorado	CO	L	24,927,055	22,086,326	9	17,457,801	19,177,073	24,280,526	444,482	
7. Connecticut	CT	L	18,416,402	19,170,890	(12)	16,688,047	62,840,256	116,496,465	555,477	
8. Delaware	DE	L	5,965,775	6,122,435		2,668,384	2,824,898	18,259,093	126,570	
9. District of Columbia	DC	L	23,406,927	21,930,304	(6)	1,084,352	780,108	15,074,073	90,220	
10. Florida	FL	L	83,890,150	82,925,130	2,092	43,245,001	36,115,915	122,415,160	63,512	
11. Georgia	GA	L	31,637,088	29,406,047	(4)	11,787,907	12,074,303	42,313,501	374,358	
12. Hawaii	HI	L	6,308,615	6,713,767	12	885,281	1,301,624	7,297,539	48,640	
13. Idaho	ID	L	5,379,592	5,127,997		178,299	442,981	4,850,254	85,187	
14. Illinois	IL	L	47,398,978	44,193,622	19	8,250,171	9,775,451	76,083,930	407,962	
15. Indiana	IN	L	13,845,636	13,842,272		6,996,491	6,754,547	26,554,572	210,434	
16. Iowa	IA	L	6,239,915	5,223,204		659,205	2,131,319	6,067,637	52,293	
17. Kansas	KS	L	10,514,105	8,303,388		11,692,830	8,840,666	11,406,877	21,861	
18. Kentucky	KY	L	18,963,986	17,677,039		12,142,264	8,355,617	54,926,021	285,694	
19. Louisiana	LA	L	21,737,188	21,551,290	(2)	10,404,798	16,590,431	56,803,277	27,761	
20. Maine	ME	L	11,823,260	7,836,774	(165)	1,635,614	3,244,015	12,360,687	85,917	
21. Maryland	MD	L	18,529,735	19,576,359	(1)	11,308,746	2,787,418	25,250,132	134,898	
22. Massachusetts	MA	L	303,423,969	316,197,943	16	116,310,117	136,288,154	310,718,174	3,737,436	
23. Michigan	MI	L	29,445,899	29,187,480	(4)	11,137,955	12,832,372	71,028,865	583,328	
24. Minnesota	MN	L	23,223,662	22,835,799	(7)	6,249,593	8,141,051	41,353,545	477,756	
25. Mississippi	MS	L	5,430,579	4,910,563		453,546	1,651,931	21,390,907	44,718	
26. Missouri	MO	L	19,174,232	20,230,961	(3)	(10,749,579)	5,776,939	34,484,416	463,568	
27. Montana	MT	L	3,171,166	4,648,715		295,186	578,326	3,308,114	15,578	
28. Nebraska	NE	L	3,316,721	5,218,763		1,841,378	1,297,708	4,023,389	29,800	
29. Nevada	NV	L	15,703,223	14,577,254		5,328,258	5,649,390	16,046,956	214,229	
30. New Hampshire	NH	L	7,297,369	6,783,948		1,630,076	(694,204)	33,219,393	235,697	
31. New Jersey	NJ	L	52,977,988	48,491,489	43	25,790,511	15,850,327	163,502,082	1,126,860	
