



ANNUAL STATEMENT

For the Year Ended December 31, 2020
of the Condition and Affairs of the

FACTORY MUTUAL INSURANCE COMPANY

NAIC Group Code.....	0065, 0065 (Current Period) (Prior Period)	NAIC Company Code.....	21482	Employer's ID Number.....	05-0316605
Organized under the Laws of RI		State of Domicile or Port of Entry	RI	Country of Domicile	US
Incorporated/Organized.....	October 31, 1835	Commenced Business.....	October 31, 1835		
Statutory Home Office	270 Central Avenue .. Johnston .. RI .. US .. 02919-4949 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>				
Main Administrative Office	270 Central Avenue .. Johnston .. RI .. US .. 02919-4949 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>			401-275-3000 <i>(Area Code) (Telephone Number)</i>	
Mail Address	P.O. Box 7500 .. Johnston .. RI .. US .. 02919-0750 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>				
Primary Location of Books and Records	270 Central Avenue .. Johnston .. RI .. US .. 02919-4949 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>			401-275-3000 <i>(Area Code) (Telephone Number)</i>	
Internet Web Site Address	www.fmglobal.com				
Statutory Statement Contact	Michael Gariglio <i>(Name)</i> michael.gariglio@fmglobal.com <i>(E-Mail Address)</i>			401-415-1892 <i>(Area Code) (Telephone Number) (Extension)</i> 401-946-8306 <i>(Fax Number)</i>	

OFFICERS

Name	Title	Name	Title
1. Thomas Alan Lawson	Chairman & Chief Executive Officer	2. Jonathan Irving Mishara	Senior Vice President & Secretary
3. Rachel Cope	Vice President & Controller	4. Denise Anastasia Hebert	Vice President & Treasurer

OTHER

Bret Nils Ahnell	Executive Vice President	Kevin Scott Ingram	Executive Vice President
Malcolm Craig Roberts	Executive Vice President	Sanjay Chawla	Senior Vice President
Deanna Ruth Fidler	Senior Vice President	James Robert Galloway #	Executive Vice President

DIRECTORS OR TRUSTEES

Frank Thomas Connor	Daniel Lee Knotts	Thomas Alan Lawson	John Anderson Luke Jr
Gracia Catherine Martore	Christine Mary McCarthy	Stuart Blain Parker	Israel Ruiz
Michel Giannuzzi	Glenn Rodney Landau	David Thomas Walton	Colin Day #

State of..... Rhode Island
County of..... Providence

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) Thomas Alan Lawson	_____ (Signature) Jonathan Irving Mishara	_____ (Signature) Rachel Cope
1. (Printed Name) Chairman & Chief Executive Officer	2. (Printed Name) Senior Vice President & Secretary	3. (Printed Name) Vice President & Controller
_____ (Title)	_____ (Title)	_____ (Title)

Subscribed and sworn to before me
This 25th day of February 2021
John A. Soares III Notary Public
Expires July 5, 2021

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

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).....	5,884,894,358		5,884,894,358	5,110,279,401
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	201,780		201,780	
2.2 Common stocks.....	10,961,119,074		10,961,119,074	9,821,563,572
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			.0	
3.2 Other than first liens.....			.0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			.0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			.0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			.0	
5. Cash (\$.....438,655,708, Schedule E-Part 1), cash equivalents (\$.....402,869,129, Schedule E-Part 2) and short-term investments (\$.....24,132,496, Schedule DA).....	865,657,333		865,657,333	905,170,640
6. Contract loans (including \$.....0 premium notes).....			.0	
7. Derivatives (Schedule DB).....			.0	
8. Other invested assets (Schedule BA).....	3,220,390,428		3,220,390,428	2,383,948,477
9. Receivables for securities.....	105,822,049		105,822,049	550,403
10. Securities lending reinvested collateral assets (Schedule DL).....	31,558,377		31,558,377	33,280,681
11. Aggregate write-ins for invested assets.....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	21,069,643,399	.0	21,069,643,399	18,254,793,174
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	49,578,541		49,578,541	58,395,776
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	1,031,298,283	67,038,536	964,259,747	837,850,637
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			.0	
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			.0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	243,106,770		243,106,770	154,684,721
16.2 Funds held by or deposited with reinsured companies.....	13,705,724		13,705,724	16,216,446
16.3 Other amounts receivable under reinsurance contracts.....			.0	
17. Amounts receivable relating to uninsured plans.....			.0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....	68,953,359		68,953,359	205,224,779
18.2 Net deferred tax asset.....			.0	
19. Guaranty funds receivable or on deposit.....	134,312		134,312	163,801
20. Electronic data processing equipment and software.....	76,078,466	72,183,942	3,894,524	3,478,065
21. Furniture and equipment, including health care delivery assets (\$.....0).....	75,694,435	75,694,435	.0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
23. Receivables from parent, subsidiaries and affiliates.....	27,176,960	27,176,960	.0	166,735,496
24. Health care (\$.....0) and other amounts receivable.....			.0	
25. Aggregate write-ins for other-than-invested assets.....	439,030,425	175,525,084	263,505,341	472,788,879
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	23,094,400,674	417,618,957	22,676,781,717	20,170,331,774
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. TOTAL (Lines 26 and 27).....	23,094,400,674	417,618,957	22,676,781,717	20,170,331,774

DETAILS OF WRITE-INS

1101.....			.0	
1102.....			.0	
1103.....			.0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	.0	.0	.0	.0
2501. Pension asset.....	136,148,000	136,148,000	.0	
2502. CSV life insurance.....	123,852,107		123,852,107	116,136,715
2503. Prepaid expenses.....	25,216,860	25,216,860	.0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	153,813,458	14,160,224	139,653,234	356,652,164
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	439,030,425	175,525,084	263,505,341	472,788,879

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	2,542,167,667	2,688,931,721
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	42,024,425	10,645,086
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	170,131,151	148,663,184
4. Commissions payable, contingent commissions and other similar charges.....		
5. Other expenses (excluding taxes, licenses and fees).....	715,781,627	614,906,740
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	27,234,053	21,343,007
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....		
7.2 Net deferred tax liability.....	454,378,215	408,342,232
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....638,842,400 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).....	1,993,350,220	1,642,456,120
10. Advance premium.....	662,071	996,479
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	328,399,784	335,469,351
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20).....	134,969,923	5,205,436
14. Amounts withheld or retained by company for account of others.....	35,820,101	12,758,131
15. Remittances and items not allocated.....	70,228,268	73,762,161
16. Provision for reinsurance (including \$.....65,298,000 certified) (Schedule F, Part 3, Column 78).....	204,206,800	139,688,800
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	163,602,137	187,977,480
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	125,606,279	
20. Derivatives.....		
21. Payable for securities.....	140,232,345	21,001,456
22. Payable for securities lending.....	31,558,377	33,280,681
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	137,727,567	117,247,289
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	7,318,081,010	6,462,675,354
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	7,318,081,010	6,462,675,354
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....		
31. Preferred capital stock.....		
32. Aggregate write-ins for other-than-special surplus funds.....	1,250,000	1,250,000
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....		
35. Unassigned funds (surplus).....	15,357,450,707	13,706,406,420
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	15,358,700,707	13,707,656,420
38. TOTAL (Page 2, Line 28, Col. 3).....	22,676,781,717	20,170,331,774

DETAILS OF WRITE-INS

2501. Miscellaneous accounts payable.....	76,286,930	76,607,033
2502. SSAP 92 defined benefit plan contra liability.....	(1,652,000)	(2,511,000)
2503. Deferred ceding commissions.....	61,305,989	43,151,256
2598. Summary of remaining write-ins for Line 25 from overflow page.....	1,786,648	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	137,727,567	117,247,289
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	0	0
3201. Guaranty funds.....	1,250,000	1,250,000
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above).....	1,250,000	1,250,000

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	3,658,934,145	3,208,167,012
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7).....	2,325,466,318	1,678,281,657
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	150,291,436	52,266,752
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	1,011,570,422	942,262,547
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	3,487,328,176	2,672,810,956
7. Net income of protected cells.....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	171,605,969	535,356,056
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	191,138,037	294,721,006
10. Net realized capital gains (losses) less capital gains tax of \$.....160,492,755 (Exhibit of Capital Gains (Losses)).....	620,633,531	593,590,376
11. Net investment gain (loss) (Lines 9 + 10).....	811,771,568	888,311,382
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....435,323).....	(435,323)	(629,782)
13. Finance and service charges not included in premiums.....		
14. Aggregate write-ins for miscellaneous income.....	(25,664,711)	(10,900,916)
15. Total other income (Lines 12 through 14).....	(26,100,034)	(11,530,698)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	957,277,503	1,412,136,740
17. Dividends to policyholders.....		
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	957,277,503	1,412,136,740
19. Federal and foreign income taxes incurred.....	42,403,989	154,085,699
20. Net income (Line 18 minus Line 19) (to Line 22).....	914,873,514	1,258,051,041
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	13,707,656,420	11,241,266,523
22. Net income (from Line 20).....	914,873,514	1,258,051,041
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....65,787,553.....	846,893,399	1,255,706,531
25. Change in net unrealized foreign exchange capital gain (loss).....	13,042,509	(247,373)
26. Change in net deferred income tax.....	19,751,570	(21,757,000)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	54,847,829	(81,487,210)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	(64,518,000)	(1,500,200)
29. Change in surplus notes.....		
30. Surplus (contributed to) withdrawn from Protected Cells.....		
31. Cumulative effect of changes in accounting principles.....		
32. Capital changes:		
32.1 Paid in.....		
32.2 Transferred from surplus (Stock Dividend).....		
32.3 Transferred to surplus.....		
33. Surplus adjustments:		
33.1 Paid in.....		
33.2 Transferred to capital (Stock Dividend).....		
33.3. Transferred from capital.....		
34. Net remittances from or (to) Home Office.....		
35. Dividends to stockholders.....		
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....		
37. Aggregate write-ins for gains and losses in surplus.....	(133,846,534)	57,624,108
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	1,651,044,287	2,466,389,897
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	15,358,700,707	13,707,656,420
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....	0	0
1401. Miscellaneous expense.....	(90,424)	(103,818)
1402. Balances recovered.....	24,760	40,495
1403. Loss on foreign exchange.....	(25,599,047)	(10,837,593)
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	(25,664,711)	(10,900,916)
3701. SSAP 102 and SSAP 92 amortization / actuarial (losses) gains.....	(133,846,534)	57,624,108
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above).....	(133,846,534)	57,624,108

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	3,858,914,618	3,281,658,120
2. Net investment income.....	218,612,846	258,923,275
3. Miscellaneous income.....	(26,100,034)	(11,530,698)
4. Total (Lines 1 through 3).....	4,051,427,430	3,529,050,697
5. Benefit and loss related payments.....	2,505,470,975	2,860,799,168
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	1,033,598,469	912,449,458
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$....49,942,343 tax on capital gains (losses).....	66,625,324	260,505,530
10. Total (Lines 5 through 9).....	3,605,694,768	4,033,754,156
11. Net cash from operations (Line 4 minus Line 10).....	445,732,662	(504,703,459)
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	4,099,243,153	2,620,191,184
12.2 Stocks.....	2,291,426,149	2,904,749,822
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....	141,583,836	214,491,134
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	45,278	124,030
12.7 Miscellaneous proceeds.....	119,230,889	10,687,083
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	6,651,529,305	5,750,243,253
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	4,868,313,246	2,867,024,205
13.2 Stocks.....	1,941,379,813	1,799,214,346
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....	809,582,095	601,070,650
13.6 Miscellaneous applications.....	105,271,646	
13.7 Total investments acquired (Lines 13.1 to 13.6).....	7,724,546,800	5,267,309,201
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(1,073,017,495)	482,934,052
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	587,771,526	(191,565,878)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	587,771,526	(191,565,878)
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).....	(39,513,307)	(213,335,285)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	905,170,640	1,118,505,925
19.2 End of year (Line 18 plus Line 19.1).....	865,657,333	905,170,640

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

20.0001		
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UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire.....	630,829,805	236,538,380	332,986,410	534,381,775
2.	Allied lines.....	1,287,787,559	534,661,446	671,386,057	1,151,062,948
3.	Farmowners multiple peril.....	0		0	0
4.	Homeowners multiple peril.....	0		0	0
5.	Commercial multiple peril.....	0		0	0
6.	Mortgage guaranty.....	0		0	0
8.	Ocean marine.....	8,190,991	3,602,552	4,869,435	6,924,108
9.	Inland marine.....	757,689,489	444,512,488	338,683,600	863,518,377
10.	Financial guaranty.....	0		0	0
11.1	Medical professional liability - occurrence.....	0		0	0
11.2	Medical professional liability - claims-made.....	0		0	0
12.	Earthquake.....	246,721,614		164,111,863	82,609,751
13.	Group accident and health.....	0		0	0
14.	Credit accident and health (group and individual).....	0		0	0
15.	Other accident and health.....	0		0	0
16.	Workers' compensation.....	0		0	0
17.1	Other liability - occurrence.....	0		0	0
17.2	Other liability - claims-made.....	0		0	0
17.3	Excess workers' compensation.....	0		0	0
18.1	Products liability - occurrence.....	0		0	0
18.2	Products liability - claims-made.....	0		0	0
19.1, 19.2	Private passenger auto liability.....	0		0	0
19.3, 19.4	Commercial auto liability.....	0		0	0
21.	Auto physical damage.....	0		0	0
22.	Aircraft (all perils).....	0		0	0
23.	Fidelity.....	0		0	0
24.	Surety.....	0		0	0
26.	Burglary and theft.....	0		0	0
27.	Boiler and machinery.....	916,803,716	423,141,254	481,312,855	858,632,115
28.	Credit.....	0		0	0
29.	International.....	0		0	0
30.	Warranty.....	0		0	0
31.	Reinsurance - nonproportional assumed property.....	161,800,078		0	161,800,078
32.	Reinsurance - nonproportional assumed liability.....	4,993		0	4,993
33.	Reinsurance - nonproportional assumed financial lines.....	0		0	0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0
35.	TOTALS.....	4,009,828,245	1,642,456,120	1,993,350,220	3,658,934,145

DETAILS OF WRITE-INS

3401.	.....	0		0	0
3402.	.....	0		0	0
3403.	.....	0		0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0

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.....	332,986,410				332,986,410
2.	Allied lines.....	671,386,057				671,386,057
3.	Farmowners multiple peril.....					0
4.	Homeowners multiple peril.....					0
5.	Commercial multiple peril.....					0
6.	Mortgage guaranty.....					0
8.	Ocean marine.....	4,869,435				4,869,435
9.	Inland marine.....	338,683,600				338,683,600
10.	Financial guaranty.....					0
11.1	Medical professional liability - occurrence.....					0
11.2	Medical professional liability - claims-made.....					0
12.	Earthquake.....	164,111,863				164,111,863
13.	Group accident and health.....					0
14.	Credit accident and health (group and individual).....					0
15.	Other accident and health.....					0
16.	Workers' compensation.....					0
17.1	Other liability - occurrence.....					0
17.2	Other liability - claims-made.....					0
17.3	Excess workers' compensation.....					0
18.1	Products liability - occurrence.....					0
18.2	Products liability - claims-made.....					0
19.1, 19.2	Private passenger auto liability.....					0
19.3, 19.4	Commercial auto liability.....					0
21.	Auto physical damage.....					0
22.	Aircraft (all perils).....					0
23.	Fidelity.....					0
24.	Surety.....					0
26.	Burglary and theft.....					0
27.	Boiler and machinery.....	481,312,855				481,312,855
28.	Credit.....					0
29.	International.....					0
30.	Warranty.....					0
31.	Reinsurance - nonproportional assumed property.....					0
32.	Reinsurance - nonproportional assumed liability.....					0
33.	Reinsurance - nonproportional assumed financial lines.....					0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0
35.	TOTALS.....	1,993,350,220	0	0	0	1,993,350,220
36.	Accrued retrospective premiums based on experience.....					
37.	Earned but unbilled premiums.....					0
38.	Balance (sum of Lines 35 through 37).....					1,993,350,220

DETAILS OF WRITE-INS

3401.	.....					0
3402.	.....					0
3403.	.....					0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0

(a) State here basis of computation used in each case: Daily Pro Rata

**FACTORY MUTUAL INSURANCE COMPANY
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.....	745,382,879	103,903,716	101,406,059	49,037,718	270,825,131	630,829,805
2. Allied lines.....	1,514,638,418	216,668,802	192,537,648	100,885,351	535,171,958	1,287,787,559
3. Farmowners multiple peril.....						0
4. Homeowners multiple peril.....						0
5. Commercial multiple peril.....						0
6. Mortgage guaranty.....						0
8. Ocean marine.....	257,427	6,746,704	2,308,395	38,984	1,082,551	8,190,991
9. Inland marine.....	804,149,088	85,304,646	159,761,198	49,064,710	242,460,733	757,689,489
10. Financial guaranty.....						0
11.1 Medical professional liability - occurrence.....						0
11.2 Medical professional liability - claims-made.....						0
12. Earthquake.....	275,267,070	37,695,951	49,613,886	16,181,492	99,673,801	246,721,614
13. Group accident and health.....						0
14. Credit accident and health (group and individual).....						0
15. Other accident and health.....						0
16. Workers' compensation.....						0
17.1 Other liability - occurrence.....						0
17.2 Other liability - claims-made.....						0
17.3 Excess workers' compensation.....						0
18.1 Products liability - occurrence.....						0
18.2 Products liability - claims-made.....						0
19.1, 19.2 Private passenger auto liability.....						0
19.3, 19.4 Commercial auto liability.....						0
21. Auto physical damage.....						0
22. Aircraft (all perils).....						0
23. Fidelity.....						0
24. Surety.....						0
26. Burglary and theft.....						0
27. Boiler and machinery.....	695,040,887	53,836,008	448,842,769	8,536,186	272,379,762	916,803,716
28. Credit.....						0
29. International.....						0
30. Warranty.....						0
31. Reinsurance - nonproportional assumed property.....	XXX	247,603,237		85,803,159		161,800,078
32. Reinsurance - nonproportional assumed liability.....	XXX		4,993			4,993
33. Reinsurance - nonproportional assumed financial lines.....	XXX					0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0
35. TOTALS.....	4,034,735,769	751,759,064	954,474,948	309,547,600	1,421,593,936	4,009,828,245

DETAILS OF WRITE-INS

3401.						0
3402.						0
3403.						0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0

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

If yes: 1. The amount of such installment premiums \$.0.

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.0.

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.....	530,375,800	351,784,203	182,759,461	699,400,542	708,921,408	978,316,118	430,005,832	80.5
2.	Allied lines.....	623,496,246	217,748,562	209,496,735	631,748,072	523,042,286	567,020,802	587,769,556	51.1
3.	Farmowners multiple peril.....				.0	.0	.0	.0	0.0
4.	Homeowners multiple peril.....				.0	.0	.0	.0	0.0
5.	Commercial multiple peril.....				.0	.0	.0	.0	0.0
6.	Mortgage guaranty.....				.0	.0	.0	.0	0.0
8.	Ocean marine.....	1,030,403	(641,887)	1,101,234	(712,719)	36,055,329	37,846,652	(2,504,042)	(36.2)
9.	Inland marine.....	462,420,181	80,031,256	79,010,725	463,440,712	520,087,029	334,926,851	648,600,890	75.1
10.	Financial guaranty.....				.0	.0	.0	.0	0.0
11.1	Medical professional liability - occurrence.....				.0	.0	.0	.0	0.0
11.2	Medical professional liability - claims-made.....				.0	.0	.0	.0	0.0
12.	Earthquake.....				.0	.0	.0	.0	0.0
13.	Group accident and health.....				.0	.0	.0	.0	0.0
14.	Credit accident and health (group and individual).....				.0	.0	.0	.0	0.0
15.	Other accident and health.....				.0	.0	.0	.0	0.0
16.	Workers' compensation.....		4,595		4,595	557,414	548,050	13,959	0.0
17.1	Other liability - occurrence.....	6,938,680	1,864,373	7,428,039	1,375,015	130,164,518	129,724,148	1,815,385	0.0
17.2	Other liability - claims-made.....				.0	.0	.0	.0	0.0
17.3	Excess workers' compensation.....				.0	.0	.0	.0	0.0
18.1	Products liability - occurrence.....				.0	.0	.0	.0	0.0
18.2	Products liability - claims-made.....				.0	.0	.0	.0	0.0
19.1, 19.2	Private passenger auto liability.....				.0	.0	.0	.0	0.0
19.3, 19.4	Commercial auto liability.....				.0	.0	.0	.0	0.0
21.	Auto physical damage.....				.0	.0	.0	.0	0.0
22.	Aircraft (all perils).....	17,730	8,531	9,939	16,322	3,653,553	3,650,823	19,052	0.0
23.	Fidelity.....	(73,433)			(73,433)	.0	.0	(73,433)	0.0
24.	Surety.....				.0	.0	.0	.0	0.0
26.	Burglary and theft.....				.0	.0	.0	.0	0.0
27.	Boiler and machinery.....	677,639,161	145,276,896	154,004,198	668,911,859	284,110,786	287,896,145	665,126,501	77.5
28.	Credit.....				.0	.0	.0	.0	0.0
29.	International.....				.0	.0	.0	.0	0.0
30.	Warranty.....				.0	.0	.0	.0	0.0
31.	Reinsurance - nonproportional assumed property.....	XXX	54,391,692	54,165,500	226,192	.0	.0	226,192	0.1
32.	Reinsurance - nonproportional assumed liability.....	XXX	10,669,448	2,776,233	7,893,215	335,575,344	349,002,132	(5,533,573)	(110,826.6)
33.	Reinsurance - nonproportional assumed financial lines.....	XXX			.0	.0	.0	.0	0.0
34.	Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0	.0	0.0
35.	TOTALS	2,301,844,767	861,137,669	690,752,063	2,472,230,373	2,542,167,667	2,688,931,721	2,325,466,318	63.6