32. New Mexico	NM	L	6,310,157	6,496,187	4	688,183	680,191	8,648,880	57,071	
33. New York	NY	L	140,812,334	125,920,234	2	95,580,752	74,681,408	432,598,468	1,956,069	
34. North Carolina	NC	L	45,588,439	48,652,650		13,797,592	19,084,839	52,080,397	136,562	
35. North Dakota	ND	L	2,810,466	2,769,603		143,603	(520,442)	2,470,830	2,042	
36. Ohio	OH	L	24,684,466	26,792,864		24,221,135	6,495,843	65,264,349	477,692	
37. Oklahoma	OK	L	8,813,090	8,852,546	1	1,642,540	1,062,316	14,155,297	135,782	
38. Oregon	OR	L	14,786,152	14,505,429	5	(1,038,749)	2,846,730	3,019,532	180,218	
39. Pennsylvania	PA	L	54,780,999	53,119,812	32	5,606,620	7,266,835	142,387,085	1,484,422	
40. Rhode Island	RI	L	3,778,448	3,124,841		1,821,605	169,465	10,882,151	106,232	
41. South Carolina	SC	L	11,632,237	11,950,563	17	2,923,930	4,203,837	23,088,847	236,169	
42. South Dakota	SD	L	2,518,232	5,114,041		109,557	1,273,179	2,539,283	(18,853)	
43. Tennessee	TN	L	22,377,892	22,607,169	1	6,521,209	10,726,348	76,325,034	511,027	
44. Texas	TX	L	97,357,529	99,086,199	6,993,020	12,739,886	15,680,637	197,622,991	1,129,518	
45. Utah	UT	L	8,683,438	9,051,659		678,197	1,371,270	8,033,464	105,857	
46. Vermont	VT	L	1,543,985	1,578,888	8	635,985	(521,466)	11,584,216	65,641	
47. Virginia	VA	L	47,615,111	50,171,949	8	27,012,090	19,205,590	57,358,577	285,330	
48. Washington	WA	L	34,008,999	36,813,767		22,993,743	24,990,971	36,646,034	171,132	
49. West Virginia	WV	L	6,335,606	6,415,024		72,243	1,534,587	11,133,767	42,445	
50. Wisconsin	WI	L	32,024,585	27,117,827		16,802,805	28,052,404	63,408,115	419,544	
51. Wyoming	WY	L	4,319,721	4,100,107		283,966	1,260,404	3,210,354	1,896	
52. American Samoa	AS	N								
53. Guam	GU	N						(19)		
54. Puerto Rico	PR	L	51,537,257	53,207,351		2,401,561	13,639,331	103,600,446		
55. U.S. Virgin Islands	VI	L	612,908	570,506		177,000	959	542,408		
56. Northern Mariana Islands	MP	L	611,888	649,758			1,478	111,657		
57. Canada	CAN	L	509,410,117	469,861,062		151,124,656	431,913,918	632,384,850		
58. Aggregate Other Alien	OT	X X X	689,490,696	582,086,394		117,001,258	405,087,832	981,902,100		
59. Totals	(a)	54	2,857,638,128	2,681,972,625	6,995,149	914,829,760	1,564,323,435	4,484,756,841	18,238,414	