DETAILS OF WRITE-INS

3401.									
3402.									
3403.									
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	.0	.0	.0	.0	.0	.0	.0	XXX
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	.0	.0	.0	.0	.0	.0	.0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire.....	750,978,427	169,736,120	253,318,729	667,395,819	34,405,630	7,119,959		708,921,408	29,180,332
2. Allied lines.....	458,557,779	419,950,892	383,826,651	494,682,019	24,356,180	4,004,087		523,042,286	22,976,903
3. Farmowners multiple peril.....				0				0	
4. Homeowners multiple peril.....				0				0	
5. Commercial multiple peril.....				0				0	
6. Mortgage guaranty.....				0				0	
8. Ocean marine.....	2,511,110	750,459	1,598,512	1,663,057	54,095,907	22,584,361	42,287,997	36,055,329	2,170,203
9. Inland marine.....	589,085,978	33,508,271	225,992,708	396,601,542	119,284,850	4,200,637		520,087,029	45,292,766
10. Financial guaranty.....				0				0	
11.1 Medical professional liability - occurrence.....				0				0	
11.2 Medical professional liability - claims-made.....				0				0	
12. Earthquake.....				0				0	
13. Group accident and health.....				0				(a) 0	
14. Credit accident and health (group and individual).....				0				0	
15. Other accident and health.....				0				(a) 0	
16. Workers' compensation.....		153,116		153,116		404,298		557,414	322
17.1 Other liability - occurrence.....	9,662,663	1,653,293	6,930,102	4,385,854	219,083,998	90,027,751	183,333,086	130,164,518	17,884,849
17.2 Other liability - claims-made.....				0				0	
17.3 Excess workers' compensation.....				0				0	
18.1 Products liability - occurrence.....				0				0	
18.2 Products liability - claims-made.....				0				0	
19.1, 19.2 Private passenger auto liability.....				0				0	
19.3, 19.4 Commercial auto liability.....				0				0	
21. Auto physical damage.....				0				0	
22. Aircraft (all perils).....	401,438	2,503	225,660	178,281	9,082,259	362,759	5,969,745	3,653,553	194,081
23. Fidelity.....				0				0	
24. Surety.....				0				0	
26. Burglary and theft.....				0				0	
27. Boiler and machinery.....	308,805,805	165,071,921	199,216,897	274,660,829	7,680,743	1,769,214		284,110,786	9,745,320
28. Credit.....				0				0	
29. International.....				0				0	
30. Warranty.....				0				0	
31. Reinsurance - nonproportional assumed property.....	XXX			0	XXX			0	
32. Reinsurance - nonproportional assumed liability.....	XXX	147,793,626	38,918,924	108,874,702	XXX	308,527,415	81,826,773	335,575,344	42,686,374
33. Reinsurance - nonproportional assumed financial lines.....	XXX			0	XXX			0	
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0	0
35. TOTALS.....	2,120,003,200	938,620,201	1,110,028,182	1,948,595,219	467,989,567	439,000,482	313,417,601	2,542,167,667	170,131,151
DETAILS OF WRITE-INS									
3401.				0				0	
3402.				0				0	
3403.				0				0	
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0	0

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(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.....	70,187,694			70,187,694
1.2 Reinsurance assumed.....	52,075,971			52,075,971
1.3 Reinsurance ceded.....	14,911,491			14,911,491
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	107,352,174	0	0	107,352,174
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....		2,962,301		2,962,301
2.2 Reinsurance assumed, excluding contingent.....		343,697,081		343,697,081
2.3 Reinsurance ceded, excluding contingent.....		252,367,557		252,367,557
2.4 Contingent - direct.....				0
2.5 Contingent - reinsurance assumed.....				0
2.6 Contingent - reinsurance ceded.....				0
2.7 Policy and membership fees.....				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	94,291,825	0	94,291,825
3. Allowances to manager and agents.....				0
4. Advertising.....	6,646	16,545,588		16,552,234
5. Boards, bureaus and associations.....		52,116		52,116
6. Surveys and underwriting reports.....	1,056	10,193,313		10,194,369
7. Audit of assureds' records.....				0
8. Salary and related items:				
8.1 Salaries.....	28,482,622	459,990,519	4,043,969	492,517,110
8.2 Payroll taxes.....	1,397,409	22,257,410	173,151	23,827,970
9. Employee relations and welfare.....	5,697,892	76,851,244	1,120,781	83,669,917
10. Insurance.....	76,849	5,613,834	4,842	5,695,525
11. Directors' fees.....		3,235,129	1,283	3,236,412
12. Travel and travel items.....	2,121,634	31,563,447	179,492	33,864,573
13. Rent and rent items.....	2,992,688	64,522,717	516,227	68,031,632
14. Equipment.....	(26,759)	12,595,433	4,606	12,573,280
15. Cost or depreciation of EDP equipment and software.....	553,225	66,721,660	1,431,067	68,705,952
16. Printing and stationery.....	148,874	2,209,692	41,624	2,400,190
17. Postage, telephone and telegraph, exchange and express.....	10,162	388,241	(257,339)	141,064
18. Legal and auditing.....	1,455,010	7,014,398		8,469,408
19. Totals (Lines 3 to 18).....	42,917,308	779,754,741	7,259,703	829,931,752
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....40,535.....	5,174	113,353,570	103,962	113,462,706
20.2 Insurance department licenses and fees.....	12,076	1,995,643	15,654	2,023,373
20.3 Gross guaranty association assessments.....		24,083		24,083
20.4 All other (excluding federal and foreign income and real estate).....				0
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	17,250	115,373,296	119,616	115,510,162
21. Real estate expenses.....				0
22. Real estate taxes.....				0
23. Reimbursements by uninsured plans.....				0
24. Aggregate write-ins for miscellaneous expenses.....	4,704	22,150,560	11,254,675	33,409,939
25. Total expenses incurred.....	150,291,436	1,011,570,422	18,633,994	(a) 1,180,495,852
26. Less unpaid expenses - current year.....	170,131,151	743,015,680		913,146,831
27. Add unpaid expenses - prior year.....	148,663,184	636,249,748		784,912,932
28. Amounts receivable relating to uninsured plans, prior year.....				0
29. Amounts receivable relating to uninsured plans, current year.....				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	128,823,469	904,804,490	18,633,994	1,052,261,953

DETAILS OF WRITE-INS

2401. Bank activity fees.....	563	491,154	491,842	983,559
2402. Investment management fees.....			8,886,010	8,886,010
2403. Consulting.....	28,879	50,714,397	1,876,823	52,620,099
2498. Summary of remaining write-ins for Line 24 from overflow page.....	(24,738)	(29,054,991)	0	(29,079,729)
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above).....	4,704	22,150,560	11,254,675	33,409,939

(a) Includes management fees of \$.....0 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds.....	(a).....8,063,890	.....7,020,586
1.1 Bonds exempt from U.S. tax.....	(a).....33,911,196	.....33,441,108
1.2 Other bonds (unaffiliated).....	(a).....106,600,896	.....107,829,223
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....98,315,144	.....90,270,386
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....4,752,019	.....4,667,816
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....21,283,259	.....21,283,259
9. Aggregate write-ins for investment income.....	.....1,364,270	.....1,364,270
10. Total gross investment income.....	.....274,290,674	.....265,876,648
11. Investment expenses.....	.....	(g).....18,514,378
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....119,616
13. Interest expense.....	.....	(h).....56,104,617
14. Depreciation on real estate and other invested assets.....	.....	(i).....0
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	.....74,738,611
17. Net investment income (Line 10 minus Line 16).....	.....	.....191,138,037

DETAILS OF WRITE-INS

0901. IMCA Intercompany Loan Interest Expense.....	.....825,205	.....825,205
0902. Securities Litigation Income.....	.....274,718	.....274,718
0903. Miscellaneous Income.....	.....264,347	.....264,347
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	.....1,364,270	.....1,364,270
1501. ....	.....	.....
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above).....	.....	.....0

- (a) Includes \$.....4,732,656 accrual of discount less \$.....44,348,592 amortization of premium and less \$.....13,821,124 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 \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....69,717 accrual of discount less \$.....118,046 amortization of premium and less \$.....557,929 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds.....	.....13,900,030	.....	.....13,900,030	.....	.....
1.1 Bonds exempt from U.S. tax.....	.....10,583,619	.....	.....10,583,619	.....	.....
1.2 Other bonds (unaffiliated).....	.....6,883,980	.....(3,298,589)	.....3,585,391	.....8,104,068	.....8,987,696
1.3 Bonds of affiliates.....	.....	.....	.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....	.....	.....	.....0	.....11,780	.....
2.11 Preferred stocks of affiliates.....	.....	.....	.....0	.....	.....
2.2 Common stocks (unaffiliated).....	.....732,205,229	.....(6,022,612)	.....726,182,617	.....161,442,496	.....637,832
2.21 Common stocks of affiliates.....	.....	.....	.....0	.....601,528,893	.....
3. Mortgage loans.....	.....	.....	.....0	.....	.....
4. Real estate.....	.....	.....	.....0	.....	.....
5. Contract loans.....	.....	.....	.....0	.....	.....
6. Cash, cash equivalents and short-term investments.....	.....(17,515)	.....(20,625)	.....(38,140)	.....62,793	.....
7. Derivative instruments.....	.....	.....	.....0	.....	.....
8. Other invested assets.....	.....33,203,049	.....(6,290,280)	.....26,912,769	.....141,530,922	.....
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....796,758,392	.....(15,632,106)	.....781,126,286	.....912,680,952	.....9,625,528

DETAILS OF WRITE-INS

0901. ....	.....	.....	.....0	.....	.....
0902. ....	.....	.....	.....0	.....	.....
0903. ....	.....	.....	.....0	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page...	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	.....0	.....0	.....0	.....0	.....0

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).....			0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			0
2.2 Common stocks.....			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale.....			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			0
6. Contract loans.....			0
7. Derivatives (Schedule DB).....			0
8. Other invested assets (Schedule BA).....			0
9. Receivables for securities.....			0
10. Securities lending reinvested collateral assets (Schedule DL).....			0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	0	0	0
13. Title plants (for Title insurers only).....			0
14. Investment income due and accrued.....			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	67,038,536	49,937,994	(17,100,542)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			0
15.3 Accrued retrospective premiums and contracts subject to redetermination.....			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			0
16.2 Funds held by or deposited with reinsured companies.....			0
16.3 Other amounts receivable under reinsurance contracts.....			0
17. Amounts receivable relating to uninsured plans.....			0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0
18.2 Net deferred tax asset.....			0
19. Guaranty funds receivable or on deposit.....			0
20. Electronic data processing equipment and software.....	72,183,942	58,630,639	(13,553,303)
21. Furniture and equipment, including health care delivery assets.....	75,694,435	80,604,930	4,910,495
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0
23. Receivables from parent, subsidiaries and affiliates.....	27,176,960	28,823,435	1,646,475
24. Health care and other amounts receivable.....			0
25. Aggregate write-ins for other-than-invested assets.....	175,525,084	254,469,788	78,944,704
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	417,618,957	472,466,786	54,847,829
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	417,618,957	472,466,786	54,847,829

DETAILS OF WRITE-INS

1101.....			0
1102.....			0
1103.....			0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0
2501. Pension asset.....	136,148,000	222,162,000	86,014,000
2502. Prepaid expenses.....	25,216,860	17,836,963	(7,379,897)
2503. Miscellaneous receivable.....	2,086,587	2,397,188	310,601
2598. Summary of remaining write-ins for Line 25 from overflow page.....	12,073,637	12,073,637	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	175,525,084	254,469,788	78,944,704

NOTES TO FINANCIAL STATEMENTS**Note 1 – Summary of Significant Accounting Policies and Going Concern****A. Accounting Practices**

The accompanying financial statements of Factory Mutual Insurance Company ("Company") have been prepared on the basis of accounting practices prescribed or permitted by the Rhode Island Division of Insurance.

The state of Rhode Island requires insurance companies domiciled in the state of Rhode Island to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual subject to any deviations prescribed or permitted by the Rhode Island Division of Insurance. The Company has no state prescribed or permitted practices.

	SSAP #	F/S Page	F/S Line #	2020	2019
NET INCOME					
(1) Company state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 914,873,514	\$ 1,258,051,041
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP				\$ -	\$ -
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP				\$ -	\$ -
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 914,873,514	\$ 1,258,051,041
SURPLUS					
(5) Company state basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 15,358,700,707	\$ 13,707,656,420
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP				\$ -	\$ -
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP				\$ -	\$ -
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 15,358,700,707	\$ 13,707,656,420

B. Use of Estimates in the Preparation of the Financial Statement

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

C. Accounting Policy

Premium is earned over the terms of the related policies and reinsurance contracts. Unearned Premium is established to cover the unexpired portion of premium written. Such reserves are computed by pro rata methods for direct, assumed and ceded business.

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.

Net investment income earned consists primarily of interest, dividends and rent income less investment related expenses. Interest is recognized on an accrual basis and dividends are recognized on an ex-dividend basis. Net realized capital gains (losses) are recognized on a specific identification basis when securities are sold, redeemed or otherwise disposed. Realized capital losses include writedowns for impairments considered to be other than temporary.

In addition, the Company utilizes the following accounting policies:

(1) Basis for Short-Term Investments

Short-term debt securities are stated at amortized cost using the interest method.

(2) Basis for Bonds and Amortization Schedule

Non loan-backed bonds with NAIC designations 1 or 2 are stated at amortized cost using the interest method. Non loan-backed bonds with NAIC designations of 3 through 6 are stated at the lower of amortized value or fair value. See paragraph 6 for loan-backed and structured securities.

(3) Basis for Common Stocks

Common Stocks, except investments in stocks of subsidiaries, are stated at fair value.

(4) Basis for Preferred Stocks

Preferred stocks are stated at fair value.

(5) Basis for Mortgage Loans

The Company has no mortgage loans.

(6) Basis for Loan-Backed Securities and Adjustment Methodology

U.S. government agency loan-backed and structured securities are valued at amortized value. Other loan-backed and structured securities are valued at either amortized value or fair value, depending on many factors including: the type of underlying collateral, whether modeled by NAIC vendor, whether rated (by either NAIC approved rating organization or NAIC Securities Valuation Office), and relationship of amortized value to par value and amortized value to fair value.

(7) Accounting Policies for Investments in Subsidiaries, Controlled and Affiliated Entities

U.S. insurance subsidiaries (Affiliated FM Insurance Company, NAIC #10014, and Appalachian Insurance Company, NAIC #10316) are stated at statutory equity value in accordance with SSAP 97 paragraph 8(b)i. Foreign insurance companies (FM Insurance Company Limited, FM Insurance Europe S.A., and Risk Engineering Insurance Company Limited) are stated at the audited foreign basis equity converted to U.S statutory equity value in accordance with SSAP 97 paragraph 8(b)iv. Non-insurance subsidiaries (FMRE Holdings LLC) are stated at audited GAAP equity in accordance with SSAP 97 paragraph 8(b)iii.

NOTES TO FINANCIAL STATEMENTS**Note 1 – Summary of Significant Accounting Policies and Going Concern (continued from preceding page)**

(8) Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities

Investments in joint ventures, partnerships and limited liability corporations are stated at the underlying audited GAAP equity value.

(9) Accounting Policies for Derivatives

The Company has no derivatives.

(10) Anticipated Investment Income Used in Premium Deficiency Calculation

The Company anticipates investment income when evaluating the need for premium deficiency reserves.

(11) Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses

Liabilities for unpaid losses and loss adjustment expenses (including Asbestos and Environmental reserves) are based on case estimates or reports from ceding companies. Estimates of incurred-but-not-reported (IBNR) reserves are based on historical experience and management analysis. Although the above-described amounts are based on estimates, management believes recorded liabilities for unpaid losses and loss adjustment expenses are reasonable to cover the ultimate settlement cost of losses incurred. These estimates are continually reviewed and adjustments to such estimates are reflected in current operations.

(12) Changes in the Capitalization Policy and Predefined Thresholds from Prior Period

The Company has not changed its capitalization policy from the prior period.

(13) Method Used to Estimate Pharmaceutical Rebate Receivables

The Company has no "pharmaceutical rebate receivables."

D. Going Concern

Based upon its evaluation of relevant conditions and events, management has concluded that the Company will continue as going concern.

Note 2 – Accounting Changes and Corrections of Errors

Not Applicable

Note 3 – Business Combinations and Goodwill

Not Applicable

Note 4 – Discontinued Operations

Not Applicable

Note 5 – Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

Not Applicable

B. Debt Restructuring

Not Applicable

C. Reverse Mortgages

Not Applicable

D. Loan-Backed Securities

(1) Description of Sources Used to Determine Prepayment Assumptions

Loan-backed bonds and structured securities are valued at amortized cost using the constant interest rate method, and using an effective yield based on current prepayment assumptions obtained from Bloomberg, rather than anticipated prepayments at the date of purchase. Prepayment assumptions are reviewed periodically and updated in response to changes in market interest rates.

(2) Other-Than-Temporary Impairments

Not Applicable

(3) Recognized OTTI Securities

Not Applicable

NOTES TO FINANCIAL STATEMENTS**Note 5 – Investments (continued from preceding page)**

- (4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a. The aggregate amount of unrealized losses:	1. Less than 12 Months	\$	68,918
	2. 12 Months or Longer	\$	32,878
b. The aggregate related fair value of securities with unrealized losses:	1. Less than 12 Months	\$	9,754,423
	2. 12 Months or Longer	\$	3,231,283

- (5) Information Investor Considered in Reaching Conclusion that Impairments are Not Other-Than-Temporary

All loan-backed and structured securities in an unrealized loss position were reviewed to determine whether other-than-temporary impairments should be recognized. The Company asserts that it has the intent and ability to hold these securities long enough to allow the cost basis of these securities to be recovered. These conclusions are supported by a detailed analysis of the underlying credit and cash flows of each security. Unrealized losses are primarily attributable to credit spread widening and increased liquidity discounts. It is possible that the Company could recognize other-than-temporary impairments in the future on some of the securities, if future events, information and the passage of time causes it to conclude that declines in value are other-than temporary.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

- (1) Policy for Requiring Collateral or Other Security

Under a securities lending program with an agent, the Company has temporarily loaned certain debt securities. Borrowers of these securities must deposit an amount of cash and/or securities equal to 102% of the fair value of domestic securities or 105% of the fair value of foreign securities loaned as of the transaction date. The collateral level is monitored daily and additional cash calls are made by the agent if needed to retain the 102% or 105% collateral amount. The agent holds any securities pledged as collateral in trust for the borrower, and invests any cash collateral pledged as collateral in high quality short term securities. The cash collateral received under the securities lending agreement and invested in short term securities is included in the "Securities lending reinvested collateral assets" on Page 2 Line 10 and the offsetting liability in the "Payable for securities lending" on Page 3 Line 22.

- (2) Disclose the Carrying Amount and Classification of Both Assets and Liabilities

Not Applicable

- (3) Collateral Received

a. Aggregate Amount Collateral Received	Fair Value
1. Securities Lending	
(a) Open	\$ -
(b) 30 Days or Less	24,558,377
(c) 31 to 60 Days	1,000,000
(d) 61 to 90 Days	6,000,000
(e) Greater Than 90 Days	
(f) Sub-Total	31,558,377
(g) Securities Received	
(h) Total Collateral Received	\$ 31,558,377
2. Dollar Repurchase Agreement	
(a) Open	\$ -
(b) 30 Days or Less	
(c) 31 to 60 Days	
(d) 61 to 90 Days	
(e) Greater Than 90 Days	
(f) Sub-Total	
(g) Securities Received	
(h) Total Collateral Received	\$ -

b. The fair value of that collateral and of the portion of that collateral that it has sold or repledged	\$ 31,558,377
--	---------------

- c. Information about Sources and Uses of Collateral

The securities acquired from the use of the cash collateral are managed by the agent using conservative guidelines regarding the type, duration and quality of investments permitted.

- (4) Aggregate Value of the Reinvested Collateral

Not Applicable

NOTES TO FINANCIAL STATEMENTS**Note 5 – Investments (continued from preceding page)**

(5) Collateral Reinvestment

a. Aggregate Amount Collateral Reinvested	Amortized Cost	Fair Value
1. Securities Lending		
(a) Open	\$ -	\$ -
(b) 30 Days or Less	24,558,377	24,558,377
(c) 31 to 60 Days	1,000,000	1,000,000
(d) 61 to 90 Days	6,000,000	6,000,000
(e) 91 to 120 Days		
(f) 121 to 180 Days		
(g) 181 to 365 Days		
(h) 1 to 2 Years		
(i) 2 to 3 Years		
(j) Greater Than 3 Years		
(k) Sub-Total	\$ 31,558,377	\$ 31,558,377
(l) Securities Received		
(m) Total Collateral Reinvested	\$ 31,558,377	\$ 31,558,377
2. Dollar Repurchase Agreement		
(a) Open	\$ -	\$ -
(b) 30 Days or Less		
(c) 31 to 60 Days		
(d) 61 to 90 Days		
(e) 91 to 120 Days		
(f) 121 to 180 Days		
(g) 181 to 365 Days		
(h) 1 to 2 Years		
(i) 2 to 3 Years		
(j) Greater Than 3 Years		
(k) Sub-Total	\$ -	\$ -
(l) Securities Received		
(m) Total Collateral Reinvested	\$ -	\$ -

b. Explanation of Additional Sources of Liquidity for Maturity Date Mismatches

The agent matches the maturity dates of the cash collateral with the expected return dates of that collateral.

(6) Detail on Collateral Transactions Not Permitted by Contract or Custom to Sell or Repledge

In addition to the cash collateral, the Company also receives collateral in the form of government securities. These securities are held by the agent and are not traded or repledged. The current fair value of the securities collateral is \$31,329,910.

(7) Collateral for Securities Lending Transactions that Extend Beyond One Year from the Reporting Date

The Company has no collateral with transactions that extend beyond one year.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not Applicable

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

(1) Company Policy or Strategies for Engaging in Repo Programs

One outside investment manager invests uninvested cash in overnight repos to capture an incrementally better return than typical custodial STIF rates.

(2) Type of Repo Trades Used

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Bilateral (YES/NO)	YES	YES	YES	YES
b. Tri-Party (YES/NO)	NO	NO	NO	NO

(3) Original (Flow) and Residual Maturity

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Maximum Amount				
1. Open – No Maturity	\$ 49,400,000	\$ 12,100,000	\$ 29,900,000	\$ 5,700,000
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	\$ -	\$ -	\$ -	\$ -
b. Ending Balance				
1. Open – No Maturity	\$ -	\$ -	\$ -	\$ -
2. Overnight	\$ 7,700,000	\$ -	\$ -	\$ -
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	\$ -	\$ -	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS**Note 5 – Investments (continued from preceding page)**

(4) Fair Value Securities Sold and/or Acquired that Resulted in Default

Not Applicable

(5) Fair Value of Securities Acquired Under Repo – Secured Borrowing

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Maximum Amount	\$ 49,400,000	\$ 12,100,000	\$ 29,900,000	\$ 5,700,000
b. Ending Balance	\$ 7,700,000	\$ -	\$ -	\$ -

(6) Securities Acquired Under Repo – Secured Borrowing by NAIC Designation

Ending Balance	1 None	2 NAIC 1	3 NAIC 2	4 NAIC 3
a. Bonds- FV	\$ -	\$ 7,700,000	\$ -	\$ -
b. LB & SS- FV				
c. Preferred Stock- FV				
d. Common Stock				
e. Mortgage Loans- FV				
f. Real Estate- FV				
g. Derivatives- FV				
h. Other Invested Assets- FV				
i. Total Assets- FV (Sum of a through h)	\$ -	\$ 7,700,000	\$ -	\$ -

(7) Collateral Provided – Secured Borrowing

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Maximum Amount				
1. Cash	\$ 49,400,000	\$ 12,100,000	\$ 29,900,000	\$ 5,700,000
2. Securities (FV)	\$ -	\$ -	\$ -	\$ -
3. Securities (BACV)	XXX	XXX	XXX	XXX
4. Nonadmitted Subset (BACV)	XXX	XXX	XXX	XXX
b. Ending Balance				
1. Cash	\$ 7,700,000	\$ -	\$ -	\$ -
2. Securities (FV)	\$ 7,700,000	\$ -	\$ -	\$ -
3. Securities (BACV)	\$ -	\$ -	\$ -	\$ -
4. Nonadmitted Subset (BACV)	\$ -	\$ -	\$ -	\$ -

(8) Allocation of Aggregate Collateral Pledged by Remaining Contractual Maturity

Not Applicable

(9) Recognized Receivable for Return of Collateral – Secured Borrowing

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Maximum Amount				
1. Cash	\$ 49,400,000	\$ 12,100,000	\$ 29,900,000	\$ 5,700,000
2. Securities (FV)	\$ -	\$ -	\$ -	\$ -
B. Ending Balance				
1. Cash	\$ 7,700,000	\$ -	\$ -	\$ -
2. Securities (FV)	\$ -	\$ -	\$ -	\$ -

(10) Recognized Liability to Return Collateral – Secured Borrowing (Total)

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
a. Maximum Amount				
1. Repo Securities Sold/Acquired with Cash Collateral	\$ 49,400,000	\$ 12,100,000	\$ 29,900,000	\$ 5,700,000
2. Repo Securities Sold/Acquired with Securities Collateral (FV)	\$ -	\$ -	\$ -	\$ -
b. Ending Balance				
1. Repo Securities Sold/Acquired with Cash Collateral	\$ 7,700,000	\$ -	\$ -	\$ -
2. Repo Securities Sold/Acquired with Securities Collateral (FV)	\$ -	\$ -	\$ -	\$ -

H. Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable

J. Real Estate

Not Applicable

K. Low-Income Housing Tax Credits (LIHTC)

Not Applicable

NOTES TO FINANCIAL STATEMENTS

Note 5 – Investments (continued from preceding page)

L. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted					6 Total From Prior Year	7 Increase/ (Decrease) (5 minus 6)
	Current Year						
	1 Total General Account (G/A)	2 G/A Supporting Protected Cell Account Activity (a)	3 Total Protected Cell Account (S/A) Restricted Assets	4 Protected Cell Account Assets Supporting G/A Activity (b)	5 Total (1 plus 3)		
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. Collateral held under security lending arrangements	31,558,377				31,558,377	33,280,681	(1,722,304)
c. Subject to repurchase agreements							
d. Subject to reverse repurchase agreements							
e. Subject to dollar repurchase agreements							
f. Subject to dollar reverse repurchase agreements							
g. Placed under option contracts							
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock							
i. FHLB capital stock							
j. On deposit with states	5,678,869				5,678,869	5,683,449	(4,580)
k. On deposit with other regulatory bodies							
l. Pledged as collateral to FHLB (including assets backing funding agreements)							
m. Pledged as collateral not captured in other categories							
n. Other restricted assets							
o. Total Restricted Assets	\$ 37,237,246	\$ -	\$ -	\$ -	\$ 37,237,246	\$ 38,964,130	\$ (1,726,884)

Restricted Asset Category	Current Year			
	8 Total Nonadmitted Restricted	9 Total Admitted Restricted (5 minus 8)	Percentage	
			10 Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	11 Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	- %	- %
b. Collateral held under security lending arrangements		31,558,377	0.1%	0.1%
c. Subject to repurchase agreements			- %	- %
d. Subject to reverse repurchase agreements			- %	- %
e. Subject to dollar repurchase agreements			- %	- %
f. Subject to dollar reverse repurchase agreements			- %	- %
g. Placed under option contracts			- %	- %
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock			- %	- %
i. FHLB capital stock			- %	- %
j. On deposit with states		5,678,869	%	- %
k. On deposit with other regulatory bodies			- %	- %
l. Pledged as collateral to FHLB (including assets backing funding agreements)			- %	- %
m. Pledged as collateral not captured in other categories			- %	- %
n. Other restricted assets			- %	- %
o. Total Restricted Assets	\$	\$ 37,237,246	0.2%	0.2%

- (a) Subset of column 1
- (b) Subset of column 3
- (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**Note 5 – Investments (continued from preceding page)**

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

Not Applicable

- (3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate)

Not Applicable

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

Collateral Assets	1 Book/Adjusted Carrying Value (BACV)	2 Fair Value	3 % of BACV to Total Assets (Admitted and Nonadmitted)*	4 % of BACV to Total Admitted Assets**
General Account:				
a. Cash, Cash Equivalents and Short-Term Investments	\$ -	\$ -	- %	- %
b. Schedule D, Part 1			- %	- %
c. Schedule D, Part 2, Sec. 1			- %	- %
d. Schedule D, Part 2, Sec. 2			- %	- %
e. Schedule B			- %	- %
f. Schedule A			- %	- %
g. Schedule BA, Part 1			- %	- %
h. Schedule DL, Part 1	31,558,377	31,558,377	0.1%	0.1%
i. Other			- %	- %
j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	\$ 31,558,377	\$ 31,558,377	0.1%	0.1%

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

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

	1 Amount	2 % of Liability to Total Liabilities
k. Recognized Obligation to Return Collateral Asset (General Account)	\$ 31,558,377	0.4%

* k = Column 1 divided by Liability Page, Line 26 (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

	General Account	Protected Cell
(1) Number of CUSIPs	78	-
(2) Aggregate Amount of Investment Income	\$ 2,022,762	\$ -

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

- A. Investments in Joint Ventures, Partnerships and Limited Liability Companies that Exceed 10% of Ownership

Not Applicable

- B. Investments in Impaired Joint Ventures, Partnerships and Limited Liability Companies

1. During 2020 the Company recognized other than temporary impairments on three private equity investments managed by GCM Grosvenor, Morgan Stanley and Carlyle. These investments were determined to be other-than-temporarily-impaired due to significantly depressed fair values for an extended period of time.

2. The three private equity investments were written down to a total fair value of \$8,250,385 resulting in a realized loss of \$6,290,280. The fair value was determined based on the equity value of the private equity holdings.

Note 7 – Investment Income

- A. The bases, by category of investment income, for excluding (nonadmitting) any investment income due and accrued:

The Company non-admits investment income due and accrued if the amounts are over 90 days past due.

NOTES TO FINANCIAL STATEMENTS**Note 7 – Investment Income (continued from preceding page)**

B. The total amount excluded:

There were no accrued investment income amounts over 90 days past due as of December 31, 2020, or as of December 31, 2019.

Note 8 – Derivative Instruments

Not Applicable

Note 9 – Income Taxes

A. Deferred Tax Assets/(Liabilities)

1. Components of Net Deferred Tax Asset/(Liability)

	2020			2019			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Gross deferred tax assets	\$330,305,580	\$ 68,940,162	\$399,245,742	\$283,373,000	\$ 66,955,000	\$350,328,000	\$ 46,932,580	\$ 1,985,162	\$ 48,917,742
b. Statutory valuation allowance adjustment									
c. Adjusted gross deferred tax assets (1a-1b)	\$330,305,580	\$ 68,940,162	\$399,245,742	\$283,373,000	\$ 66,955,000	\$350,328,000	\$ 46,932,580	\$ 1,985,162	\$ 48,917,742
d. Deferred tax assets nonadmitted									
e. Subtotal net admitted deferred tax asset (1c-1d)	\$330,305,580	\$ 68,940,162	\$399,245,742	\$283,373,000	\$ 66,955,000	\$350,328,000	\$ 46,932,580	\$ 1,985,162	\$ 48,917,742
f. Deferred tax liabilities	69,139,814	784,484,143	853,623,957	39,974,232	718,696,000	758,670,232	29,165,582	65,788,143	94,953,725
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	\$261,165,766	\$(715,543,981)	\$(454,378,215)	\$243,398,768	\$(651,741,000)	\$(408,342,232)	\$ 17,766,998	\$(63,802,981)	\$(46,035,983)

2. Admission Calculation Components SSAP No. 101

	2020			2019			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	\$213,321,278	\$ -	\$213,321,278	\$150,721,000	\$ -	\$150,721,000	\$ 62,600,278	\$ -	\$ 62,600,278
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)				6,998,000		6,998,000	(6,998,000)		(6,998,000)
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date				157,719,000		157,719,000	(157,719,000)		(157,719,000)
2. Adjusted gross deferred tax assets allowed per limitation threshold			2,303,220,928			2,056,148,463			247,072,465
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	116,984,302	68,940,162	185,924,464	125,654,000	66,955,000	192,609,000	(8,669,698)	1,985,162	(6,684,536)
d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c))	\$330,305,580	\$ 68,940,162	\$399,245,742	\$283,373,000	\$ 66,955,000	\$350,328,000	\$ 46,932,580	\$ 1,985,162	\$ 48,917,742

NOTES TO FINANCIAL STATEMENTS**Note 9 – Income Taxes (continued from preceding page)**

3. Other Admissibility Criteria

	2020	2019
a. Ratio percentage used to determine recovery period and threshold limitation amount	767.5%	779.2%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 15,354,806,184	\$ 13,707,656,420

4. Impact of Tax Planning Strategies

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

	2020		2019		Change	
	1 Ordinary	2 Capital	3 Ordinary	4 Capital	5 (Col. 1-3) Ordinary	6 (Col. 2-4) Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 330,305,580	\$ 68,940,162	\$ 283,373,000	\$ 66,955,000	\$ 46,932,580	\$ 1,985,162
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0 %	0 %	1.0%	0 %	(1.0)%	0 %
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	\$ 330,305,580	\$ 68,940,162	\$ 283,373,000	\$ 66,955,000	\$ 46,932,580	\$ 1,985,162
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0 %	0 %	1.0%	0 %	(1.0)%	0 %

(b) Does the company's tax planning strategies include the use of reinsurance? NO

B. Deferred Tax Liabilities Not Recognized

Not Applicable

C. Current and Deferred Income Taxes

1. Current Income Tax

	1	2	3
	2020	2019	(Col 1-2) Change
a. Federal	\$ 20,642,454	\$ 151,148,861	\$ (130,506,407)
b. Foreign	\$ 21,761,535	\$ 2,936,838	\$ 18,824,697
c. Subtotal	\$ 42,403,989	\$ 154,085,699	\$ (111,681,710)
d. Federal income tax on net capital gains	\$ 160,492,755	\$ 142,314,000	\$ 18,178,755
e. Utilization of capital loss carry-forwards	\$ -	\$ -	\$ -
f. Other	\$ -	\$ -	\$ -
g. Federal and Foreign income taxes incurred	\$ 202,896,744	\$ 296,399,699	\$ (93,502,955)

NOTES TO FINANCIAL STATEMENTS**Note 9 – Income Taxes (continued from preceding page)**

2. Deferred Tax Assets

	1	2	3
	2020	2019	(Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	\$ 11,020,535	\$ 11,020,000	\$ 535
2. Unearned premium reserve	82,303,182	67,723,000	14,580,182
3. Policyholder reserves	-	-	-
4. Investments	-	-	-
5. Deferred acquisition costs	-	-	-
6. Policyholder dividends accrual	-	-	-
7. Fixed assets	-	-	-
8. Compensation and benefits accrual	66,274,512	62,168,000	4,106,512
9. Pension accrual	60,129,866	45,367,000	14,762,866
10. Receivables - nonadmitted	14,018,921	10,435,000	3,583,921
11. Net operating loss carry-forward	-	-	-
12. Tax credit carry-forward	-	9,213,000	(9,213,000)
13. Other (items <=5% and >5% of total ordinary tax assets)	96,558,564	77,447,000	19,111,564
Other (items listed individually >5% of total ordinary tax assets)			
Other - nonadmitted	44,128,556	40,868,000	3,260,556
Unrealized foreign exchange gain	1,345,478	14,725,000	(13,379,522)
Deferred foreign activity	33,092,348	12,356,000	20,736,348
99. Subtotal	\$ 330,305,580	\$ 283,373,000	\$ 46,932,580
b. Statutory valuation allowance adjustment	-	-	-
c. Nonadmitted	-	-	-
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	\$ 330,305,580	\$ 283,373,000	\$ 46,932,580
e. Capital:			
1. Investments	\$ 68,940,162	\$ 66,955,000	\$ 1,985,162
2. Net capital loss carry-forward	-	-	-
3. Real estate	-	-	-
4. Other (items <=5% and >5% of total capital tax assets)	-	-	-
Other (items listed individually >5% of total capital tax assets)			
99. Subtotal	\$ 68,940,162	\$ 66,955,000	\$ 1,985,162
f. Statutory valuation allowance adjustment	-	-	-
g. Nonadmitted	-	-	-
h. Admitted capital deferred tax assets (2e99-2f-2g)	68,940,162	66,955,000	1,985,162
i. Admitted deferred tax assets (2d+2h)	\$ 399,245,742	\$ 350,328,000	\$ 48,917,742

3. Deferred Tax Liabilities

	1	2	3
	2020	2019	(Col 1-2) Change
a. Ordinary:			
1. Investments	\$ 2,477,493	\$ 3,904,000	\$ (1,426,507)
2. Fixed assets	27,685,258	22,902,000	4,783,258
3. Deferred and uncollected premium	-	-	-
4. Policyholder reserves	-	-	-
5. Other (items <=5% and >5% of total ordinary tax liabilities)	38,977,063	13,168,232	25,808,831
Other (items listed individually >5% of total ordinary tax liabilities)			
Deferred foreign income	37,613,132	12,613,000	25,000,132
99. Subtotal	\$ 69,139,814	\$ 39,974,232	\$ 29,165,582
b. Capital:			
1. Investments	\$ 784,484,143	\$ 718,696,000	\$ 65,788,143
2. Real estate	-	-	-
3. Other (Items <=5% and >5% of total capital tax liabilities)	-	-	-
Other (items listed individually >5% of total capital tax liabilities)			
99. Subtotal	\$ 784,484,143	\$ 718,696,000	\$ 65,788,143
c. Deferred tax liabilities (3a99+3b99)	\$ 853,623,957	\$ 758,670,232	\$ 94,953,725
4. Net Deferred Tax Assets/Liabilities (2i – 3c)	\$ (454,378,215)	\$ (408,342,232)	\$ (46,035,983)

NOTES TO FINANCIAL STATEMENTS**Note 9 – Income Taxes (continued from preceding page)**

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate Among the more significant book to tax adjustments were the following:

	Amount	Effective Tax Rate (%)
Permanent Differences:		
Provision computed at statutory rate	\$ 234,731,759	21.0%
Change in nonadmitted assets	(6,843,019)	(0.6)%
Proration of tax exempt investment income	3,842,822	0.4%
Tax exempt income deduction	(7,015,185)	(0.6)%
Dividends received deduction	(12,420,868)	(1.1)%
Disallowed travel and entertainment	817,278	0.1%
Other permanent differences	(2,236,069)	(0.2)%
Tax on other surplus adjustments	3,591,928	0.3%
Impact of foreign operations	(1,071,813)	(0.1)%
Tax credits	(14,054,412)	(1.3)%
True-ups and other adjustments to tax	(16,309,333)	(1.5)%
Other	112,086	0.0 %
Totals	\$ 183,145,174	16.4%
Federal and foreign income taxes incurred	42,403,989	3.8%
Realized capital gains (losses) tax	160,492,755	14.4%
Change in net deferred income taxes	(19,751,570)	(1.8)%
Total statutory income taxes	\$ 183,145,174	16.4%

E. Operating Loss Carry Forwards and Income Taxes Available for Recoupment

1. The amounts, origination dates and expiration dates of operating loss and tax credit carry forwards available for tax purposes:

Not Applicable

2. The following is income tax expense for current year and preceding years that is available for recoupment in the event of future net losses:

Year	Amounts
2020	\$41,830,111
2019	\$307,305,133
2018	\$6,833,157

3. The Company's aggregate amount of deposits admitted under Section 6603 of the Internal Revenue Service Code

None

F. Consolidated Federal Income Tax Return

1. The Company's federal income tax return is consolidated with the following entities:

Factory Mutual Insurance Company (Parent)	FMIC Holdings, Inc.
Affiliated FM Insurance Company	TSB Loss Control Consultants, Inc.
Appalachian Insurance Company	Corporate Insurance Services, Inc.
Risk Engineering Insurance Company Limited	Watch Hill Insurance Company

2. The manner in which the Board of Directors sets forth for allocating the consolidated federal income tax:

The method of allocation among companies is subject to a written agreement, approved by the Board of Directors, whereby allocation is made primarily on a separate return basis with current credit for any net operating losses or other items utilized in the consolidated tax return. Preliminary settlements are made after the filing of the federal extension and final settlement is made after the filing of the consolidated tax return.

G. Federal or Foreign Federal Income Tax Loss Contingencies:

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

H. Repatriation Transition Tax (RTT) - RTT owed under the Tax Cuts and Jobs Act (TCJA)

1a Has the entity fully remitted the RTT? NO

1b The total Repatriation Transition Tax calculated in the 2017 tax return as a result of TCJA was \$14.7 million. The entire tax amount is recognized as a reduction to the net operating loss carryback to previous tax years. The amount due has not been settled, but a payable for this amount has been established and is included as a component of the net federal income tax recoverable on the balance sheet.

I. Alternative Minimum Tax Credit

Not Applicable

NOTES TO FINANCIAL STATEMENTS**Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**

A. Nature of the Relationship Involved

The Company is not directly or indirectly owned or controlled by any other company, corporation, group of companies, partnership or individual.

B. Transactions

The Company lists its transactions with affiliates on Schedule Y Part 2. During 2020, the Company contributed capital of \$228,550,603 to FMRE Holding LLC., an insurance company subsidiary, in order to fund anticipated future operations.

C. Transactions with Related Parties who are not Reported on Schedule Y

(1) Detail of Material Related Party Transactions

Refer to Schedule Y Part 2

(2) Detail of Material Related Party Transactions Involving Services

Refer to Schedule Y Part 2

(3) Detail of Material Related Party Transactions Involving Exchange of Assets and Liabilities

Not Applicable

(4) Detail of Amounts Owed To/From a Related Party

Refer to FN10-D

D. Amounts Due From or To Related Parties

Affiliate	2020	2019
Affiliated FM Insurance Company	\$(27,445,440)	\$157,434,658
Appalachian Insurance Company	1,886,242	6,925,965
FM Insurance Company Ltd.	7,009,730	4,394,662
FM Insurance Europe S.A.	(23,623,163)	15,204,778
FM Global de Mexico S.A. de C.V.	(54,709,266)	(22,772,597)
FMIC Holdings Inc.	332,544	10,522
FM do Brasil Servicos de Prevencao de Perdas LTDA	(530,031)	(439,705)
FMIC Escritorio de Representacao No Brasil LTDA	(204,711)	(280,315)
Corporate Insurance Services, Inc.	1,168,834	(111,563)
FM Global Servicos de R.L. de C.V.	(13,227)	45,571
FM Approvals LLC	(16,341,401)	(11,271,961))
TSB Loss Control Consultants, Inc.	461,232	296,157
FM Engineering Consulting (Shanghai) Co. Ltd.	(159,754)	298,921
FM Global Services LLC	(1,021,674)	(1,145,446)
FMRE Holdings LLC	(15,643,053)	15,904,827
Risk Engineering Insurance Company Limited	3,226,859	2,241,022
Totals	\$(125,606,279)	\$166,735,496

E. Material Management or Service Contracts and Cost-Sharing Arrangements

The Company provides certain accounting management and other services to its affiliates. Management fees are charged to affiliates for services rendered.

F. Guarantees or Undertakings

The Company has entered into Performance Guarantee agreements with its affiliates FM Insurance Company Ltd, FM Insurance Europe S.A., Affiliated FM Insurance Company, FM Asia Holdings Pte. Ltd., and FM Global de Mexico S.A. de C.V. See Note 14A for further information.

G. Nature of the Control Relationship

Not Applicable

H. Amount Deducted from the Value of Upstream Intermediate Entity or Ultimate Parent Owned

Not Applicable

I. Investments in SCA that Exceed 10% of Admitted Assets

The Company's wholly-owned investment in FMIC Holdings, Inc. is valued utilizing the look-through approach as indicated in Item L. The Company's investment in Affiliated FM Insurance Company, a wholly owned downstream insurance company subsidiary of FMIC Holdings, Inc., was \$2,392,633,564 as of December 31, 2020, which is its statutory equity value.

As of December 31, 2020, Affiliated FM Insurance Company's admitted assets and liabilities were \$3,907,156,260 and \$1,514,522,696, respectively and had net income of \$160,670,926.

J. Investments in Impaired SCAs

Not Applicable

NOTES TO FINANCIAL STATEMENTS**Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties (continued from preceding page)**

K. Investment in Foreign Insurance Subsidiary

Not Applicable

L. Investment in Downstream Noninsurance Holding Company

The Company utilizes the look-through approach for the valuation of a downstream non-insurance holding company (FMIC Holdings, Inc.) instead of obtaining audited financial statements of the downstream non-insurance holding company, and therefore makes the following disclosures:

- The carrying value of the downstream non-insurance company is \$ 3,541,486,550.
- The financial statements of the downstream non-insurance company are not audited.
- The reporting entity has limited the value of its investment in the downstream non-insurance holding company to the value contained in the audited financial statements of applicable SCA entities owned by the downstream non-insurance holding company, and valued in accordance with paragraphs 22 through 27 of SSAP 97.
- 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 reporting entity's determination of the carrying value of the investment in the downstream non-insurance holding company, if not already recorded in the financial statements of the downstream non-insurance holding company.