DETAILS OF WRITE-INS										
58001.	AUS AUSTRALIA	X X X	678,409,780	569,983,234		115,162,054	363,390,735	986,081,405		
58002.	NLD NETHERLANDS	X X X	3,463,391	2,454,619			(590,024)	480,865		
58003.	ZZZ OTHER ALIEN	X X X	1,220,594	3,536,177		(674,313)	46,900,670	(18,696,392)		
58998.	Summary of remaining write-ins for Line 58 from overflow page	X X X	6,396,931	6,112,364		2,513,517	(4,613,549)	14,036,222		
58999.	Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X	689,490,696	582,086,394		117,001,258	405,087,832	981,902,100		

Explanation of basis of allocation of premiums by states, etc.

(a) Active Status Counts

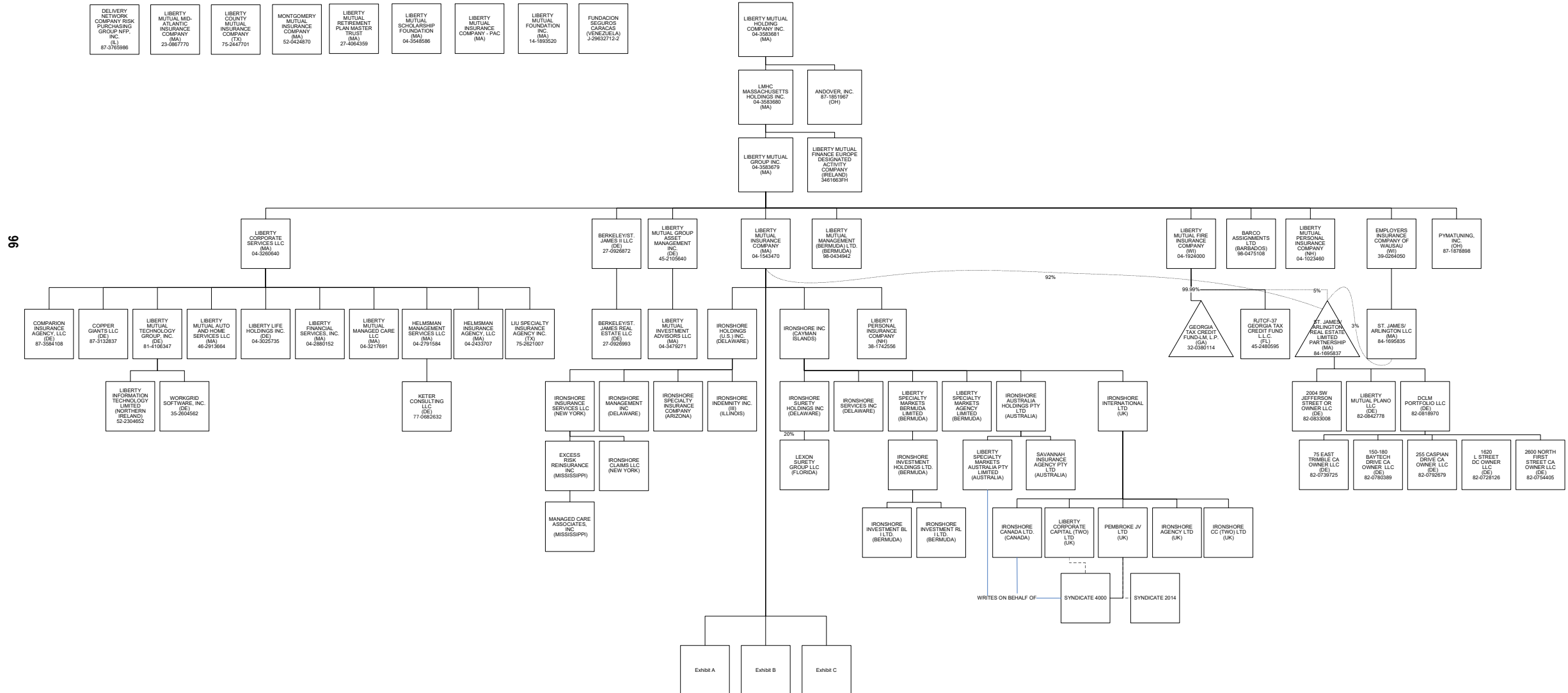
L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG	55
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state	_____
D - Domestic Surplus Lines Insurer (DSLII) - Reporting entities authorized to write surplus lines in the state of domicile	_____
R - Registered - Non-domiciled RRGs	_____
Q - Qualified - Qualified or accredited reinsurer	_____
N - None of the above - Not allowed to write business in the state (other than their state of domicile - See DSLII)	2

Explanation of basis of allocation of premiums by states, etc.

*Location of coverage - Fire, Allied Lines, Homeowners Multi Peril, Commercial Multi Peril, Earthquake, Boiler and Machinery	*Location of Court or Obligor - Surety
*States employee's main work place - Worker's Compensation	*Address of Assured - Other Accident and Health
*Location of Principal place of garaging of each individual car - Auto Liability, Auto Physical Damage	*Location of Properties covered - Burglary and Theft
*Principal Location of business or location of coverage - Liability other than Auto, Fidelity, Warranty	*Principal Location of Assured - Ocean Marine, Credit
*Point of origin of shipment or principal location of assured - Inland Marine	*Primary residence of Assured- Aircraft (all perils)
*State in which employees regularly work - Group Accident and Health	

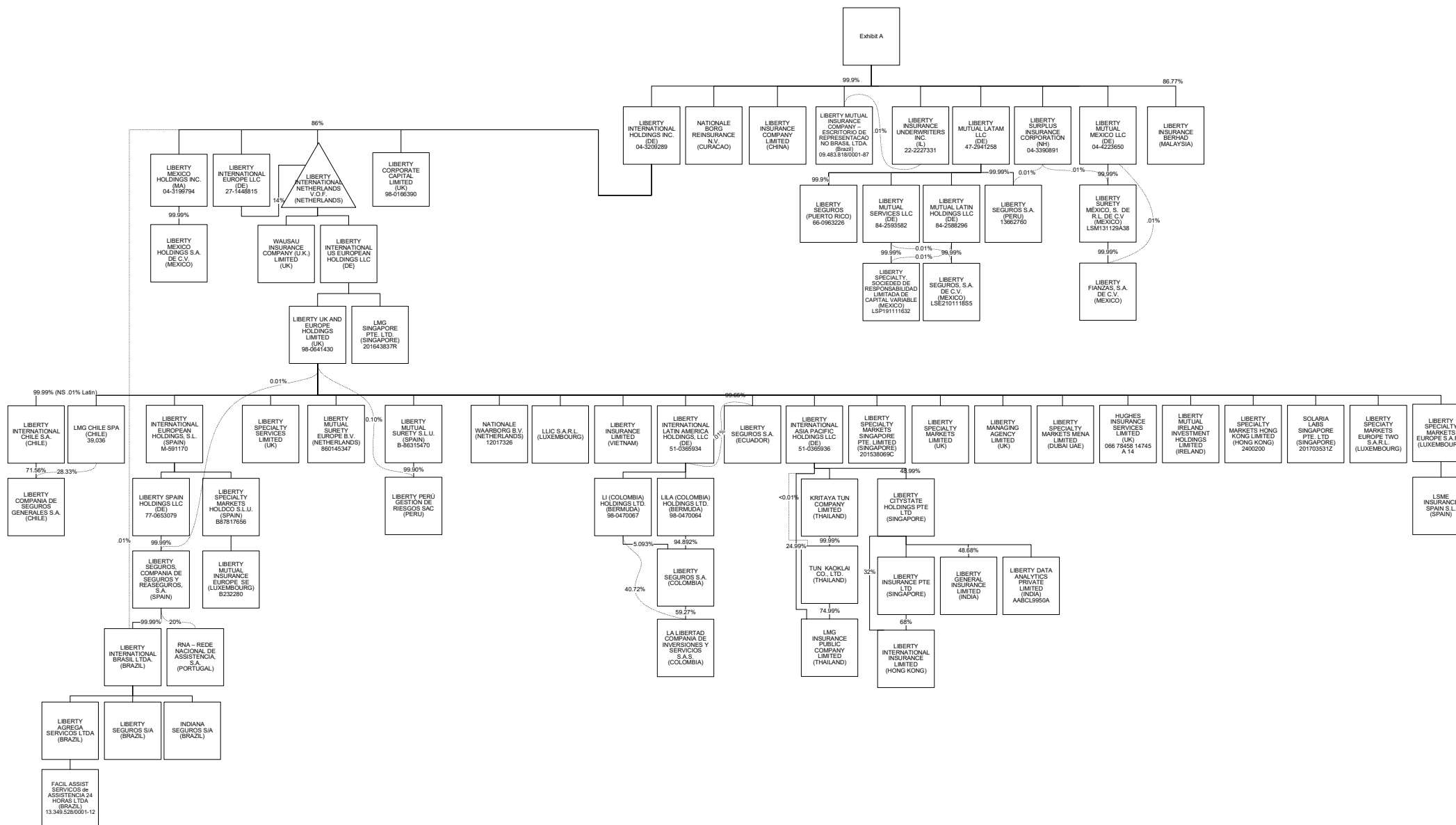
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