M. All SCA Investments

The NAIC agreed with the company's prior year admitted values in all of its non-insurance SCA entity SUB 2 filings.

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

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities				
	- %	\$ -	\$ -	\$ -
Total SSAP No. 97 8a Entities	XXX	\$ -	\$ -	\$ -
b. SSAP No. 97 8b(ii) Entities				
FMIC Escritorio de Representacao no Brazil LTDA	100.0%	\$ -	\$ -	\$ -
TSB Loss Control Consultants, Inc.	100.0%	\$ -	\$ -	\$ -
Total SSAP No. 97 8b(ii) Entities	XXX	\$ -	\$ -	\$ -
c. SSAP No. 97 8b(iii) Entities				
FMRE Holdings LLC	100.0%	\$ 1,278,678,493	\$ 1,278,678,493	\$ -
FM Approvals LLC	100.0%	\$ -	\$ -	\$ -
Total SSAP No. 97 8b(iii) Entities	XXX	\$ 1,278,678,493	\$ 1,278,678,493	\$ -
d. SSAP No. 97 8b(iv) Entities				
FM Global de Mexico S.A. de C.V.	100.0%	\$ -	\$ -	\$ -
FM Insurance Company Limited	100.0%	\$ 925,813,444	\$ 925,813,444	\$ -
Risk Engineering Insurance Company Limited	100.0%	\$ 937,307,331	\$ 937,307,331	\$ -
FM Insurance Europe S.A.	100.0%	\$ 561,030,433	\$ 561,030,433	\$ -
Total SSAP No. 97 8b(iv) Entities	XXX	\$ 2,424,151,208	\$ 2,424,151,208	\$ -
e. Total SSAP No. 97 8b Entities (except 8b(i) entities) (b + c + d)	XXX	\$ 3,702,829,701	\$ 3,702,829,701	\$ -
f. Aggregate Total (a + e)	XXX	\$ 3,702,829,701	\$ 3,702,829,701	\$ -

(2) NAIC Filing Response Information

SCA Entity (Should be the 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 Disallowed Entities Valuation Method Resubmission Required Y/N	Code**
a. SSAP No. 97 8a Entities						
			\$ -			
Total SSAP No. 97 8a Entities	XXX	XXX	\$ -	XXX	XXX	XXX
b. SSAP No. 97 8b(ii) Entities						
FMIC Escritorio de Representacao no Brazil LTDA			\$ -			
TSB Loss Control Consultants, Inc.			\$ -			
Total SSAP No. 97 8b(ii) Entities	XXX	XXX	\$ -	XXX	XXX	XXX
c. SSAP No. 97 8b(iii) Entities						
FMRE Holdings LLC			\$ 1,278,678,493			
FM Approvals LLC			\$ -			
Total SSAP No. 97 8b(iii) Entities	XXX	XXX	\$ 1,278,678,493	XXX	XXX	XXX
d. SSAP No. 97 8b(iv) Entities						
FM Global de Mexico S.A. de C.V.	S1	10/20/2020	\$ -	Y	N	
FM Insurance Company Limited	S2	09/25/2020	\$ 925,813,444	Y	N	
Risk Engineering Insurance Company Limited	S2	09/29/2020	\$ 937,307,331	Y	N	
FM Insurance Europe S.A.	S2	05/13/2020	\$ 561,030,433	Y	N	
Total SSAP No. 97 8b(iv) Entities	XXX	XXX	\$ 2,424,151,208	XXX	XXX	XXX
e. Total SSAP No. 97 8b Entities (except 8b(i) entities) (b + c + d)	XXX	XXX	\$ 3,702,829,701	XXX	XXX	XXX
f. Aggregate Total (a + e)	XXX	XXX	\$ 3,702,829,701	XXX	XXX	XXX

NOTES TO FINANCIAL STATEMENTS**Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties (continued from preceding page)**

- * S1 – Sub-1, S2 – Sub-2 or RDF – Resubmission of Disallowed Filing
 ** I – Immaterial or M – Material

Risk Engineering Insurance Company Limited is a subsidiary of FMIC Holdings, Inc., a downstream non-insurance holding company, described above in Note 10(L). The value of Risk Engineering Insurance Company Limited is included within the SUB-2 filing for FMIC Holdings, Inc.

N. Investment in Insurance SCAs**(1) Accounting Practice that Differs from NAIC Statutory Accounting Practices and Procedures**

The Company's reported insurance SCA investments include one insurance company that has a permitted practice. Specifically, Affiliated FM Insurance Company (NAIC # 10014), applies paragraph 5(a) of SSAP 23, rather than paragraph 5(b) of SSAP 23, with respect to the methodology applied in translating its Canadian branch to USD. This is consistent with the methodology used in prior years, and a permitted practice has been approved by the State of Rhode Island. The total adjustment to convert Affiliated FM Insurance Company's balance sheet to USD is \$115,460,550, which appears on line 17 - "Net adjustment in assets and liabilities due to foreign exchange rates", on page 3 - "Liabilities" of its 2020 annual statement. There is no net impact on surplus for this practice, and the effect on 2020 net income would be a decrease to net income in the amount of \$10,665,647 (which would be offset by a corresponding increase to surplus).

(2) Monetary Effect on Net Income and Surplus

SCA Entity (Investments in Insurance SCA Entities)	Monetary Effect On NAIC SAP		Amount of Investment	
	Net Income Increase (Decrease)	Surplus Increase (Decrease)	Per Audited Statutory Equity	If the Insurance SCA Had Completed Statutory Financial Statements*
AFFILIATED FM INSURANCE COMPANY	\$ (10,665,647)	\$ -	\$ 2,392,633,564	\$ 2,392,633,564

* Per AP&P Manual (without permitted or prescribed practices)

(3) RBC Regulatory Event Because of Prescribed or Permitted Practice

Since there is no impact on surplus from this permitted practice, there is no effect on risk-based capital that would have triggered a regulatory event. There is no difference in the amount of the Company's investment in Affiliated FM Insurance Company from applying the permitted practice, rather than applying NAIC statutory accounting principles.

O. SCA or SSAP 48 Entity Loss Tracking

Not Applicable

Note 11 – Debt

Not Applicable

NOTES TO FINANCIAL STATEMENTS**Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

A. Defined Benefit Plan

(1) Change in Benefit Obligation

The Company sponsors certain noncontributory retirement income plans. For the vast majority of employees, the benefits are generally based on years of service and the average of the highest consecutive 60 months of the employee's compensation within the 120 months prior to retirement. The Company's funding policy is to maintain a sufficiently funded level to ensure benefit security and to vary contribution levels as appropriate to business conditions. The Company also has supplemental retirement plans that are noncontributory defined benefit plans covering certain employees.

The Company provides health care and life insurance benefits for certain retired employees and their dependents. Employees hired on or after January 1, 2000, and employees that were active employees on January 1, 2000 and had not reached the age of 30 as of January 1, 2000 are not eligible for retiree medical benefits. Eligibility of other employees hired prior to January 1, 2000 and retiring subsequent to that date depends on whether they meet certain age and service requirements at retirement. The plan is generally contributory, with retiree contributions adjusted annually. Certain retirees transitioned to the individual Medicare market effective January 1, 2014 and January 1, 2019. Certain other retirees transitioned on January 1, 2020. Retirees and dependents enrolled in the individual Medicare market participate in a Retiree Health Reimbursement Account.

	Overfunded		Underfunded	
	2020	2019	2020	2019
a. Pension Benefits				
1. Benefit obligation at beginning of year	\$ 2,556,355,000	\$ 2,265,851,000	\$ 274,429,000	\$ 237,799,000
2. Service cost	74,089,000	57,294,000	5,388,000	4,988,000
3. Interest cost	89,008,000	98,961,000	8,979,000	10,008,000
4. Contribution by plan participants	-	-	732,000	806,000
5. Actuarial gain (loss)	329,515,000	294,025,000	46,500,000	37,271,000
6. Foreign currency exchange rate changes	-	-	5,480,000	(4,299,000)
7. Benefits paid	92,399,000	159,776,000	8,551,000	11,342,000
8. Plan amendments	-	-	-	-
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	-	802,000
10. Benefit obligation at end of year	\$ 2,956,568,000	\$ 2,556,355,000	\$ 332,957,000	\$ 274,429,000
b. Postretirement Benefits				
1. Benefit obligation at beginning of year	\$ 144,186,000	\$ 135,278,000	\$ 47,394,000	\$ 38,309,000
2. Service cost	802,000	705,000	939,000	844,000
3. Interest cost	4,325,000	5,352,000	1,582,000	1,510,000
4. Contribution by plan participants	-	-	-	-
5. Actuarial gain (loss)	13,017,000	13,877,000	2,822,000	7,767,000
6. Foreign currency exchange rate changes	-	-	-	-
7. Benefits paid	10,373,000	11,026,000	1,345,000	1,036,000
8. Plan amendments	-	-	-	-
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	213,000	-	-	-
10. Benefit obligation at end of year	\$ 151,744,000	\$ 144,186,000	\$ 51,392,000	\$ 47,394,000
c. Special or Contractual Benefits per SSAP No. 11				
1. Benefit obligation at beginning of year	\$ -	\$ -	\$ -	\$ -
2. Service cost	-	-	-	-
3. Interest cost	-	-	-	-
4. Contribution by plan participants	-	-	-	-
5. Actuarial gain (loss)	-	-	-	-
6. Foreign currency exchange rate changes	-	-	-	-
7. Benefits paid	-	-	-	-
8. Plan amendments	-	-	-	-
9. Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-	-	-
10. Benefit obligation at end of year	\$ -	\$ -	\$ -	\$ -

(2) Change in Plan Assets

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
	2020	2019	2020	2019	2020	2019
a. Fair value of plan assets at beginning of year	\$ 2,821,464,000	\$ 2,476,987,000	\$ 154,495,000	\$ 133,491,000	\$ -	\$ -
b. Actual return on plan assets	403,793,000	511,076,000	24,390,000	32,261,000	-	-
c. Foreign currency exchange rate changes	4,230,000	(3,717,000)	-	-	-	-
d. Reporting entity contribution	5,710,000	8,232,000	1,345,000	1,036,000	-	-
e. Plan participants' contributions	733,000	806,000	-	-	-	-
f. Benefits paid	100,950,000	171,118,000	11,718,000	12,293,000	-	-
g. Business combinations, divestitures and settlements	-	802,000	-	-	-	-
h. Fair value of plan assets at end of year	\$ 3,134,980,000	\$ 2,821,464,000	\$ 168,512,000	\$ 154,495,000	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS**Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans (continued from preceding page)**

(3) Funded Status

	Pension Benefits		Postretirement Benefits	
	2020	2019	2020	2019
a. Components				
1. Prepaid benefit costs	\$ 822,288,000	\$ 823,653,000	\$ -	\$ -
2. Overfunded plans assets	\$ (702,909,000)	\$ (611,800,000)	\$ 16,767,000	\$ 10,309,000
3. Accrued benefit costs	\$ (101,481,000)	\$ (86,224,000)	\$ (36,613,000)	\$ (34,416,000)
4. Liability for pension benefits	\$ (172,442,000)	\$ (134,949,000)	\$ (14,779,000)	\$ (12,978,000)
b. Assets and liabilities recognized				
1. Assets (nonadmitted)	\$ 119,379,000	\$ 211,853,000	\$ 16,767,000	\$ 10,309,000
2. Liabilities recognized	\$ (273,923,000)	\$ (221,173,000)	\$ (51,392,000)	\$ (47,394,000)
c. Unrecognized liabilities	\$ -	\$ -	\$ -	\$ -

(4) Components of Net Periodic Benefit Cost

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
	2020	2019	2020	2019	2020	2019
a. Service cost	\$ 79,477,000	\$ 62,282,000	\$ 1,741,000	\$ 1,549,000	\$ -	\$ -
b. Interest cost	97,987,000	108,969,000	5,907,000	6,862,000	-	-
c. Expected return on plan assets	(191,991,000)	(168,084,000)	(9,696,000)	(8,315,000)	-	-
d. Transition asset or obligation	(77,000)	(108,000)	-	1,311,000	-	-
e. Gains and losses	34,700,000	40,285,000	1,754,000	2,870,000	-	-
f. Prior service cost or credit	101,000	139,000	(3,034,000)	(3,034,000)	-	-
g. Gain or loss recognized due to a settlement curtailment	-	336,000	-	-	-	-
h. Total net periodic benefit cost	\$ 20,197,000	\$ 43,819,000	\$ (3,328,000)	\$ 1,243,000	\$ -	\$ -

(5) Amounts in Unassigned Funds (Surplus) Recognized as Components of Net Periodic Benefit Cost

	Pension Benefits		Postretirement Benefits	
	2020	2019	2020	2019
a. Items not yet recognized as a component of net periodic cost – prior year	\$ 743,928,000	\$ 798,104,000	\$ 20,371,000	\$ 23,820,000
b. Net transition asset or obligation recognized	52,000	34,000	-	(1,311,000)
c. Net prior service cost or credit arising during the period	-	-	-	-
d. Net prior service cost or credit recognized	(100,000)	(139,000)	3,034,000	3,034,000
e. Net gain and loss arising during the period	165,031,000	(15,303,000)	1,146,000	(2,302,000)
f. Net gain and loss recognized	(33,560,000)	(38,768,000)	(1,754,000)	(2,870,000)
g. Items not yet recognized as a component of net periodic cost – current period	\$ 875,351,000	\$ 743,928,000	\$ 22,797,000	\$ 20,371,000

(6) Amounts in Unassigned Funds (Surplus) That Have Not Yet Been Recognized as Components of Net Periodic Benefit Cost

	Pension Benefits		Postretirement Benefits	
	2020	2019	2020	2019
a. Net transition asset or obligation	\$ -	\$ (77,000)	\$ -	\$ -
b. Net prior service cost or credit	\$ 2,000	\$ 103,000	\$ (10,719,000)	\$ (13,754,000)
c. Net recognized gains and losses	\$ 875,249,000	\$ 743,902,000	\$ 33,516,000	\$ 34,125,000

(7) Weighted-Average Assumptions Used to Determine Net Periodic Benefit Cost as of December 31

	2020	2019
a. Weighted-average discount rate	3.4%	4.3%
b. Expected long-term rate of return on plan assets	6.9%	6.9%
c. Rate of compensation increase	4.3%	4.5%
d. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates)	N/A	N/A
Weighted-average assumptions used to determine projected benefit obligations as of December 31		
e. Weighted-average discount rate	2.7%	3.4%
f. Rate of compensation increase	4.2%	4.3%
g. Interest crediting rates (for cash balance plans and other plans with promised interest crediting rates)	N/A	N/A

(8) Accumulated Benefit Obligation for Defined Benefit Pension Plans

The amount of the accumulated benefit obligation for defined benefit pension plans was \$2,767,438,000 for the current year and \$2,442,177,000 for the prior year.

NOTES TO FINANCIAL STATEMENTS**Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans (continued from preceding page)**

- (9) For Postretirement Benefits Other Than Pensions, the Assumed Health Care Cost Trend Rate(s)

The Company has two non-pension postretirement healthcare plans in the United States and Canada.

For the United States plan the assumed healthcare cost trend for the next year used to measure the expected cost of benefits covered by the plan is 6.00%. The ultimate trend rate of 5.00% is expected to be achieved in five years.

For the Canada plan the assumed healthcare cost trend for the next year used to measure the expected cost of benefits covered by the plan is 4.50% which is the ultimate trend rate.

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

Year(s)	Amount
a. 2021	\$ 118,663,000
b. 2022	\$ 121,730,000
c. 2023	\$ 125,304,000
d. 2024	\$ 129,214,000
e. 2025	\$ 133,541,000
f. 2026 through 2030	\$ 744,626,000

- (11) Estimate of Contributions Expected to be Paid to the Plan

The Company currently utilizes the pension surplus to fund the pension obligation, and therefore does not intend to make voluntary contributions to the defined benefit pension plans of \$6,436,000 in 2021. The Company currently intends to make voluntary contributions to other postretirement benefit plans of \$1,486,000 in 2021.

- (12) Amounts and Types of Securities Included in Plan Assets

Not Applicable

- (13) Alternative Method Used to Amortize Prior Service Amounts or Net Gains and Losses

Not Applicable

- (14) Substantive Comment Used to Account for Benefit Obligation

Not Applicable

- (15) Cost of Providing Special or Contractual Termination Benefits Recognized

Not Applicable

- (16) Reasons for Significant Gains/Losses Related to Changes in Defined Benefit Obligation and any Other Significant Change in the Benefit Obligations or Plan Assets Not Otherwise Apparent

The increase in obligations for both pension and postretirement benefits during the year is primarily due to a decrease in discount rates used to measure the obligations. The increase in the fair value of plan assets during the year is primarily due to investment returns as a result of strong market performance.

- (17) Accumulated Postretirement and Pension Benefit Obligation and Fair Value of Plan Assets for Defined Postretirement and Pension Benefit Plans

Not Applicable

- (18) Full Transition Surplus Impact of SSAP 102

Not Applicable

NOTES TO FINANCIAL STATEMENTS**Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans
(continued from preceding page)****B. Investment Policies and Strategies**

Description of Investment Policies

The strategic asset allocation framework was updated and was in an implementation phase during 2020. The investment policy of the pension and postretirement plans specify the broad asset classes used by the pension plan for investment purposes and the general principles used in managing the plans' assets. The strategic asset allocation framework includes the asset classes that may be used and the ranges for each of the asset classes and sub-classes. The overriding objective for managing pension investments is to optimize plan surplus and long-term total return of plan assets within constraints established to control risk and volatility. The strategic asset allocations and ranges were updated and segregated within four primary asset classes representing the primary layer of asset allocation. The broad categories are equities, fixed income, alternatives, and cash and cash equivalents. The primary equities allocation includes ranges for U.S. and international equities categories. The asset allocation framework includes sub-categories for core, long duration and opportunistic fixed income. Alternative investments were added as part of the strategic asset allocation framework, and ranges were also established for absolute return, private markets that include private equity and private credit, and real assets that include real estate and infrastructure. The current approved ranges for the four asset classes in the U.S. pension fund, which is also the largest of the retirement plans, are as follows:

<u>Asset Class</u>	<u>Range</u>
Equities	35 - 65%
Fixed Income	30 - 60%
Alternatives	0 - 20%
Cash and cash equivalents	0 - 20%

The portfolio construction is based on prudent investment principles including diversification of securities and ongoing analysis of the fundamental and valuation factors underlying the securities owned, and external funds managed.

The equities allocation includes individual common stocks, and equity commingled and mutual funds. Equity investments are based on the fundamental analysis of investment variables, including earning prospects, cash flow, balance sheet strength, competitive positioning and other factors. Diversification has been emphasized with a measured increase in equity strategies with different styles and capitalization, managed by prudent investment managers, and include U.S. and international equities. Investment returns are benchmarked and monitored against standard indices including S&P 500, Russell U.S. indices, and MSCI global stock indices.

The fixed income allocation consists of debt securities, including individual securities, primarily in the high-grade core and long duration fixed income sub-category strategies, debt mutual funds, as well as opportunistic fixed income strategies, managed by institutional investment managers and teams. Debt securities are actively managed, using best practice investment disciplines and for the majority of the fixed income portfolio, provide a lower risk, high quality complement to the total pension investment portfolio.

The alternatives allocation includes private equity, private credit, real assets including real estate and infrastructure, and absolute return liquid alternatives strategies. The portfolio also includes strategic and diversifying investments in the multi-asset mandates space. The cash and cash equivalent category includes short-term investments, defined as debt securities with a maturity of less than one year, and are held primarily for liquidity purposes and secondarily to reduce duration of fixed income securities when warranted by interest rate levels. Capital preservation is the primary consideration of investment in this asset class; therefore, only the highest quality investments are used. This allocation primarily includes money market funds, commercial paper carrying the highest quality ratings, and cash.

Expected rate of return assumptions are created based on assessments of long-term behavior and performance expectations of asset classes. As part of the process, historical relationships of asset classes and risk-free rates are considered. The analysis incorporates historical returns and long term forward looking return assumptions for the strategic asset allocations framework and mix, along with the baseline risk free rate. The long term expected rate of return is adjusted based on structural moves, if any in the underlying market conditions, or any material changes to the strategic asset allocation mix. The expected return for the plan blends the return assumptions for the strategic asset allocation mix including equities and other growth assets, and fixed income allocations, along with a nominal allocation to cash and cash equivalents for periodic pension benefit payments.

The defined benefit pension plan asset allocation and the target asset allocation, presented as a percentage of total plan assets, were as follows:

Asset Category	Percentage of Plan Assets	
	2020	Target Allocation
Equity Securities	59%	53%
Debt Securities	32%	34%
Alternatives	5%	10%
Cash	4%	3%
Total	100%	100%

The defined benefit postretirement plan asset allocation and the target asset allocation, presented as a percentage of total plan assets, were as follows:

Asset Category	Percentage of Plan Assets	
	2020	Target Allocation
Equity Securities	93%	90%
Debt Securities	0%	0%
Alternatives	0%	0%
Cash	7%	10%
Total	100%	100%

NOTES TO FINANCIAL STATEMENTS**Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans
(continued from preceding page)**

C. Fair Value of Plan Assets

(1) Fair Value Measurements of Plan Assets at Reporting Date

Description for each class of plan assets	(Level 1)	(Level 2)	(Level 3)	Total
Equity securities	\$ -	\$ -	\$ -	\$ -
Consumer discretionary	\$ 195,513,000	\$ -	\$ -	\$ 195,513,000
Consumer staples	\$ 84,068,000	\$ -	\$ -	\$ 84,068,000
Energy	\$ 38,662,000	\$ -	\$ -	\$ 38,662,000
Financials	\$ 185,427,000	\$ -	\$ -	\$ 185,427,000
Healthcare	\$ 149,903,000	\$ -	\$ -	\$ 149,903,000
Industrials	\$ 118,865,000	\$ -	\$ -	\$ 118,865,000
Information technology	\$ 252,188,000	\$ -	\$ -	\$ 252,188,000
Mutual funds	\$ 429,929,000	\$ 13,425,000	\$ -	\$ 443,354,000
All other securities	\$ 91,533,000	\$ -	\$ -	\$ 91,533,000
Foreign (JPY)	\$ 29,209,000	\$ -	\$ -	\$ 29,209,000
Total equity securities	\$ 1,575,297,000	\$ 13,425,000	\$ -	\$ 1,588,722,000
Debt securities				
U.S. Treasury securities and Obligations of U.S. government agencies	\$ -	\$ 123,366,000	\$ -	\$ 123,366,000
Mortgage and asset-backed securities				
Agency	\$ -	\$ 45,500,000	\$ -	\$ 45,500,000
Other mortgage and asset- backed securities	\$ -	\$ 10,447,000	\$ -	\$ 10,447,000
U.S. corporate securities	\$ -	\$ 354,690,000	\$ -	\$ 354,690,000
Mutual funds	\$ -	\$ 119,152,000	\$ -	\$ 119,152,000
Foreign (JPY)	\$ -	\$ 3,711,000	\$ -	\$ 3,711,000
Total debt securities	\$ -	\$ 656,866,000	\$ -	\$ 656,866,000
Common Collective Trusts	\$ -	\$ 786,676,000	\$ -	\$ 786,676,000
Cash equivalents	\$ 125,315,000	\$ -	\$ -	\$ 125,315,000
Total Plan Assets	\$ 1,700,612,000	\$ 1,456,967,000	\$ -	\$ 3,157,579,000

Pension assets as of December 31, 2020 include \$145,913,000 of private equity partnerships and hedge funds measured at fair value using net asset value (NAV).