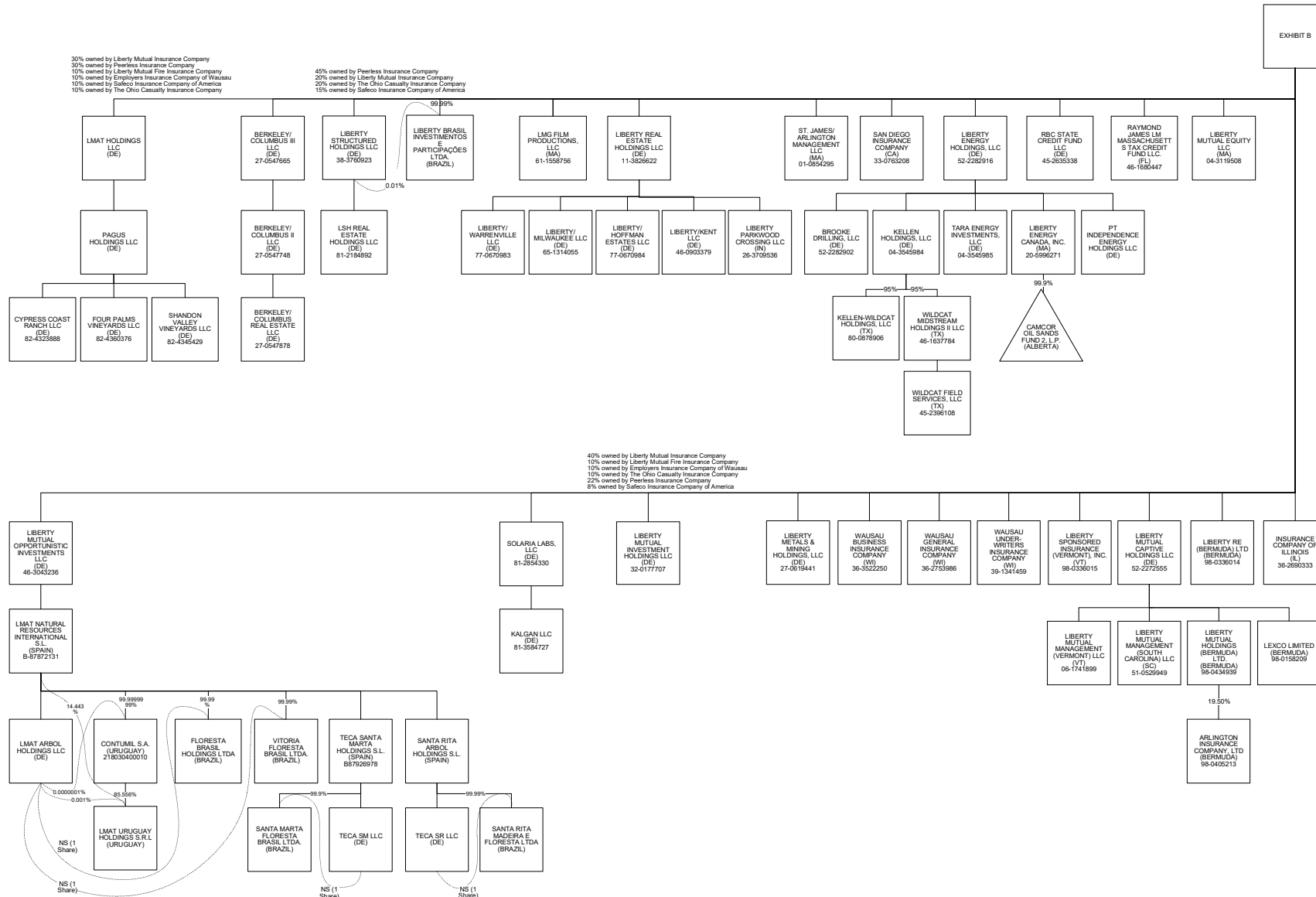
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