(2) Valuation Technique(s) and Inputs Used to Measure Fair Value

The valuation techniques required by the Fair Value Measurements guidance (SSAP 100) are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair value hierarchy:

Level 1 Quoted prices for identical instruments in active markets

Level 2 Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable

Level 3 Significant inputs to the valuation model are unobservable

When available, the Company uses quoted market prices to determine the fair value of investment securities, and they are included in Level 1.

When quoted market prices are unavailable, the Company uses quotes from independent pricing vendors based on recent trading activity and other relevant information, including market interest rate curves, referenced credit spreads and estimated prepayment rates, where applicable. These investments are included in Level 2 and are primarily comprised of fixed income securities.

When pricing is not available from a pricing vendor it is based on significant unobservable inputs. In those circumstances, the investment security is classified in Level 3. These investments are primarily comprised of private equity funds and partnerships.

D. Basis Used to Determine Expected Long-Term Rate-of-Return

Expected rate of return assumptions are created based on assessments of long-term behavior of asset classes. As part of the process, historical relationships are considered. Using a three to five-year outlook, estimates of numerous variables have been combined to gauge economic growth potential. Corporate cash flows are correlated with economic growth but also reflect productivity and profit margin trends, with positive cash flow trends driving favorable return to equity owners. Fixed income returns are expected to produce lower returns with a lower level of volatility compared to equities.

E. Defined Contribution Plans

The Company also sponsors a 401(k) savings plan whereby eligible employees may elect annually to contribute from 1 percent to 50 percent of their base pay on a pretax or after-tax basis. Employee contributions are restricted to Internal Revenue Service limits. The Company matches pretax contributions up to 6 percent of the employee's base pay. Company contributions to the Plan were \$20,812,000 in 2020 and \$19,350,000 in 2019.

F. Multiemployer Plans

Not Applicable

NOTES TO FINANCIAL STATEMENTS

**Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans
(continued from preceding page)**

- G. Consolidated/Holding Company Plans
See Note 12A
- H. Postemployment Benefits and Compensated Absences
Not Applicable
- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)
Not Applicable

Note 13 – Capital and Surplus, Shareholder's Dividend Restrictions and Quasi-Reorganizations

- A. Number of Shares and Par or State Value of Each Class
Not Applicable
- B. Dividend Rate, Liquidation Value and Redemption Schedule of Preferred Stock Issues
Not Applicable
- C. Dividend Restrictions
Not Applicable
- D. Dates and Amounts of Dividends Paid
Not Applicable
- E. Profits that may be Paid as Ordinary Dividends to Stockholders
Not Applicable
- F. Restrictions Placed on Unassigned Funds (Surplus)
There are no restrictions on the unassigned funds of the Company, which are held for the benefit of policyholders who are also the owners due to the mutual ownership structure of the Company.
- G. Amount of Advances to Surplus not Repaid
Not Applicable
- H. Amount of Stock Held for Special Purposes
Not Applicable
- I. Reasons for Changes in Balance of Special Surplus Funds from Prior Period
Not Applicable
- J. The Portion of Unassigned Funds (Surplus) Represented or Reduced by Unrealized Gains and Losses is: \$3,735,638,775.
- K. Surplus Notes
Not Applicable
- L. Impact of Quasi-Reorganizations
Not Applicable
- M. Date of Quasi-Reorganizations
Not Applicable

NOTES TO FINANCIAL STATEMENTS**Note 14 – Liabilities, Contingencies and Assessments****A. Contingent Commitments**

- (1) Total SSAP No. 97, Investments in Subsidiary, Controlled, and Affiliated Entities, A Replacement of SSAP No. 88, and SSAP No. 48, Joint Ventures, Partnerships and Limited Liability Company contingent liabilities: \$915,036,659.
- (2) Detail of other contingent commitments

The Company is the owner of all the issued and outstanding common stock of FM Insurance Company Limited ("FMI"), and there is a Performance Guarantee agreement with FMI whereby the Company guarantees the full performance by FMI of its lawful obligations with respect to contracts of insurance and reinsurance issued by FMI.

The Company is the owner of all the issued and outstanding common stock of FM Insurance Europe S.A. ("FMIE"), and there is a Performance Guarantee agreement with FMIE whereby the Company guarantees the full performance by FMIE of its lawful obligations with respect to contracts of insurance and reinsurance issued by FMIE.

The Company is the owner of all the issued and outstanding common stock of FMIC Holdings, Inc., the owner of all the issued and outstanding common stock of Affiliated FM Insurance Company ("AFM"), and there is a Performance Guarantee agreement with AFM whereby the Company guarantees the full performance by AFM of its lawful obligations with respect to contracts of insurance and reinsurance issued by AFM.

The Company is the owner of FMRE Holdings LLC, which owns FM Asia Holdings Pte. Ltd., and there is a Performance Guarantee agreement with FM Asia Holdings Pte. Ltd. whereby the Company guarantees the obligations of FM Asia Holdings Pte. Ltd. to Singapore Science Park Ltd., the landlord in a real estate project in Singapore for which FM Asia Holdings Pte. Ltd. is the tenant.

The Company is the owner of all the issued and outstanding common stock of FM Global de Mexico S.A. de C.V. ("FMGM"), and there is a Guarantee agreement in place with respect to an insurance contract for a policyholder of FMGM, whereby the Company guarantees the payment of losses to the policyholder per the contract terms.

There are no current or anticipated amounts payable under these agreements, nor are there any amounts anticipated to be payable. Should any amounts ever become payable, the Company would be required to contribute sufficient cash to these companies to enable them to fulfill their contractual obligations. There are no applicable carrying values with respect to these agreements, and due to their nature the likelihood of potential future payments is remote and not quantifiable or determinable.

- (3) Guarantee Obligations

Not Applicable

B. Assessments

- (1) Nature of Any Assets That Could Have a Material Financial Effect

The Company is subject to guaranty fund and other assessments by the states in which it writes business. Insurance company insolvencies in states where the Company writes business may result in guaranty fund assessments on future premium.

The Company has accrued a liability for guaranty fund and other assessments of \$571,689 and a related premium tax benefit asset of \$134,312.

The amount recorded represents management's best estimates based on information received from the states in which the company writes business. The liability is included in the taxes, licenses and fees liability and will be paid in the next year. The asset is included in the guaranty funds receivable asset and is expected to be realized over the five to ten years following payment.

At times, the Company has the ability to recover a portion of the accrued assessment liability through policyholder surcharges. As of December 31, 2020, the asset related to policyholder surcharges, which appears within Page 2 line 25, is \$0.

- 2) Assessments

a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	\$	163,000
b. Decreases current period:		40,000
c. Increases current period:		11,000
d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current period	\$	134,000

- (3) Undiscounted and Discounted Guaranty Fund Assessments

Not Applicable

C. Gain Contingencies

Not Applicable

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits

Not Applicable

E. Product Warranties

Not Applicable

F. Joint and Several Liabilities

Not Applicable

NOTES TO FINANCIAL STATEMENTS**Note 14 – Liabilities, Contingencies and Assessments (continued from preceding page)**

G. All Other Contingencies

At December 31, 2020 and 2019 the Company had admitted premium receivable assets of \$964,259,747 and \$837,850,637, respectively, in premium receivable due from policyholders, agents and ceding insurers. The Company routinely assesses the collectability of these receivables. Based upon Company experience, any uncollectible premium receivables as of December 31, 2020 are not expected to exceed the nonadmitted amount totaling \$67,038,536, and therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial condition.

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. The Company has no asset that is considered impaired.

Note 15 – Leases

A. Lessee Operating Lease

(1) Lessee's Leasing Arrangements

a. Rental Expense

In connection with its various operating offices through North America, the Company leases office space, equipment and automobiles. These leases are classified as operating leases. Rental expense for all operating leases was \$69,432,468 in 2020 and \$70,283,333 in 2019.

b. Basis on Which Contingent Rental Payments are Determined

Not Applicable

c. Existence and Terms of Renewal or Purchase Options and Escalation Clauses

The Company has a right of first offer to purchase at fair value an office building in Pennsylvania currently leased from a third party. The value of this purchase option is approximately \$18.8 million.

d. Restrictions Imposed by Lease Agreements

Not Applicable

e. Identification of Lease Agreements that have been Terminated Early

Not Applicable

(2) Leases with Initial or Remaining Noncancelable Lease Terms in Excess of One Year

a. At December 31, 2020 the minimum aggregate rental commitments are as follows:

Year Ending December 31	Operating Leases
1. 2021	\$ 30,137,030
2. 2022	\$ 28,818,299
3. 2023	\$ 26,047,567
4. 2024	\$ 19,196,547
5. 2025	\$ 16,928,811
6. Total	\$ 166,216,945

Certain rental commitments have renewal options extending through the year 2048. Some of these renewals are subject to adjustments in future periods.

b. Total of Minimum Rentals to be Received in the Future under Noncancelable Subleases

Not Applicable

(3) Sale-Leaseback Transactions

Not Applicable

B. Lessor Leases

Not Applicable

Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

Not Applicable

NOTES TO FINANCIAL STATEMENTS**Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

A. Transfers of Receivables Reported as Sales

Not Applicable

B. Transfer and Servicing of Financial Assets

(1) Description of any Loaned Securities

Under a securities lending program with an agent, the Company has temporarily loaned certain debt securities with a fair value of \$61,620,381 and \$39,519,711 at December 31, 2020 and December 31, 2019, respectively. Borrowers of these securities must deposit an amount of cash and/or securities equal to 102% of the fair value of domestic securities or 105% of foreign securities. The Company continues to receive the interest on the loaned debt securities as a beneficial owner, and the loaned debt securities are included in the investment portfolio of the Company. The agent holds any securities pledged as collateral in trust for the borrower, and invests any cash collateral pledged in high quality short term securities. There are no collateral transactions that extend beyond one year.

(2) Servicing Assets and Servicing Liabilities

Not Applicable

(3) When Servicing Assets and Liabilities are Measured at Fair Value

Not Applicable

(4) Securitizations, Asset-Based Financing Arrangements and Similar Transfers Accounted for as Sales

Not Applicable

(5) Disclosure Requirements for Transfers of Assets Accounted for as Secured Borrowing

Not Applicable

(6) Transfer of Receivables with Recourse

Not Applicable

(7) Securities Underlying Repurchase and Reverse Repurchase Agreements, Dollar Repurchase and Dollar Reverse Repurchase Agreements

Not Applicable

C. Wash Sales

Not Applicable

Note 18 – Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

Not Applicable

Note 19 – Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Not Applicable

Note 20 – Fair Value Measurements

A. Fair Value Measurements

(1) Fair Value Measurements at Reporting Date

The Company categorizes its invested assets that are measured at fair value into the three-level fair value hierarchy or designates certain invested assets as carried at net asset value (NAV). Item 4 provides a discussion of each of these categories.

Description for Each Type of Asset or Liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
Assets at Fair Value					
Bonds	\$ -	\$ 416,430,865	\$ -	\$ -	\$ 416,430,865
Common Stocks - Industrial & Miscellaneous	\$ 4,305,998,632	\$ -	\$ -	\$ -	\$ 4,305,998,632
Common Stocks - Mutual Funds	\$ 1,626,790,015	\$ -	\$ -	\$ -	\$ 1,626,790,015
Money Market Mutual Funds	\$ -	\$ -	\$ -	\$ 167,594,319	\$ 167,594,319
Total	\$ 5,932,788,647	\$ 416,430,865	\$ -	\$ 167,594,319	\$ 6,516,813,831
Liabilities at Fair Value					
	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ -	\$ -	\$ -	\$ -	\$ -

(2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy

The Company has no assets measured at fair value in the Level 3 category.

(3) Policies when Transfers Between Levels are Recognized

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3. The Company has no assets measured at fair value in the Level 3 category.

NOTES TO FINANCIAL STATEMENTS**Note 20 – Fair Value Measurements (continued from preceding page)**

(4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement

The valuation techniques required by the Fair Value Measurements guidance (SSAP 100) are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions.

These two types of inputs create the following fair value hierarchy:

Level 1 Quoted prices for identical instruments in active markets

Level 2 Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable

Level 3 Significant inputs to the valuation model are unobservable

The Company elects 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.

The Company retains independent pricing vendors to assist in valuing invested assets when the prices are not available from the SVO.

When available, the Company uses quoted market prices to determine the fair value of investment securities, and they are included in Level 1.

When quoted market prices are unavailable, the Company uses quotes from independent pricing vendors based on recent trading activity and other relevant information, including market interest rate curves, referenced credit spreads and estimated prepayment rates, where applicable. These investments are included in Level 2 and are primarily comprised of fixed income securities which are NAIC rated 3 or below.

In infrequent circumstances, the pricing is not available from the pricing vendor and is based on significant unobservable inputs. In those circumstances, the investment security is classified in Level 3. There are no Level 3 investments at the reporting date.

(5) Derivative Fair Value Disclosures

Not Applicable

B. Other Fair Value Disclosures

Not Applicable

C. Fair Value Level

The table below reflects the fair value and admitted values of all admitted assets and liabilities that are financial instruments. The fair values are also categorized into the three-level fair value hierarchy as described in Note 20A.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$6,144,325,616	\$5,884,894,358	\$ -	\$5,844,894,358	\$ -	\$ -	\$ -
Common Stocks	\$5,932,788,647	\$5,932,788,647	\$5,932,788,647	\$ -	\$ -	\$ -	\$ -
Cash and Cash Equivalents	\$ 865,657,333	\$ 865,657,333	\$ 698,063,014	\$ -	\$ -	\$ 167,594,319	\$ -
Securities Lending Reinvested Collateral Assets	\$ 31,558,377	\$ 31,558,377	\$ 31,558,377	\$ -	\$ -	\$ -	\$ -
Total	\$12,974,329,973	\$12,714,898,715	\$6,662,410,038	\$5,884,894,358	\$ -	\$ 167,594,319	\$ -

D. Not Practicable to Estimate Fair Value

Not Applicable

E. NAV Practical Expedient Investments

The Company elects 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.

Note 21 – Other Items

A. Unusual or Infrequent Items

Not Applicable

B. Troubled Debt Restructuring Debtors

Not Applicable

C. Other Disclosures

The Company records Canadian activity in Canadian dollars in the Annual Statement. The net balance of Canadian assets and liabilities which represent a portion of the Company's surplus, is adjusted to U.S. dollars through the "change in net unrealized foreign exchange" adjustment line on page 4, line 25. This has the effect of converting total surplus to U.S. Dollars.

D. Business Interruption Insurance Recoveries

Not Applicable

NOTES TO FINANCIAL STATEMENTS**Note 21 – Other Items (continued from preceding page)****E. State Transferable and Non-Transferable Tax Credits**

- (1) Carrying Value of Transferable and Non-Transferable State Tax Credits Gross of any Related Tax Liabilities and Total Unused Transferable and Non-Transferable State Tax Credits by State and in Total

Description of State Transferable and Non-Transferable Tax Credits	State	Carrying Value	Unused Amount
Investment Tax Credit	RI	\$ -	\$ 4,587,403
Total		\$ -	\$ 4,587,403

- (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

Not Applicable

- (4) State Tax Credits Admitted and Nonadmitted

None

F. Subprime Mortgage-Related Risk Exposure

- (1) Description of the Subprime-Mortgage-Related Exposure and Related Risk Management Policies

The Company defines its exposure to subprime mortgage related risk by considering securities with a weighted average FICO/Credit score of less than 660 to be subprime. The company monitors the underlying collateral performance of these securities via monthly trustee reports, Bloomberg performance data and Rating Agency performance reports. The company has minimal exposure to subprime securities and has no plans to increase its holding in subprime securities at this time. This exposure will not materially affect the Company's unrealized losses or anticipated cash flows.

- (2) Direct Exposure Through Investments in Subprime Mortgage Loans

Not Applicable

- (3) Direct Exposure Through Other Investments

	Actual Cost	Book/Adjusted Carrying Value (Excluding Interest)	Fair Value	Other-Than-Temporary Impairment Losses Recognized
a. Residential mortgage-backed securities	\$ 453,348	\$ 460,001	\$ 1,762,990	\$ -
b. Commercial mortgage-backed securities				
c. Collateralized debt obligations				
d. Structured securities				
e. Equity investments in SCAs*				
f. Other assets				
g. Total	\$ 453,348	\$ 460,001	\$ 1,762,990	\$ -

* These investments comprise 0 % of the company's invested assets.

- (4) Underwriting Exposure to Subprime Mortgage Risk Through Mortgage Guaranty or Financial Guaranty Insurance Coverage

Not Applicable

G. Insurance-Linked Securities (ILS) Contracts

Management of Risk Related to	Number of Outstanding ILS Contracts	Aggregate Maximum Proceeds
(1) Directly Written Insurance Risks		
a. ILS Contracts as Issuer	-	\$ -
b. ILS Contracts as Ceding Insurer	2	88,000,000
c. ILS Contracts as Counterparty	-	-
(2) Assumed Insurance Risks		
a. ILS Contracts as Issuer	-	\$ -
b. ILS Contracts as Ceding Insurer	-	-
c. ILS Contracts as Counterparty	-	-

NOTES TO FINANCIAL STATEMENTS**Note 21 – Other Items (continued from preceding page)**

- 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

	Amount	Percent
(1) Amount of Admitted Balance that Could Be Realized from an Investment Vehicle	\$ 123,852,107	
(2) Percentage Bonds		- %
(3) Percentage Stocks		- %
(4) Percentage Mortgage Loans		- %
(5) Percentage Real Estate		- %
(6) Percentage Cash and Short-Term Investments		100.000%
(7) Percentage Derivatives		- %
(8) Percentage Other Invested Assets		- %

Note 22 – Events Subsequent

Subsequent events have been considered through February 25, 2021 for these statutory financial statements which are to be issued on February 25, 2021.

There were no events occurring subsequent to the end of the year that merited recognition or disclosure in these statements.

- A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)? Yes [] No [X]
- B-H Not Applicable

Note 23 – Reinsurance

- A. Unsecured Reinsurance Recoverables

Not Applicable

- B. Reinsurance Recoverable in Dispute

Not Applicable

- C. Reinsurance Assumed and Ceded

- (1) Maximum Amount of Return Commission

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$ 213,957,302	\$ 4,550,599	\$ 70,293,000	\$ 14,058,600	\$ 143,664,302	\$ (9,508,001)
b. All Other	430,302,730	80,681,530	568,549,400	111,892,933	(138,246,670)	(31,211,403)
c. Total	\$ 644,260,032	\$ 85,232,129	\$ 638,842,400	\$ 125,951,533	\$ 5,417,632	\$ (40,719,404)
d. Direct Unearned Premium Reserves						\$ 1,987,932,588

- (2) Additional or Return Commission

Not Applicable

- (3) Types of Risks Attributed to Protected Cell

Not Applicable

- D. Uncollectible Reinsurance

Not Applicable

- E. Commutation of Ceded Reinsurance

The Company commuted ceded reinsurance in the current year with the reinsurer listed below. The net effect of the commutation was an increase to net income of \$13,500,000. This amount is shown below by Statement of Income classification and by reinsurer.

(1) Losses incurred	\$ -
(2) Loss adjustment expenses incurred	\$ -
(3) Premiums earned	\$ (13,500,000)
(4) Other	\$ -
(5) Company	Amount
Keystone PF	\$ (13,500,000)

- F. Retroactive Reinsurance

Not Applicable

- G. Reinsurance Accounted for as a Deposit

Not Applicable

NOTES TO FINANCIAL STATEMENTS**Note 23 – Reinsurance (continued from preceding page)**

- H. Disclosures for the Transfer of Property and Casualty Run-off Agreements
Not Applicable
- I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation
Not Applicable
- J. Reinsurance Agreements Qualifying for Reinsurer Aggregation
Not Applicable
- K. Reinsurance Credits
Not Applicable

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

Not Applicable

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

- A. Change in Incurred Losses and Loss Adjustment Expenses

As a result of changes in estimates of insured events related to prior years, the provision for losses and loss adjustment expenses decreased by \$106,441,000. The decrease in the prior years was primarily due to the reduction of incurred-but-not-reported (IBNR) reserves based on actual experience.

No additional premium or return of premium have been accrued as a result of prior year effects.

- B. Information about Significant Changes in Methodologies and Assumptions
Not Applicable

Note 26 – Intercompany Pooling Arrangements

- A. Identification of the Lead Entity and all Affiliated Entities Participating in the Intercompany Pool

	NAIC Company Code	Pooling Percentage
Lead Entity and all Affiliated Entities Factory Mutual Insurance Company (lead insurer)	21482	86.0%
Affiliated FM Insurance Company	10014	12.0%
Appalachian Insurance Company	10316	2.0%

- B. Description of Lines and Types of Business Subject to the Pooling Agreement

The parties agreed to pool net premium earned, net losses and loss adjustment expenses incurred, and other underwriting expenses incurred. Each company agreed to cede and/or assume from the others that amount of net premium earned, reported in the NAIC Annual Statement, Page 4, Line 1, less that amount of dividends to policyholders reported on Page 4, Line 17, net losses and loss adjustment expenses incurred included in the NAIC Annual Statement, Page 4 Lines 2 and 3 and other underwriting expenses incurred reported in the NAIC Annual Statement, Page 4, Line 4, required to bring its share to the agreed upon percentage of the total. Also, premium and losses that are assumed and ceded pursuant to stop loss reinsurance treaties between Factory Mutual Insurance Company (Asia Pacific branches) and Affiliated FM Insurance Company, and pursuant to an intercompany reinsurance agreement between the Canadian branches of Factory Mutual Insurance Company and Affiliated FM Insurance Company, are excluded from the intercompany pooling agreement.

The pooling activity is recorded and settled as current accident and occurrence year transactions for Schedule P reporting purposes. The pooling results are considered as written and earned in the current accident year. The pooling results of losses and loss adjustment expenses paid and incurred are reflected in the current occurrence year.

- C. Description of Cessions to Non-Affiliated Reinsurance Subject to Pooling Agreement

Reinsurance may be externally ceded on a facultative and/or treaty basis by any pool participant prior to pooling.

- D. Identification of all Pool Members that are Parties to Reinsurance Agreements with Non-Affiliated Reinsurers

Each pool participant has a contractual right of direct recovery from its own external reinsurers.

- E. Explanation of Discrepancies Between Entries of Pooled Business

There are no discrepancies between the assumed and ceded reinsurance schedules of the pool participants.

- F. Description of Intercompany Sharing

Each pool participant establishes its respective provision for reinsurance in Schedule F and the write-off of uncollectible reinsurance for its own facultative and treaty cessions.

NOTES TO FINANCIAL STATEMENTS**Note 26 – Intercompany Pooling Arrangements (continued from preceding page)**

G. Amounts Due To/From Lead Entity and all Affiliated Entities Participating in the Intercompany Pool

Name of Insurer	Amounts Receivable	Amounts Payable
Factory Mutual Insurance Company (lead insurer)	\$86,977,958	\$56,261,446
Affiliated FM Insurance Company	\$32,740,447	\$71,255,183
Appalachian Insurance Company	\$23,520,899	\$15,722,675

Note 27 – Structured Settlements

Not Applicable

Note 28 – Health Care Receivables

Not Applicable

Note 29 – Participating Policies

Not Applicable

Note 30 – Premium Deficiency Reserves

The Company evaluated whether a premium deficiency reserve is required as of December 31, 2020 and determined that a premium deficiency reserve is not applicable.

- Liability carried for premium deficiency reserve: \$0
- Date of most recent evaluation of this liability: February 11, 2021
- Was anticipated investment income utilized in the calculation? Yes [X] No []

Note 31 – High Deductibles

Not Applicable

Note 32 – Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

Not Applicable

Note 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?

The Company has potential exposure involving asbestos, environmental impairment liability, and other types of tort-related claims, which applies only to the casualty and assumed reinsurance business now in runoff. Management has indicated that liabilities are recognized for known claims (including the cost of related litigation) when sufficient information has been developed to indicate the involvement of a specific insurance policy, and the Company's liabilities can be reasonably estimated. Additional reserves for such claims are established to cover further exposures on both known and unasserted claims based on facts currently known and the present state of the law and coverage litigation. The reserves for these types of claims are included in the foregoing loss and loss adjustment expense reserves and are subject to considerable uncertainty, due to the potential severity of the claims and the uncertain legal climate.

(1) Direct

	2016	2017	2018	2019	2020
a. Beginning reserves (including Case, Bulk + IBNR Loss & LAE)	\$ 327,477,000	\$ 302,847,000	\$ 292,082,000	\$ 283,953,000	\$ 279,774,000
b. Incurred losses and loss adjustment expense	(4,769,000)	8,612,000			
c. Calendar year payments for losses and loss adjustment expenses	19,861,000	19,377,000	8,129,000	4,179,000	8,332,000
d. Ending reserves (including Case, Bulk + IBNR Loss & LAE)	\$ 302,847,000	\$ 292,082,000	\$ 283,953,000	\$ 279,774,000	\$ 271,442,000

(2) Assumed Reinsurance

	2016	2017	2018	2019	2020
a. Beginning reserves (including Case, Bulk + IBNR Loss & LAE)	\$ 507,928,000	\$ 483,185,000	\$ 484,533,000	\$ 457,428,000	\$ 442,506,000
b. Incurred losses and loss adjustment expense	9,003,000	33,669,000	2,863,000	147,000	1,743,000
c. Calendar year payments for losses and loss adjustment expenses	33,746,000	32,321,000	29,968,000	15,069,000	13,015,000
d. Ending reserves (including Case, Bulk + IBNR Loss & LAE)	\$ 483,185,000	\$ 484,533,000	\$ 457,428,000	\$ 442,506,000	\$ 431,234,000

NOTES TO FINANCIAL STATEMENTS**Note 33 – Asbestos/Environmental Reserves (continued from preceding page)**

(3) Net of Ceded Reinsurance

	2016	2017	2018	2019	2020
a. Beginning reserves (including Case, Bulk + IBNR Loss & LAE)	\$ 454,195,000	\$ 435,952,000	\$ 450,771,000	\$ 431,238,000	\$ 421,641,000
b. Incurred losses and loss adjustment expense	6,401,000	35,609,000	164,000	13,000	(22,000)
c. Calendar year payments for losses and loss adjustment expenses	24,644,000	20,790,000	19,697,000	9,610,000	8,790,000
d. Ending reserves (including Case, Bulk + IBNR Loss & LAE)	\$ 435,952,000	\$ 450,771,000	\$ 431,238,000	\$ 421,641,000	\$ 412,829,000

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

(1) Direct basis	\$ 255,930,000
(2) Assumed reinsurance basis	307,397,000
(3) Net of ceded reinsurance basis	\$ 323,414,000

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

(1) Direct basis	\$ 11,505,045
(2) Assumed reinsurance basis	44,553,576
(3) Net of ceded reinsurance basis	\$ 43,886,710

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?

The Company has potential exposure involving asbestos, environmental impairment liability, and other types of tort-related claims, which applies only to the casualty and assumed reinsurance business now in runoff. Management has indicated that liabilities are recognized for known claims (including the cost of related litigation) when sufficient information has been developed to indicate the involvement of a specific insurance policy, and the Company's liabilities can be reasonably estimated. Additional reserves for such claims are established to cover further exposures on both known and unasserted claims based on facts currently known and the present state of the law and coverage litigation. The reserves for these types of claims are included in the foregoing loss and loss adjustment expense reserves and are subject to considerable uncertainty, due to the potential severity of the claims and the uncertain legal climate.

(1) Direct

	2016	2017	2018	2019	2020
a. Beginning reserves	\$ 16,596,000	\$ 15,399,000	\$ 15,050,000	\$ 14,637,000	\$ 14,488,000
b. Incurred losses and loss adjustment expense	(187,000)	636,000			
c. Calendar year payments for losses and loss adjustment expenses	1,010,000	985,000	413,000	149,000	262,000
d. Ending reserves	\$ 15,399,000	\$ 15,050,000	\$ 14,637,000	\$ 14,488,000	\$ 14,226,000

(2) Assumed Reinsurance

	2016	2017	2018	2019	2020
a. Beginning reserves	\$ 86,914,000	\$ 83,974,000	\$ 82,941,000	\$ 81,797,000	\$ 78,194,000
b. Incurred losses and loss adjustment expense	962,000	1,623,000	145,000	5,000	55,000
c. Calendar year payments for losses and loss adjustment expenses	3,902,000	2,656,000	1,289,000	3,608,000	911,000
d. Ending reserves	\$ 83,974,000	\$ 82,941,000	\$ 81,797,000	\$ 78,194,000	\$ 77,338,000

(3) Net of Ceded Reinsurance

	2016	2017	2018	2019	2020
a. Beginning reserves	\$ 71,983,000	\$ 64,243,000	\$ 64,411,000	\$ 63,226,000	\$ 60,516,000
b. Incurred losses and loss adjustment expense	(4,729,000)	2,452,000	(130,000)	(16,000)	40,000
c. Calendar year payments for losses and loss adjustment expenses	3,011,000	2,284,000	1,055,000	2,694,000	829,000
d. Ending reserves	\$ 64,243,000	\$ 64,411,000	\$ 63,226,000	\$ 60,516,000	\$ 59,727,000

E. State the amount of the ending reserves for Bulk + IBNR included in D (Loss and LAE)

(1) Direct basis	\$ 13,739,000
(2) Assumed reinsurance basis	58,109,000
(3) Net of ceded reinsurance basis	\$ 43,321,000

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

(1) Direct basis	\$ 361,201
(2) Assumed reinsurance basis	6,918,132
(3) Net of ceded reinsurance basis	\$ 8,052,400

NOTES TO FINANCIAL STATEMENTS

Note 34 – Subscriber Savings Accounts

Not Applicable

Note 35 – Multiple Peril Crop Insurance

Not Applicable

Note 36 – Financial Guaranty Insurance

Not Applicable

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 and 2.
- 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? Rhode Island
- 1.4 Is the reporting entity publicly traded or a member of 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. 12/31/2017
- 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. 12/31/2017
- 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). 12/08/2018
- 3.4 By what department or departments?
Rhode Island 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 the answer is YES, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of 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
- 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
- 7.2 If yes,
- 7.21 State the percentage of foreign control _____ %
- 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 bank holding company regulated with the Federal Reserve Board? Yes No
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes No
- 8.4 If the response to 8.3 is yes, please provide below 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 |
|---------------------|-----------------------------|----------|----------|-----------|----------|
| | | | | | |
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
- 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
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to 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
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes 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?
Kathleen Odomirok, FCAS, MAAA - Principal, Ernst & Young LLP 200 Clarendon Street, Boston, MA 02116
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes No
- 12.11 Name of real estate holding company FMRE Holdings LLC
- 12.12 Number of parcels involved 53
- 12.13 Total book/adjusted carrying value \$ 1,278,678,496
- 12.2 If yes, provide explanation
FMRE Holdings LLC is a wholly owned subsidiary owning subsidiaries that own commercial office buildings that are leased.
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
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes No
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes No N/A
- 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? Yes No
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 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 Credit	4 Amount
			\$

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 subordinator 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
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers \$ 0
- 20.12 To stockholders not officers \$ 0
- 20.13 Trustees, supreme or grand (Fraternal only) \$ 0
- 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 \$ 0
- 20.22 To stockholders not officers 0
- 20.23 Trustees, supreme or grand (Fraternal only) 0
- 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 reporting in the statement? Yes No
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$ 0
- 21.22 Borrowed from others \$ 0
- 21.23 Leased from others \$ 0
- 21.24 Other \$ 0
- 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
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$ 0
- 22.22 Amount paid as expenses \$ 0
- 22.23 Other amounts paid \$ 0

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

INVESTMENT

- 24.01 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 24.03)? Yes [] No [X]
- 24.02 If no, give full and complete information, relating thereto:
JP Morgan Worldwide Securities Services and RBC (Toronto) hold custody of the securities.
- 24.03 For securities 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).
The market value and collateral value of securities loaned as of year end 2020 is \$61,620,381 and \$62,888,287 respectively. The amount of cash collateral carried on the balance sheet is \$31,558,377. See Note 17 for a description of the securities lending program
- 24.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. \$ 62,888,287
- 24.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$ 0
- 24.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [X] No [] N/A []
- 24.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]
- 24.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [X] No [] N/A []
- 24.09 For the reporting entity's securities lending program, state the amount of the following as of December 31 of the current year:
- 24.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 31,558,377
- 24.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 31,558,377
- 24.093 Total payable for securities lending reported on the liability page: \$ 31,558,377
- 25.1 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 current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.) Yes [X] No []
- 25.2 If yes, state the amount thereof at December 31 of the current year:
- 25.21 Subject to repurchase agreements \$ 0
- 25.22 Subject to reverse repurchase agreements \$ 0
- 25.23 Subject to dollar repurchase agreements \$ 0
- 25.24 Subject to reverse dollar repurchase agreements \$ 0
- 25.25 Placed under option agreements \$ 0
- 25.26 Letter stock or securities restricted as sale – excluding FHLB Capital Stock \$ 0
- 25.27 FHLB Capital Stock \$ 0
- 25.28 On deposit with states \$ 5,678,869
- 25.29 On deposit with other regulatory bodies \$ 0
- 25.30 Pledged as collateral – excluding collateral pledged to an FHLB \$ 0
- 25.31 Pledged as collateral to FHLB – including assets backing funding agreements \$ 0
- 25.32 Other \$ 0

- 25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		\$

- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
If no, attach a description with this statement.

Lines 26.3 through 26.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

- 26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a results of interest rate sensitivity? Yes [] No []
- 26.4 If the response to 26.3 is yes, does the reporting entity utilize:
- 26.41 Special accounting provision of SSAP No. 108 Yes [] No []
- 26.42 Permitted accounting practice Yes [] No []
- 26.43 Other accounting guidance Yes [] No []
- 26.5 By responding yes to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting 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 Guidance 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 the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.
- 27.1 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]
- 27.2 If yes, state the amount thereof at December 31 of the current year: \$ 0
28. 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 []

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**28.01 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
JP Morgan Worldwide Securities Services	383 Madison Avenue New York, NY
RBC Investor Services	200 Bay Street, Toronto, Ontario Canada

28.02 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)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [] No [X]

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

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

28.05 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 of Firm or Individual	2 Affiliation
Sanjay Chawla SVP, Chief Investment Officer	I
Daniel Richards VP, Portfolio Mgr Fixed Income	I
Scott Anthony, VP Sector Portfolio Mgr Fixed Income	I
Alliance Bernstein L.P.	U
Pinebridge Investments LLC	U
Standish Mellon Asset Management	U
Abry Partners, LLC	U
Allianz Global Investors U.S. LLC	U
Angelo, Gordon & Co., L.P.	U
Apollo	U
Arclight Capital Partners, LLC	U
Ardian Co	U
Ares Management	U
Arrowstreet Capital, Limited Partnership	U
Astignes Capital Asia PTE. LTD	U
Balyasny Capital Management	U
BC Partners LLP	U
BlackRock Financial Management Inc	U
BlackRock Asset Management Canada Limited	U
Bridgewater Associations	U
Brookfield Asset Management	U
Carlyle Investment Management LLC	U
Clayton, Dubilier & Rice, LLC	U
D.E. Shaw	U
Doubleline Funds Trust	U
Fortress Investment Group LLC	U
GCM Grosvenor LLC	U
Goldman Sachs Asset Management, L.P.	U
Great Hill Partners LP	U
ICONIQ Capital	U
Jennison Associates LLC	U
KKR Investment Management LLC	U
KPS	U
Lexington Partners L.P.	U
Morgan Stanley & Co. LLC	U
Neuberger Berman Group	U
Northern Trust Global Investment LTD	U
Oaktree Capital Management L.P.	U
Pacific Investment Management Company LLC	U
Rockpoint Group, LLC	U
Silver Lake Partnership	U
The Blackstone Group L.P.	U
Thomabravo	U
Tudor Investment Corporation	U
Varde Partners	U
Vitruvian Partners LLP	U

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

Warburg Pincus Global Growth XIII	U
Wellington Management Company LLP	U

28.0597 For those firms/individuals listed in the table for Question 28.05, 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]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets? Yes [] No [X]

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
108477	Alliance Bernstein L.P.	0JK55UGWSWNF3X7KLQ85	SEC	DS
105926	Pinebridge Investments LLC	CLDVY8VY4GNT81Q4VM57	SEC	DS
113972	Standish Mellon Asset Management	ME7YUCK4NF1W8VM8SP25	SEC	DS
161153	Abry Partners, LLC	549300SPLESK8B9YFN30	SEC	DS
149003	Allianz Global Investors U.S. LLC	5493006522GA7V5RIQ29	SEC	DS
131940	Angelo, Gordon & Co., L.P.	XXJ808RONB9FETPCB63	SEC	DS
143158	Apollo	5493004UBP55J1YLCL14	SEC	DS
161228	Arclight Capital Partners, LLC	549300GW1DWMX7FLDM29	SEC	DS
121326	Ardian Co	549004QNJ00EMFZ1Q24	SEC	DS
130074	Ares Management	5299001MGCWCLGPX4Z79	SEC	DS
111298	Arrowstreet Capital, Limited Partnership	LO3JDTZUG0RICVPGQ53	SEC	DS
152719	Astignes Capital Asia PTE. LTD	549300SNQL9BZLRYIZ82	SEC	DS
138111	Balyasny Capital Management	IEY25V8W6D7HRX2LB395	SEC	DS
284927	BC Partners LLP	254900X67LTV4RUHRX65	SEC	DS
107105	BlackRock Financial Management Inc	549300LVXY1VJKE13M84	SEC	DS
162262	BlackRock Asset Management Canada Limited	549300YTZPMRP8RYSY86	OSC	NO
157653	Bridgewater Associations	EMTKKMJN2BHVKBWS4553	SEC	DS
151599	Brookfield Asset Management	C6J3FGIWG6MBDGT8F80	SEC	DS
111128	Carlyle Investment Management LLC	549300MVJ5FAYQX68835	SEC	DS
160492	Clayton, Dubilier & Rice, LLC	5493007KKOHIBVKWXE31	SEC	DS
108679	D.E. Shaw	549300WWZY6TAS42D737	SEC	DS
152606	Doubleline Funds Trust	5493008IO8R1K4RY7M95	SEC	DS
129010	Fortress Investment Group LLC	VZ3406RQQDQ6P5Q17K28	SEC	DS
169155	GCM Grosvenor LLC	549300PT67J6DFJUCA91	SEC	DS
107738	Goldman Sachs Asset Management, L.P.	CF5M58QA35CFPUX70H17	SEC	DS
158158	Great Hill Partners LP	549300VJS3K0S6BU7Q53	SEC	DS
159198	ICONIQ Capital	89450014HPR4XDBCKY76	SEC	DS
107959	Jennison Associates LLC	549300FH843OWV8IPG14	SEC	DS
226531	KKR Investment Management LLC	NFS7XW7VRHCJJ5KSWB90	SEC	DS
143229	KPS	391200QRROJMNAP9CL62	SEC	DS
147281	Lexington Partners L.P.	549300QI48TIDZJCR212	SEC	DS
8209	Morgan Stanley & Co. LLC	6N8SC06AK49F0N7K1X52	SEC	DS
2908	Neuberger Berman Group	549300XIWEKOTC8HO652	SEC	DS
111900	Northern Trust Global Investment LTD	M89DPJD7DZVSZDTFG617	SEC	DS
106793	Oaktree Capital Management L.P.	JOAJT0QKF9HWVYTX5K56	SEC	DS
104559	Pacific Investment Management Company LLC	549300KGPYQZXGMYYN38	SEC	DS
156630	Rockpoint Group, LLC	549300713EHGJ9M7OB59	SEC	DS
107625	Silver Lake Partnership	213800FCYR5TH267AV68	SEC	DS
17917	The Blackstone Group L.P.	5299004LW4QWGWZUB8Y96	SEC	DS
157041	Thomabravo	5493001G651ICQ33SN58	SEC	DS
159792	Tudor Investment Corporation	D6Y7N0U4YOKL2C5BLN13	SEC	DS
108009	Varde Partners	NBIR4W650UJEOSZFMG65	SEC	DS
162759	Vitruvian Partners LLP	21380027YHVANQKWZT55	SEC	DS
156945	Warburg Pincus Global Growth XIII	5493007VPCEXSWSQS1868	SEC	DS
106595	Wellington Management Company LLP	549300YHP12TEZNLX41	SEC	DS

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

29.1 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 [X] No []

29.2 If yes, complete the following schedule:

1 CUSIP	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
056823 37 0	BAILLIE GIFFORD FDS	\$ 226,302,690
256206 10 3	DODGE & COX INTERNATIONAL STOCK FUND	\$ 61,421,268
464285 10 5	ISHARES GOLD TRUST	\$ 17,586,100
464286 77 2	ISHARES INC	\$ 27,536,000
464287 23 4	ISHARES MSCI EMERGING MKT INDEX ETF	\$ 17,386,955
46429B 59 8	ISHARES MSCI	\$ 35,836,020
46429B 68 9	ISHARES EDGE MSCI MIN VOL EA	\$ 3,658,020
46429B 69 7	ISHARES EDGE MSCI MIN VOL US	\$ 7,207,906
46432F 33 9	ISHARES EDGE MSCI USA QUALITY	\$ 18,890,284
46432F 37 0	ISHARES EDGE MSCI USA SIZE	\$ 22,418,209
46432F 38 8	ISHARES EDGE MSCI USA VALUE	\$ 15,749,830
46432F 39 6	ISHARES EDGE MSCI USA MOMENT	\$ 12,502,556
46434G 77 2	ISHARES INC	\$ 31,051,800
46434V 44 9	ISHARES EDGE MSCI INTL MOMENT	\$ 6,307,279
46434V 45 6	ISHARES EDGE MSCI INTL QUALITY	\$ 9,675,022
46435G 40 9	ISHARES EDGE MSCI INTL VALUE	\$ 7,991,587
46435G 50 8	ISHARES EDGE MSCI INTL SIZE	\$ 11,237,885
48129C 30 6	JP MORGAN GLOBAL ALLOCATION	\$ 150,546,946
74144T 10 8	T ROWE PRICE GRP	\$ 93,710
77956H 32 8	TROWE PR GLOBAL STOCK	\$ 328,261,529
78462F 10 3	SPDR S&P 500 TRUST ETF	\$ 1,279,417
78463V 10 7	SPDR GOLD TR GOLD	\$ 11,950,120
78464A 78 9	SPDR S&P INSURANCE ETF	\$ 82,046,014
81369Y 20 9	SELECT SECTOR SPDR	\$ 22,914,880
81369Y 60 5	FINANCIAL SELECT SECTOR SPDR	\$ 26,879,860
81369Y 80 3	SELECT SECTOR SPDR	\$ 25,587,936
81369Y 85 2	SELECT SECTOR SPDR	\$ 18,381,552
81369Y 88 6	SELECT SECTOR SPDR	\$ 47,771,130
92647K 30 9	VICTORY MUNDER INT'L SMALL CAP FUND	\$ 260,605,701
L5458T 11 7	INVESCO US SENIOR LOAN-GX	\$ 117,711,805
29.2999	TOTAL	\$ 1,626,790,011