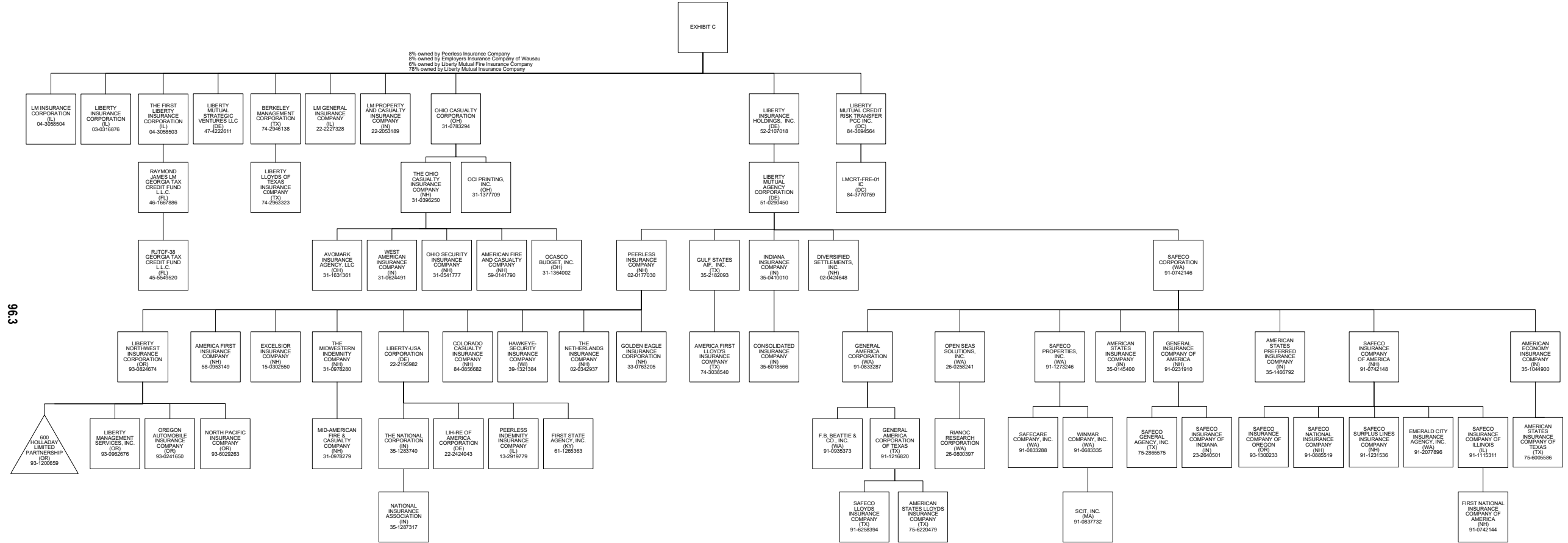
SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART



OVERFLOW PAGE FOR WRITE-INS

Page 2 - Continuation**ASSETS**

	Current Year			Prior Year
	1	2	3	4
REMAINING WRITE-INS AGGREGATED AT LINE 25 FOR OTHER THAN INVESTED ASSETS	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
2504. Amounts receivable under high deductible policies	85,963,858		85,963,858	86,730,400
2505. Goodwill	48,729,119	48,729,119		
2597. Totals (Lines 2504 through 2596) (Page 2, Line 2598)	134,692,977	48,729,119	85,963,858	86,730,400

OVERFLOW PAGE FOR WRITE-INS

Page 3 - Continuation

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Year	Prior Year
REMAINING WRITE-INS AGGREGATED AT LINE 25 FOR LIABILITIES		
2504. Retroactive reinsurance reserves	(1,552,830,181)	(1,996,312,633)
2597. Totals (Lines 2504 through 2596) (Page 3, Line 2598)	(1,552,830,181)	(1,996,312,633)

OVERFLOW PAGE FOR WRITE-INS

Page 94 - Continuation

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated By States and Territories