29.3 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
ISHARES MSCI EMERGING MKT INDEX ETF	Taiwan Semiconductor Manufactu	\$ 1,165,274	12/31/2020
ISHARES MSCI EMERGING MKT INDEX ETF	Tencent Holdings Ltd	\$ 1,031,394	12/31/2020
ISHARES MSCI EMERGING MKT INDEX ETF	Alibaba Group Holding Ltd	\$ 1,029,655	12/31/2020
ISHARES MSCI EMERGING MKT INDEX ETF	Samsung Electronics Co Ltd	\$ 774,067	12/31/2020
ISHARES MSCI EMERGING MKT INDEX ETF	Meituan	\$ 353,825	12/31/2020
ISHARES EDGE MSCI MIN VOL EA	Novo Nordisk A/S	\$ 57,065	12/31/2020
ISHARES EDGE MSCI MIN VOL EA	Roche Holding AG	\$ 56,077	12/31/2020
ISHARES EDGE MSCI MIN VOL EA	Chugai Pharmaceutical Co Ltd	\$ 53,444	12/31/2020
ISHARES EDGE MSCI MIN VOL EA	Swisscom AG	\$ 52,712	12/31/2020
ISHARES EDGE MSCI MIN VOL EA	Novartis AG	\$ 52,346	12/31/2020
ISHARES EDGE MSCI MIN VOL US	NextEra Energy Inc	\$ 116,696	12/31/2020
ISHARES EDGE MSCI MIN VOL US	Johnson & Johnson	\$ 11,593	12/31/2020
ISHARES EDGE MSCI MIN VOL US	Vertex Pharmaceuticals Inc	\$ 115,110	12/31/2020
ISHARES EDGE MSCI MIN VOL US	Eli Lilly and Co	\$ 111,939	12/31/2020
ISHARES EDGE MSCI MIN VOL US	Microsoft Corp	\$ 110,353	12/31/2020
ISHARES EDGE MSCI USA QUALITY	Apple Inc	\$ 808,126	12/31/2020
ISHARES EDGE MSCI USA QUALITY	Microsoft Corp	\$ 767,890	12/31/2020
ISHARES EDGE MSCI USA QUALITY	NIKE Inc	\$ 595,988	12/31/2020
ISHARES EDGE MSCI USA QUALITY	Coca-Cola Co/The	\$ 571,431	12/31/2020
ISHARES EDGE MSCI USA QUALITY	Mastercard Inc	\$ 567,653	12/31/2020
ISHARES EDGE MSCI USA SIZE	ConocoPhillips	\$ 79,360	12/31/2020
ISHARES EDGE MSCI USA SIZE	Occidental Petroleum Corp	\$ 60,978	12/31/2020
ISHARES EDGE MSCI USA SIZE	Roku Inc	\$ 60,753	12/31/2020

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

ISHARES EDGE MSCI USA SIZE	Etsy Inc	\$	57,166	12/31/2020
ISHARES EDGE MSCI USA SIZE	Slack Technologies Inc	\$	54,476	12/31/2020
ISHARES EDGE MSCI USA VALUE	Intel Corp	\$	1,269,279	12/31/2020
ISHARES EDGE MSCI USA VALUE	AT&T Inc	\$	1,096,818	12/31/2020
ISHARES EDGE MSCI USA VALUE	Micron Technology Inc	\$	666,375	12/31/2020
ISHARES EDGE MSCI USA VALUE	General Motors Co	\$	611,566	12/31/2020
ISHARES EDGE MSCI USA VALUE	International Business Machine	\$	489,347	12/31/2020
ISHARES EDGE MSCI USA MOMENT	Tesla Inc	\$	953,945	12/31/2020
ISHARES EDGE MSCI USA MOMENT	Apple Inc	\$	610,625	12/31/2020
ISHARES EDGE MSCI USA MOMENT	Microsoft Corp	\$	580,119	12/31/2020
ISHARES EDGE MSCI USA MOMENT	Amazon.com Inc	\$	573,492	12/31/2020
ISHARES EDGE MSCI USA MOMENT	NVIDIA Corp	\$	543,236	12/31/2020
ISHARES EDGE MSCI INTL MOMENT	Shopify Inc	\$	213,501	12/31/2020
ISHARES EDGE MSCI INTL MOMENT	ASML Holding NV	\$	212,303	12/31/2020
ISHARES EDGE MSCI INTL MOMENT	SoftBank Group Corp	\$	148,221	12/31/2020
ISHARES EDGE MSCI INTL MOMENT	Sony Corp	\$	130,750	12/31/2020
ISHARES EDGE MSCI INTL MOMENT	LVMH Moet Hennessy Louis Vuitt	\$	122,487	12/31/2020
ISHARES EDGE MSCI INTL QUALITY	Roche Holding AG	\$	406,157	12/31/2020
ISHARES EDGE MSCI INTL QUALITY	ASML Holding NV	\$	351,494	12/31/2020
ISHARES EDGE MSCI INTL QUALITY	Nestle SA	\$	317,244	12/31/2020
ISHARES EDGE MSCI INTL QUALITY	AIA Group Ltd	\$	252,034	12/31/2020
ISHARES EDGE MSCI INTL QUALITY	LVMH Moet Hennessy Lou	\$	235,684	12/31/2020
ISHARES EDGE MSCI INTL VALUE	Novartis AG	\$	240,787	12/31/2020
ISHARES EDGE MSCI INTL VALUE	British American Tobacco	\$	235,672	12/31/2020
ISHARES EDGE MSCI INTL VALUE	Toyota Motor Corp	\$	177,253	12/31/2020
ISHARES EDGE MSCI INTL VALUE	Sanofi	\$	173,018	12/31/2020
ISHARES EDGE MSCI INTL VALUE	Bayer AG	\$	156,156	12/31/2020
ISHARES EDGE MSCI INTL SIZE	BlackBerry Ltd	\$	27,196	12/31/2020
ISHARES EDGE MSCI INTL SIZE	Lasertec Corp	\$	27,196	12/31/2020
ISHARES EDGE MSCI INTL SIZE	Nidec Corp	\$	25,285	12/31/2020
ISHARES EDGE MSCI INTL SIZE	Stellantis NV	\$	25,060	12/31/2020
ISHARES EDGE MSCI INTL SIZE	Hoya Corp	\$	24,274	12/31/2020
TROWE PR GLOBAL STOCK	Facebook Inc	\$	13,015,570	12/31/2020
TROWE PR GLOBAL STOCK	Charles Schwab Corp/The	\$	12,178,503	12/31/2020
TROWE PR GLOBAL STOCK	Mastercard Inc	\$	11,042,718	12/31/2020
TROWE PR GLOBAL STOCK	London Stock Exchange Group PL	\$	10,576,586	12/31/2020
TROWE PR GLOBAL STOCK	UnitedHealth Group Inc	\$	9,227,432	12/31/2020
TROWE PRICE GROUP	TRowe Price	\$	93,710	12/31/2020
SPDR S&P INSURANCE ETF	Brighthouse Financial Inc	\$	2,061,816	12/31/2020
SPDR S&P INSURANCE ETF	Assured Guaranty Ltd	\$	1,996,180	12/31/2020
SPDR S&P INSURANCE ETF	Cincinnati Financial Corp	\$	1,883,776	12/31/2020
SPDR S&P INSURANCE ETF	Trupanion Inc	\$	1,862,445	12/31/2020
SPDR S&P INSURANCE ETF	Hartford Financial Services Gr	\$	1,855,060	12/31/2020
SELECT SECTOR SPDR	Johnson & Johnson	\$	2,199,599	12/31/2020
SELECT SECTOR SPDR	UnitedHealth Group Inc	\$	1,712,887	12/31/2020
SELECT SECTOR SPDR	Merck & Co Inc	\$	1,073,562	12/31/2020
SELECT SECTOR SPDR	Thermo Fisher Scientific Inc	\$	1,052,022	12/31/2020
SELECT SECTOR SPDR	Pfizer Inc	\$	1,044,002	12/31/2020
BAILLIE GIFFORD FDS	UnitedHealth Group Inc	\$	13,274,916	12/31/2020
BAILLIE GIFFORD FDS	Thermo Fisher Scientific Inc	\$	8,425,249	12/31/2020
BAILLIE GIFFORD FDS	Intuitive Surgical Inc	\$	8,207,999	12/31/2020
BAILLIE GIFFORD FDS	Merck & Co Inc	\$	6,393,051	12/31/2020
BAILLIE GIFFORD FDS	Eli Lilly and Co	\$	6,064,912	12/31/2020
DODGE & COX INTERNATIONAL STOCK FUND	Chubb Ltd	\$	3,973,342	12/31/2020
DODGE & COX INTERNATIONAL STOCK FUND	Wells Fargo & Co	\$	3,282,967	12/31/2020
DODGE & COX INTERNATIONAL STOCK FUND	Bank of America Corp	\$	3,012,099	12/31/2020
DODGE & COX INTERNATIONAL STOCK FUND	American International Group I	\$	2,303,912	12/31/2020
DODGE & COX INTERNATIONAL STOCK FUND	Morgan Stanley	\$	2,084,024	12/31/2020
ISHARES GOLD TRUST	GOLD TRUST	\$	17,586,100	12/31/2020
ISHARES INC	Samsung Electronics Co Ltd	\$	6,332,179	12/31/2020
ISHARES INC	SK Hynix Inc	\$	1,632,334	12/31/2020
ISHARES INC	LG Chem Ltd	\$	1,062,339	12/31/2020
ISHARES INC	NAVER Corp	\$	1,029,020	12/31/2020
ISHARES INC	Samsung SDI Co Ltd	\$	1,013,049	12/31/2020

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES**

ISHARES MSCI	Reliance Industries Ltd	\$	3,576,076	12/31/2020
ISHARES MSCI	Housing Development Finance Co	\$	2,905,585	12/31/2020
ISHARES MSCI	Infosys Ltd	\$	2,841,796	12/31/2020
ISHARES MSCI	ICICI Bank Ltd	\$	2,037,994	12/31/2020
ISHARES MSCI	Tata Consultancy Services Ltd	\$	1,948,046	12/31/2020
ISHARES INC	Taiwan Semiconductor Manufactu	\$	7,450,569	12/31/2020
ISHARES INC	Hon Hai Precision Industry Co	\$	1,678,660	12/31/2020
ISHARES INC	MediaTek Inc	\$	1,622,457	12/31/2020
ISHARES INC	United Microelectronics Corp	\$	793,063	12/31/2020
ISHARES INC	Delta Electronics Inc	\$	741,828	12/31/2020
JP MORGAN GLOBAL ALLOCATION	JPMorgan Prime Money Market Fu	\$	11,456,623	12/31/2020
JP MORGAN GLOBAL ALLOCATION	T 2 ½ 01/31/21	\$	2,383,158	12/31/2020
JP MORGAN GLOBAL ALLOCATION	Samsung Electronics Co Ltd	\$	1,591,281	12/31/2020
JP MORGAN GLOBAL ALLOCATION	Microsoft Corp	\$	1,409,119	12/31/2020
JP MORGAN GLOBAL ALLOCATION	Tencent Holdings Ltd	\$	1,342,879	12/31/2020
SPDR S&P 500 TRUST ETF	Apple Inc	\$	86,066	12/31/2020
SPDR S&P 500 TRUST ETF	Microsoft Corp	\$	71,571	12/31/2020
SPDR S&P 500 TRUST ETF	Amazon.com Inc	\$	55,795	12/31/2020
SPDR S&P 500 TRUST ETF	Facebook Inc	\$	25,345	12/31/2020
SPDR S&P 500 TRUST ETF	Tesla Inc	\$	24,552	12/31/2020
SPDR GOLD TR GOLD	GOLD TRUST	\$	11,950,120	12/31/2020
FINANCIAL SELECT SECTOR SPDR	Berkshire Hathaway Inc	\$	3,676,090	12/31/2020
FINANCIAL SELECT SECTOR SPDR	JPMorgan Chase & Co	\$	3,251,119	12/31/2020
FINANCIAL SELECT SECTOR SPDR	Bank of America Corp	\$	1,871,107	12/31/2020
FINANCIAL SELECT SECTOR SPDR	Wells Fargo & Co	\$	1,024,123	12/31/2020
FINANCIAL SELECT SECTOR SPDR	Citigroup Inc	\$	1,000,737	12/31/2020
SELECT SECTOR SPDR	Apple Inc	\$	5,808,717	12/31/2020
SELECT SECTOR SPDR	Microsoft Corp	\$	5,254,994	12/31/2020
SELECT SECTOR SPDR	Visa Inc	\$	981,809	12/31/2020
SELECT SECTOR SPDR	NVIDIA Corp	\$	963,642	12/31/2020
SELECT SECTOR SPDR	Mastercard Inc	\$	833,655	12/31/2020
SELECT SECTOR SPDR	Facebook Inc	\$	3,741,381	12/31/2020
SELECT SECTOR SPDR	Alphabet Inc	\$	2,209,463	12/31/2020
SELECT SECTOR SPDR	Alphabet Inc	\$	2,142,554	12/31/2020
SELECT SECTOR SPDR	Activision Blizzard Inc	\$	899,409	12/31/2020
SELECT SECTOR SPDR	Netflix Inc	\$	874,962	12/31/2020
SELECT SECTOR SPDR	NextEra Energy Inc	\$	8,731,607	12/31/2020
SELECT SECTOR SPDR	Duke Energy Corp	\$	3,812,614	12/31/2020
SELECT SECTOR SPDR	Southern Co/The	\$	3,429,967	12/31/2020
SELECT SECTOR SPDR	Dominion Energy Inc	\$	3,277,100	12/31/2020
SELECT SECTOR SPDR	Exelon Corp	\$	2,234,733	12/31/2020
VICTORY MUNDER INT'L SMALL CAP FUND	Mineral Resources Ltd	\$	3,403,510	12/31/2020
VICTORY MUNDER INT'L SMALL CAP FUND	Vanguard FTSE Developed Market	\$	3,223,693	12/31/2020
VICTORY MUNDER INT'L SMALL CAP FUND	ASM International NV	\$	3,153,329	12/31/2020
VICTORY MUNDER INT'L SMALL CAP FUND	Logitech International SA	\$	2,999,572	12/31/2020
VICTORY MUNDER INT'L SMALL CAP FUND	Citibank Dollars on DEP	\$	2,939,632	12/31/2020
INVESCO US SENIOR LOAN - GX	Asurion LLC TERM LOANS	\$	1,193,598	12/31/2020
INVESCO US SENIOR LOAN - GX	iHeartCommunications Inc. TERM LOANS	\$	1,165,347	12/31/2020
INVESCO US SENIOR LOAN - GX	Caesars Resort Collection LLC TERM LOANS	\$	1,142,982	12/31/2020
INVESCO US SENIOR LOAN - GX	Sprint Communications Inc. TERM LOANS	\$	1,122,971	12/31/2020
INVESCO US SENIOR LOAN - GX	CenturyLink Inc. TERM LOANS	\$	1,053,521	12/31/2020

30. 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	2	3
		Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	\$ 5,911,726,700	\$ 6,171,157,958	\$ 259,431,258
30.2	Preferred Stocks	\$ 201,780	\$ 201,780	\$ 0
30.3	Totals	\$ 5,911,928,480	\$ 6,171,359,738	\$ 259,431,258

30.4 Describe the sources or methods utilized in determining the fair values:

Bonds and preferred stocks are priced by the SVO when available. When SVO pricing is not available, the securities are priced by our external pricing source, Interactive Data Pricing and Reference Data LLC.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

- 31.1 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]
- 31.2 If the answer to 31.1 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 []
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
- 32.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? Yes [X] No []
- 32.2 If no, list exceptions:
33. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designation 5GI security:
 a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
 b. Issuer or obligor is current on all contracted interest and principal payments.
 c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
 Has the reporting entity self-designated 5GI securities? Yes [] No [X]
34. 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 [X]
35. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
 a. The shares were purchased prior to January 1, 2019.
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
 d. The fund only or predominantly holds bonds in its portfolio.
 e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
 f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.
 Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [] No [X]
36. 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 36.a-36.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 [X] No [] N/A []

OTHER

37.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 2,329,391

37.2 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
NATIONAL INSURANCE CRIME BUREAU	\$ 741,619

38.1 Amount of payments for legal expenses, if any? \$ 4,045,143

38.2 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
	\$

39.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 0

39.2 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
	\$

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	\$	0	\$	0
2.2	Premium Denominator	\$	3,658,934,145	\$	3,208,167,012
2.3	Premium Ratio (2.1/2.2)		0.0%		0.0%
2.4	Reserve Numerator	\$	0	\$	0
2.5	Reserve Denominator	\$	4,747,673,463	\$	4,490,696,111
2.6	Reserve Ratio (2.4/2.5)		0.0%		0.0%
3.1	Did the reporting entity issue participating policies during the calendar year?				Yes [] No [X]
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	\$			0
3.22	Non-participating policies	\$			0
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 [X] No []
4.3	If assessable policies are issued, what is the extent of the contingent liability of the policyholders?				%
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 []
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 of loss? <u>The Company does not issue Workers' Compensation contracts.</u>				
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: <u>The Company uses the AIR Touchstone 8.0 software to model our catastrophe exposure in hurricane and earthquake prone areas where we have concentrations of business, except for Puerto Rico hurricane, where Touchstone 7.0 is used.</u>				
6.3	What provision has this reporting entity made (such as 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? <u>In addition to controlling the Company's exposure by loss prevention engineering, deductibles, and limits of liability, we purchase risk and catastrophe reinsurance.</u>				
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]

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

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: <u>There are certain parts of the Company's catastrophe program in the high excess layers for which a reinstatement clause is not applicable. These parts of the program cover events that management considered and evaluated as less likely to occur, and given the Company's strong surplus position and its ability to purchase additional reinsurance if an event occurs, it was determined that a reinstatement clause is not required for those parts of the program.</u>		
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 []	No [X]
7.2	If yes, indicate the number of reinsurance contracts containing such provisions.	0	
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 []	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 []	No [X]
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 36 of SSAP No. 62R, <i>Property and Casualty Reinsurance</i> , 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 (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 (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]
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 [X]	No [] N/A []
11.1	Has the reporting entity guaranteed policies issued by any other entity and now in force?	Yes [X]	No []
11.2	If yes, give full information <u>See Notes to the Financial Statements #14 for details on guarantees.</u>		
12.1	If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for: 12.11 Unpaid losses 12.12 Unpaid underwriting expenses (including loss adjustment expenses)	\$	0
		\$	0
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?	\$	0
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 [X]
12.4	If yes, provide the range of interest rates charged under such notes during the period covered by this statement: 12.41 From 12.42 To		%
			%
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 [X]

GENERAL INTERROGATORIES**PART 2 – PROPERTY & CASUALTY INTERROGATORIES**

12.6	If yes, state the amount thereof at December 31 of current year:								
	12.61	Letters of Credit	\$					0	
	12.62	Collateral and other funds	\$					0	
13.1	Largest net aggregate amount insured in any one risk (excluding workers' compensation):		\$					543,731,000	
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 [X]
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.							3	
14.1	Is the reporting entity a cedant in a multiple cedant reinsurance contract?								Yes [X] No []
14.2	If yes, please describe the method of allocating and recording reinsurance among the cedants: <u>The method of allocating and recording reinsurance with outside reinsurers is based proportionally on each company's share of occurrence and specific contract terms with respect to intercompany reinsurance agreements.</u>								
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 [X]
14.4	If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?								Yes [X] No []
14.5	If the answer to 14.4 is no, please explain:								
15.1	Has the reporting entity guaranteed any financed premium accounts?								Yes [] No [X]
15.2	If yes, give full information								
16.1	Does the reporting entity write any warranty business?								Yes [] No [X]
	If yes, disclose the following information for each of the following types of warranty coverage:								
				1		2		3	
				Direct Losses Incurred		Direct Losses Unpaid		Direct Written Premium	
								4	
								Direct Premium Unearned	
									5
									Direct Premium Earned
16.11	Home	\$	0	\$	0	\$	0	\$	0
16.12	Products	\$	0	\$	0	\$	0	\$	0
16.13	Automobile	\$	0	\$	0	\$	0	\$	0
16.14	Other*	\$	0	\$	0	\$	0	\$	0
	* Disclose type of coverage:								
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 [X] No []
	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		\$					15,075,000	
17.12	Unfunded portion of Interrogatory 17.11		\$					15,075,000	
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11		\$					0	
17.14	Case reserves portion of Interrogatory 17.11		\$					0	
17.15	Incurred but not reported portion of Interrogatory 17.11		\$					15,075,000	
17.16	Unearned premium portion of Interrogatory 17.11		\$					0	
17.17	Contingent commission portion of Interrogatory 17.11		\$					0	
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 2 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 []

FIVE-YEAR HISTORICAL DATA

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

	1 2020	2 2019	3 2018	4 2017	5 2016
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).....					
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	4,286,329,361	3,639,095,049	3,181,830,001	2,901,454,869	2,831,744,004
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	1,207,032,190	1,159,159,104	1,073,655,227	937,664,496	918,789,317
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	247,608,230	258,627,452	325,041,747	286,745,376	282,961,068
6. Total (Line 35).....	5,740,969,781	5,056,881,605	4,580,526,975	4,125,864,741	4,033,494,389
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).....					
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	2,923,028,467	2,350,880,136	2,024,668,131	1,936,028,459	1,857,014,780
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	924,994,707	896,873,652	831,532,511	742,383,984	721,110,924
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....					
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	161,805,071	183,519,300	255,958,107	216,230,276	217,086,642
12. Total (Line 35).....	4,009,828,245	3,431,273,088	3,112,158,748	2,894,642,719	2,795,212,346
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	171,605,969	535,356,056	(1,230,152,837)	(1,157,470,547)	470,921,256
14. Net investment gain (loss) (Line 11).....	811,771,568	888,311,382	893,486,654	433,756,490	378,399,913
15. Total other income (Line 15).....	(26,100,034)	(11,530,698)	(5,834,643)	(4,655,451)	(13,702,223)
16. Dividends to policyholders (Line 17).....					
17. Federal and foreign income taxes incurred (Line 19).....	42,403,989	154,085,699	(165,705,412)	(394,965,583)	234,056,971
18. Net income (Line 20).....	914,873,514	1,258,051,041	(176,795,414)	(333,403,925)	601,561,975
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	22,676,781,717	20,170,331,774	18,464,022,450	19,155,464,895	16,764,262,160
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	964,259,747	837,850,637	647,895,680	527,414,381	530,215,499
20.2 Deferred and not yet due (Line 15.2).....					
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	7,318,081,010	6,462,675,354	7,222,755,927	6,653,687,891	5,244,906,593
22. Losses (Page 3, Line 1).....	2,542,167,667	2,688,931,721	3,690,194,572	3,326,000,928	1,742,695,515
23. Loss adjustment expenses (Page 3, Line 3).....	170,131,151	148,663,184	206,218,372	210,946,724	158,637,459
24. Unearned premiums (Page 3, Line 9).....	1,993,350,220	1,642,456,120	1,419,350,044	1,260,073,503	1,391,724,586
25. Capital paid up (Page 3, Lines 30 & 31).....					
26. Surplus as regards policyholders (Page 3, Line 37).....	15,358,700,707	13,707,656,420	11,241,266,523	12,501,777,004	11,519,355,567
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	445,732,662	(504,703,459)	(14,129,583)	201,644,577	424,876,007
Risk-Based Capital Analysis					
28. Total adjusted capital.....	15,358,700,707	13,707,656,420	11,241,266,523	12,501,777,004	11,519,355,567
29. Authorized control level risk-based capital.....	2,001,200,776	1,759,158,309	1,702,533,340	1,792,202,218	1,246,919,588
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).....	27.9	28.0	28.9	25.5	26.6
31. Stocks (Lines 2.1 & 2.2).....	52.0	53.8	52.7	57.7	56.5
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....					
33. Real estate (Lines 4.1, 4.2 & 4.3).....					
34. Cash, cash equivalents and short-term investments (Line 5).....	4.1	5.0	6.6	5.8	4.5
35. Contract loans (Line 6).....					
36. Derivatives (Line 7).....					
37. Other invested assets (Line 8).....	15.3	13.1	11.5	10.7	12.0
38. Receivables for securities (Line 9).....	0.5	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10).....	0.1	0.2	0.3	0.2	0.3
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).....	5,028,330,427	4,425,734,825	3,478,005,825	3,617,278,129	2,885,607,991
45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10).....					
46. Affiliated mortgage loans on real estate.....					
47. All other affiliated.....	1,278,678,496	1,052,249,892	1,071,502,414	1,077,554,893	1,058,205,255
48. Total of above lines 42 to 47.....	6,307,008,923	5,477,984,717	4,549,508,239	4,694,833,022	3,943,813,246
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).....	41.1	40.0	40.5	37.6	34.2

Annual Statement for the year 2020 of the **FACTORY MUTUAL INSURANCE COMPANY**
FIVE-YEAR HISTORICAL DATA
(Continued)

	1	2	3	4	5
	2020	2019	2018	2017	2016
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24).....	846,893,399	1,255,706,531	(1,137,963,340)	1,573,545,106	373,743,063
52. Dividends to stockholders (Line 35).....					
53. Change in surplus as regards policyholders for the year (Line 38).....	1,651,044,287	2,466,389,897	(1,260,510,481)	982,421,437	972,701,566
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).....	8,807,648	6,373,353	10,949,917	27,600,996	18,759,299
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	2,265,856,247	2,580,415,128	2,429,593,401	1,498,962,956	1,146,240,352
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	823,330,833	421,675,677	466,711,757	424,977,539	331,667,312
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	(73,433)	(76,497)	(69,050)	(56,027)	(53,778)
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	65,061,140	171,815,115	501,712,191	74,273,971	463,555,731
59. Total (Line 35).....	3,162,982,435	3,180,202,776	3,408,898,216	2,025,759,435	1,960,168,916
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).....	1,379,609	(787,147)	1,295,918	1,171,215	5,248,431
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	1,794,589,326	2,164,186,400	1,947,173,217	1,259,595,009	934,355,452
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	668,215,463	388,604,711	432,461,722	330,100,177	269,960,196
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	(73,433)	(76,497)	(69,050)	(56,027)	(53,778)
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	8,119,407	127,617,041	418,806,841	(6,124,807)	414,644,846
65. Total (Line 35).....	2,472,230,373	2,679,544,508	2,799,668,648	1,584,685,567	1,624,155,147
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).....	63.6	52.3	107.1	104.7	51.0
68. Loss expenses incurred (Line 3).....	4.1	1.6	4.2	4.5	3.5
69. Other underwriting expenses incurred (Line 4).....	27.6	29.4	30.3	29.1	28.8
70. Net underwriting gain (loss) (Line 8).....	4.7	16.7	(41.7)	(38.2)	16.7
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).....	25.9	27.8	29.0	30.6	29.5
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	67.7	53.9	111.3	109.1	54.5
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).....	26.1	25.0	27.7	23.2	24.3
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).....	(106,441)	(334,380)	(93,086)	(35,596)	(195,335)
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).....	(0.8)	(3.0)	(0.7)	(0.3)	(1.9)
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).....	(445,170)	(112,468)	(154,327)	(203,489)	38,362
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).....	(4.0)	(0.9)	(1.3)	(1.9)	0.4

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?
If no, please explain:

Yes [] No []

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 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	.....XXX.....	.....XXX.....	.....XXX.....	.....15,178	.....11,315	.....4,619	.....1,798	.....1	.....	.....1,820	.....6,685	.....XXX.....
2. 2011.....	.....3,374,597	.....847,435	.....2,527,162	...3,445,698	...1,017,352	.....8,515	.....475	.....84,531	.....8,211	.....14,473	.....2,512,706	.....XXX.....
3. 2012.....	.....3,803,061	.....959,893	.....2,843,168	...2,151,956	.....537,861	.....41,915	.....5,050	.....76,085	.....4,862	.....13,167	.....1,722,183	.....XXX.....
4. 2013.....	.....3,870,242	.....1,096,002	.....2,774,240	...1,281,016	.....173,986	.....14,521	.....2,298	.....76,974	.....4,255	.....11,062	.....1,191,971	.....XXX.....
5. 2014.....	.....3,881,846	.....1,149,085	.....2,732,761	...1,597,971	.....227,084	.....8,540	.....1,600	.....82,658	.....4,823	.....16,342	.....1,455,662	.....XXX.....
6. 2015.....	.....3,948,178	.....1,163,942	.....2,784,236	...1,644,615	.....383,011	.....11,890	.....618	.....87,024	.....5,772	.....11,286	.....1,354,128	.....XXX.....
7. 2016.....	.....4,013,303	.....1,194,199	.....2,819,104	...1,877,315	.....326,952	.....11,827	.....4,386	.....91,424	.....7,174	.....17,959	.....1,642,055	.....XXX.....
8. 2017.....	.....4,261,210	.....1,234,915	.....3,026,295	...3,794,034	.....769,039	.....9,642	.....1,207	.....107,807	.....12,794	.....16,421	.....3,128,444	.....XXX.....
9. 2018.....	.....4,354,389	.....1,401,506	.....2,952,883	...3,022,547	.....351,807	.....9,699	.....845	.....101,819	.....7,021	.....3,321	.....2,774,391	.....XXX.....
10. 2019.....	.....4,763,643	.....1,555,475	.....3,208,168	...2,360,504	.....567,069	.....4,671	.....390	.....80,160	.....5,436	.....776	.....1,872,440	.....XXX.....
11. 2020.....	.....5,368,450	.....1,709,517	.....3,658,933	...1,204,155	.....214,851	.....11,885	.....775	.....83,867	.....4,360	.....34	.....1,079,921	.....XXX.....
12. Totals.....	.....XXX.....	.....XXX.....	.....XXX.....	...22,394,988	...4,580,327	.....137,723	.....19,444	.....872,351	.....64,707	.....106,662	.....18,740,585	.....XXX.....

	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		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....	.....197,264	.....47,724	.....708,011	.....313,418	.....25,502	.....9,876	.....9,419	.....	.....38,766	.....	.....607,945	.....XXX.....
2. 2011.....	.....404	.....	.....	.....	.....0	.....	.....	.....	.....	.....	.....404	.....XXX.....
3. 2012.....	.....6,687	.....63,651	.....53,152	.....	.....1	.....	.....	.....	.....7	.....	.....4,263	.....XXX.....
4. 2013.....	.....1,343	.....	.....	.....	.....2	.....	.....	.....	.....	.....	.....2,497	.....XXX.....
5. 2014.....	.....(2,455)	.....	.....1,059	.....	.....6	.....	.....	.....	.....	.....	.....3,971	.....XXX.....
6. 2015.....	.....15,402	.....8,083	.....855	.....	.....28	.....	.....73	.....	.....20	.....	.....5,584	.....XXX.....
7. 2016.....	.....(1,466)	.....1,540	.....5,669	.....	.....125	.....	.....277	.....	.....242	.....	.....8,685	.....XXX.....
8. 2017.....	.....118,238	.....13,738	.....10,585	.....	.....1,064	.....	.....349	.....	.....4,093	.....	.....14,379	.....XXX.....
9. 2018.....	.....218,448	.....13,408	.....4,598	.....	.....1,920	.....	.....435	.....	.....7,625	.....	.....27,949	.....XXX.....
10. 2019.....	.....404,002	.....203,005	.....13,198	.....	.....2,863	.....	.....965	.....	.....11,261	.....	.....26,624	.....XXX.....
11. 2020.....	.....2,100,756	.....758,878	.....109,864	.....	.....10,335	.....	.....13,937	.....	.....50,692	.....	.....37,848	.....XXX.....
12. Totals.....	...3,058,623	...1,110,028	...906,990	...313,418	...41,847	...9,876	...25,456	...0	...112,704	...0	...131,800	...2,712,299	...XXX.....

	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 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior..	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....	.....	.....XXX.....	.....544,134	.....63,811
2. 2011..	.....3,539,148	.....1,026,038	.....2,513,110	.....104.9	.....121.1	.....99.4	.....	.....	.....86.00	.....404	.....0
3. 2012..	.....2,329,802	.....611,424	.....1,718,379	.....61.3	.....63.7	.....60.4	.....	.....	.....86.00	.....(3,812)	.....7
4. 2013..	.....1,373,855	.....180,539	.....1,193,316	.....35.5	.....16.5	.....43.0	.....	.....	.....86.00	.....1,343	.....2
5. 2014..	.....1,687,778	.....233,507	.....1,454,271	.....43.5	.....20.3	.....53.2	.....	.....	.....86.00	.....(1,396)	.....6
6. 2015..	.....1,759,906	.....397,484	.....1,362,422	.....44.6	.....34.1	.....48.9	.....	.....	.....86.00	.....8,173	.....121
7. 2016..	.....1,985,414	.....340,053	.....1,645,362	.....49.5	.....28.5	.....58.4	.....	.....	.....86.00	.....2,663	.....644
8. 2017..	.....4,045,812	.....796,777	.....3,249,035	.....94.9	.....64.5	.....107.4	.....	.....	.....86.00	.....115,085	.....5,506
9. 2018..	.....3,367,091	.....373,082	.....2,994,009	.....77.3	.....26.6	.....101.4	.....	.....	.....86.00	.....209,637	.....9,980
10. 2019..	.....2,877,625	.....775,900	.....2,101,725	.....60.4	.....49.9	.....65.5	.....	.....	.....86.00	.....214,195	.....15,090
11. 2020..	.....3,585,491	.....978,865	.....2,606,626	.....66.8	.....57.3	.....71.2	.....	.....	.....86.00	.....1,451,741	.....74,964
12. Totals	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....0	.....0	.....XXX.....	.....2,542,168	.....170,131

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
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	One Year	Two Year
1. Prior.....	837,355	764,576	896,416	887,580	963,415	970,459	1,009,822	995,277	999,448	1,027,530	28,082	32,253
2. 2011.....	2,479,920	2,469,746	2,428,480	2,427,646	2,444,981	2,446,224	2,431,288	2,432,925	2,436,689	2,436,790	101	3,864
3. 2012.....	XXX	1,725,297	1,800,876	1,686,498	1,670,435	1,672,794	1,656,873	1,648,833	1,654,684	1,647,150	(7,535)	(1,684)
4. 2013.....	XXX	XXX	1,177,143	1,141,787	1,120,529	1,129,488	1,138,777	1,122,922	1,123,816	1,120,597	(3,219)	(2,325)
5. 2014.....	XXX	XXX	XXX	1,443,839	1,428,387	1,406,746	1,400,768	1,376,643	1,384,673	1,376,436	(8,237)	(207)
6. 2015.....	XXX	XXX	XXX	XXX	1,486,201	1,292,901	1,272,931	1,277,458	1,284,975	1,281,150	(3,825)	3,691
7. 2016.....	XXX	XXX	XXX	XXX	XXX	1,658,825	1,631,383	1,569,052	1,566,658	1,560,869	(5,789)	(8,182)
8. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	3,213,727	3,239,372	3,192,158	3,149,929	(42,229)	(89,443)
9. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,274,724	2,959,726	2,891,586	(68,139)	(383,137)
10. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,011,390	2,015,740	4,349	XXX
11. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,476,426	XXX	XXX
12. Totals.....											(106,441)	(445,170)

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
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
1. Prior.....	000	171,010	219,749	322,448	356,743	397,149	415,455	439,011	451,667	458,351	XXX	XXX
2. 2011.....	932,506	2,007,368	2,329,682	2,393,496	2,433,480	2,426,944	2,420,024	2,436,066	2,436,233	2,436,385	XXX	XXX
3. 2012.....	XXX	825,034	1,483,598	1,613,320	1,645,102	1,654,853	1,652,608	1,653,819	1,653,866	1,650,961	XXX	XXX
4. 2013.....	XXX	XXX	445,342	899,390	1,060,981	1,107,358	1,116,660	1,119,738	1,119,879	1,119,252	XXX	XXX
5. 2014.....	XXX	XXX	XXX	614,658	1,207,921	1,337,214	1,358,055	1,372,315	1,370,651	1,377,827	XXX	XXX
6. 2015.....	XXX	XXX	XXX	XXX	432,313	1,048,080	1,185,704	1,226,150	1,266,464	1,272,876	XXX	XXX
7. 2016.....	XXX	XXX	XXX	XXX	XXX	804,181	1,347,423	1,515,577	1,550,255	1,557,805	XXX	XXX
8. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	878,185	2,230,930	2,938,273	3,033,430	XXX	XXX
9. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,202,240	2,352,907	2,679,593	XXX	XXX
10. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	750,190	1,797,716	XXX	XXX
11. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,000,413	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
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1. Prior.....	478,914	400,171	475,161	408,467	453,304	420,628	443,662	426,903	415,211	404,012
2. 2011.....	214,129	138,016	36,642	20,449	14,155	14,795	5,830	463	486	
3. 2012.....	XXX	116,482	80,940	63,888	57,928	78,316	53,983	39,058	53,728	53,152
4. 2013.....	XXX	XXX	106,725	55,669	17,921	17,303	17,887	5,460	1,117	
5. 2014.....	XXX	XXX	XXX	116,703	35,052	29,778	30,183	11,786	2,258	1,059
6. 2015.....	XXX	XXX	XXX	XXX	185,875	62,669	27,404	41,440	7,407	928
7. 2016.....	XXX	XXX	XXX	XXX	XXX	148,632	54,641	12,550	10,249	5,946
8. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	258,716	76,223	27,310	10,934
9. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	278,705	28,747	5,033
10. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	129,505	14,163
11. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	123,801

FACTORY MUTUAL INSURANCE COMPANY SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status (a)	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 Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....AL	L	43,934,805	42,123,262		3,337,607	7,189,407	9,069,988		
2. Alaska.....AK	L	19,018,804	16,468,719		1,098,067	273,318	367,405		
3. Arizona.....AZ	L	36,183,205	36,138,408		6,357,469	(4,939,103)	2,545,058		
4. Arkansas.....AR	L	31,595,041	31,082,922		15,629,515	(4,187,921)	9,349,553		
5. California.....CA	L	466,437,117	440,135,649		107,842,495	202,349,543	294,804,138		
6. Colorado.....CO	L	35,360,961	33,909,298		23,332,385	12,512,159	20,301,550		
7. Connecticut.....CT	L	45,732,076	42,246,439		5,369,898	97,119,287	111,967,683		
8. Delaware.....DE	L	5,377,686	4,756,507		622,518	4,116,142	3,493,745		
9. District of Columbia.....DC	L	13,713,505	14,972,906		21,611,191	58,306,792	42,162,091		
10. Florida.....FL	L	174,929,233	160,930,960		109,572,076	30,411,543	44,521,587		
11. Georgia.....GA	L	105,239,788	94,888,006		63,674,010	68,673,594	45,710,701		
12. Hawaii.....HI	L	11,604,514	11,348,290		68,108	152,342	156,301		
13. Idaho.....ID	L	20,975,204	18,923,303		70,413	70,413			
14. Illinois.....IL	L	119,931,799	112,617,169		92,533,263	102,333,592	108,877,231		
15. Indiana.....IN	L	59,628,170	58,020,830		5,192,049	10,280,176	10,375,458		
16. Iowa.....IA	L	39,567,886	41,370,980		18,832,253	71,023,354	66,837,307		
17. Kansas.....KS	L	20,513,278	21,533,095		63,582,245	3,541,220	4,688,737		
18. Kentucky.....KY	L	76,952,607	69,268,801		19,404,501	17,005,231	23,417,982		
19. Louisiana.....LA	L	68,710,100	73,874,099		50,787,389	93,979,172	96,686,380		
20. Maine.....ME	L	21,951,308	18,077,945		346,310,925	351,485,961	7,175,134		
21. Maryland.....MD	L	37,625,590	35,533,033		19,053,907	40,602,159	46,466,278		
22. Massachusetts.....MA	L	79,025,669	71,992,526		14,521,184	28,168,451	31,172,831		
23. Michigan.....MI	L	64,726,106	59,672,950		8,610,798	87,197,751	98,784,210		
24. Minnesota.....MN	L	57,322,139	53,801,031		56,864,947	11,531,043	16,477,728		
25. Mississippi.....MS	L	32,673,140	28,672,059		3,021,040	10,916,449	12,513,055		
26. Missouri.....MO	L	62,220,542	58,428,249		62,112,944	140,141,240	93,140,710		
27. Montana.....MT	L	4,553,664	3,816,202			888,265	2,379,683		
28. Nebraska.....NE	L	19,339,201	19,094,951		21,617,305	36,935,843	27,934,076		
29. Nevada.....NV	L	40,810,114	36,036,476		19,056,697	23,931,122	10,210,221		
30. New Hampshire.....NH	L	10,447,996	8,740,830		2,952,318	2,751,838	3,420,395		
31. New Jersey.....NJ	L	68,132,307	61,791,468		184,841,775	125,229,381	47,813,078		
32. New Mexico.....NM	L	10,535,604	9,082,654		22,858	132,189	158,988		
33. New York.....NY	L	160,019,998	146,689,250		31,597,112	29,295,976	259,487,350		
34. North Carolina.....NC	L	82,874,078	78,279,982		26,313,205	27,065,840	33,411,346		
35. North Dakota.....ND	L	22,046,347	24,439,380		14,977,587	1,306,987	4,455,714		
36. Ohio.....OH	L	116,669,277	107,948,116		21,613,168	19,062,713	31,367,293		
37. Oklahoma.....OK	L	33,515,928	33,108,685		14,733,595	3,617,484	10,260,819		
38. Oregon.....OR	L	40,501,649	38,364,720		11,613,631	24,264,028	24,026,726		
39. Pennsylvania.....PA	L	135,651,660	129,209,601		90,514,312	36,711,122	58,409,275		
40. Rhode Island.....RI	L	12,894,192	10,817,789		2,147,281	2,562,773	7,541,621		
41. South Carolina.....SC	L	66,014,408	59,512,601		23,694,864	11,482,113	17,662,118		
42. South Dakota.....SD	L	8,447,864	9,568,074		12,142,298	1,304,655	9,501,093		
43. Tennessee.....TN	L	100,221,109	92,416,131		139,237,026	207,064,968	79,329,573		
44. Texas.....TX	L	281,748,522	262,702,036		262,668,599	252,890,110	258,281,188		
45. Utah.....UT	L	24,841,258	23,085,482		4,165,327	21,054,633	17,018,685		
46. Vermont.....VT	L	6,236,921	6,208,680		(1,520,871)	1,901,232	4,451,926		
47. Virginia.....VA	L	63,938,847	60,865,733		13,210,654	31,241,222	31,905,699		
48. Washington.....WA	L	72,045,686	70,843,462		4,601,779	6,005,995	15,445,604		
49. West Virginia.....WV	L	10,995,358	9,167,936		2,150	1,803			
50. Wisconsin.....WI	L	68,544,403	61,370,228		6,848,915	31,916,599	34,818,498		
51. Wyoming.....WY	L	16,038,767	14,738,629			8,314,616	11,414,060		
52. American Samoa.....AS	N	237	214						
53. Guam.....GU	L	126,537	127,147						
54. Puerto Rico.....PR	L	33,154,340	28,925,917		1,311,705	1,806,261	2,365,459		
55. US Virgin Islands.....VI	L	328,434	283,878						
56. Northern Mariana Islands.....MP	L	8,322	8,326						
57. Canada.....CAN	L	395,127,083	369,990,897		118,135,635	103,949,436	207,042,948		
58. Aggregate Other Alien.....OT	XXX	377,975,385	336,285,840	0	155,932,645	76,250,771	176,816,490	0	0
59. Totals.....XXX		4,034,735,769	3,764,308,747	0	2,301,844,765	2,529,193,289	2,587,992,767	0	0

DETAILS OF WRITE-INS

58001. AFG AFGHANISTAN	XXX	51,519	54,964						
58002. ALB ALBANIA	XXX	5,788	7,160						
58003. DZA ALGERIA	XXX	61,964	45,603						
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	377,856,114	336,178,113	0	155,932,645	76,250,771	176,816,490	0	0
58999. Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above)	XXX	377,975,385	336,285,840	0	155,932,645	76,250,771	176,816,490	0	0

(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....	56	R - Registered - Non-domiciled RRGs.....	0
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - See DSLI).....	0	Q - Qualified - Qualified or accredited reinsurer.....	0
D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile.....	0	N - None of the above - Not allowed to write business in the state.....	1

(b) Explanation of Basis of Allocation of Premiums by States, etc.
All premiums are allocated to the location of the property insured.