REMAINING WRITE-INS AGGREGATED AT LINE 58 FOR OTHER ALIEN	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
58004. PER PERU	X X X	1,008,703	325,330		1,379	20,957	268,853		
58005. COL COLOMBIA	X X X	994,543	391,170		36,015	(193,320)	706,065		
58006. SGP SINGAPORE	X X X	932,230	565,438			(110,061)	729,529		
58007. BMU BERMUDA	X X X	813,730	912,838		50,000	770,139	7,306,983		
58008. IRL IRELAND	X X X	641,373	461,013			(366,066)	367,674		
58009. BRA BRAZIL	X X X	562,687	806,482		380,598	449,255	736,854		
58010. ESP SPAIN	X X X	386,548	386,548			238,629	238,629		
58011. CHL CHILE	X X X	277,662	403,066		841,330	513,257	446,869		
58012. ISL ICELAND	X X X	181,306	177,260			(94,601)	94,144		
58013. ECU ECUADOR	X X X	177,908	139,193			(113,615)	32,723		
58014. BRB BARBADOS	X X X	144,230	131,997			33,491	82,151		
58015. TTO TRINIDAD AND TOBAGO	X X X	143,288	117,697			112,471	285,816		
58016. TUR TURKEY	X X X	142,864	73,736			(52,870)	247,637		
58017. BHS BAHAMAS	X X X	136,609	92,864		16,609	14,152	60,813		
58018. PAN PANAMA	X X X	136,246	148,698		580,792	579,829	262,685		
58019. ISR ISRAEL	X X X	131,465	48,118			(317,655)	249,778		
58020. FRA FRANCE	X X X	114,229	114,735			(72,782)	56,333		
58021. ITA ITALY	X X X	74,033	81,420			(19,912)			
58022. FIN FINLAND	X X X	73,236	58,644			(9,327)	57,107		
58023. GBR UNITED KINGDOM	X X X	37,537	22,600			(4,177)	15,971		
58024. IDN INDONESIA	X X X	25,375	17,182			(12,130)	41,113		
58025. DOM DOMINICAN REPUBLIC	X X X	22,189	70,860			(42,728)	105,921		
58026. ENG ENGLAND	X X X	18,355	12,937			(7,651)	11,229		
58027. CHE SWITZERLAND	X X X	6,936	3,761			(4,679)	3,401		
58028. GEO GEORGIA	X X X	4,961	7,507			2,940	10,715		
58029. POL POLAND	X X X	4,614	3,498			(1,957)	1,503		
58030. CYM CAYMAN ISLANDS	X X X	4,500	57,485			(289,400)	253,751		
58031. BES BONAIRE	X X X	2,120	2,120			(8,535)	12,389		
58032. GIN GUINEA	X X X	1,480	1,040			219	1,208		
58033. CYP CYPRUS	X X X	959	726			(279)			
58034. PHL PHILIPPINES	X X X	523	399			(100)	190		
58035. PRY PARAGUAY	X X X	458	29,857		180,000	160,759	87,575		
58036. ARG ARGENTINA	X X X		41,557		40,380	(125,509)	178,042		
58037. DEU GERMANY	X X X		39,406			(1,400,767)	(1,211,011)		
58038. VGB BRITISH VIRGIN ISLANDS	X X X		18,137			(23,014)	245,332		
58039. PRI PUERTO RICO	X X X		543			(131)	105		
58040. BOL BOLIVIA	X X X					2,688	2,699		
58041. GTM GUATEMALA	X X X					(1,661)	3,944		
58042. IOT INDIAN OCEAN	X X X					(38,291)	34,039		
58043. GUY GUYANA	X X X					2,564	19,191		
58044. ABW ARUBA	X X X					75,541	78,183		
58045. HKG HONG KONG	X X X					(2)	19,259		
58046. ARE UNITED ARAB EMIRATES	X X X						12,895		
58047. CHN CHINA	X X X					22,682	2,159,690		
58048. GNQ EQUATORIAL GUINEA	X X X					968	1,665		
58049. GRD GRENADA	X X X					(4,014)	(3,178)		
58050. JAM JAMAICA	X X X					1,022,781	891,512		
58051. KOR SOUTH KOREA	X X X					(278)	36,683		
58052. NZL NEW ZEALAND	X X X						168,111		
58053. SAU SAUDI ARABIA	X X X						45,387		
58054. THA TAIWAN	X X X					(4,999,604)	(2,298,050)		
58055. TUV TURKS AND CAICOS	X X X					(2,766)	897		
58056. GHA GHANA	X X X						7,087		
58057. LCA SAINT LUCIA	X X X					711	(3,319)		
58058. HND HONDURAS	X X X				386,414	(1,526)	7,323		
58059. URY URUGUAY	X X X	(12,750)	(2,085)			(10,617)	1,612		
58060. MEX MEXICO	X X X	(793,216)	348,587			(307,557)	862,515		
Total (Lines 58004 through 58150) (Page 94, Line 58998)	X X X	6,396,931	6,112,364		2,513,517	(4,613,549)	14,036,222		