



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2023
OF THE CONDITION AND AFFAIRS OF THE

APPALACHIAN INSURANCE COMPANY

NAIC Group Code 0065 (Current) 0065 (Prior) NAIC Company Code 10316 Employer's ID Number 05-0284861

Organized under the Laws of RI, State of Domicile or Port of Entry RI
Country of Domicile United States of America

Incorporated/Organized 04/14/1941 Commenced Business 01/01/1942

Statutory Home Office 270 Central Avenue, Johnston, RI, US 02919-4923
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 270 Central Avenue, Johnston, RI, US 02919-4923
(Street and Number) (City or Town, State, Country and Zip Code)
401-275-3000 (Area Code) (Telephone Number)

Mail Address 270 Central Avenue, P.O. Box 7500, Johnston, RI, US 02919-4923
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 270 Central Avenue, Johnston, RI, US 02919-4923
(Street and Number) (City or Town, State, Country and Zip Code)
401-275-3000 (Area Code) (Telephone Number)

Internet Website Address www.fmglobal.com

Statutory Statement Contact Michael Gariglio, 401-415-1892
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OFFICERS

President & CEO Malcolm Craig Roberts
Staff Senior Vice President & Controller Frederick Joseph von Mering #
Senior Vice President & Secretary Jonathan Irving Mishara
Vice President & Treasurer Denise Anastasia Hebert

OTHER

Bret Nils Ahnell, Chief Operating Officer
Kevin Scott Ingram, Senior Executive Vice President & Chief Financial Officer
Sanjay Chawla, Executive Vice President
Deanna Ruth Fidler, Executive Vice President
James Robert Galloway, Executive Vice President
Randall Edward Hodge, Executive Vice President
George John Plesce, Executive Vice President

DIRECTORS OR TRUSTEES

Frank Thomas Connor
Thomas Alan Lawson
John Anderson Luke Jr
Gracia Catherine Martore
Christine Mary McCarthy
Michel Giannuzzi
Glenn Rodney Landau
David Thomas Walton
Colin Day
Malcolm Craig Roberts
Thomas James Quinlan III
Frank John Dellaquila
Christine Kocot McCoy #

State of Rhode Island
County of Providence SS

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

Malcolm Craig Roberts
President & CEO

Jonathan Irving Mishara
Senior Vice President & Secretary

Frederick Joseph von Mering #
Staff Senior Vice President & Controller

Subscribed and sworn to before me this 23 day of February 2024

- 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.....

Guilia C. Garcia
Notary Public
May 27, 2026

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	279,128,142	0	279,128,142	277,105,195
2. Stocks (Schedule D):				
2.1 Preferred stocks	2,500,000	0	2,500,000	2,500,000
2.2 Common stocks	0	0	0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens	0	0	0	0
3.2 Other than first liens	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$0 encumbrances)	0	0	0	0
4.2 Properties held for the production of income (less \$0 encumbrances)	0	0	0	0
4.3 Properties held for sale (less \$0 encumbrances)	0	0	0	0
5. Cash (\$27,501,491, Schedule E - Part 1), cash equivalents (\$41,303,580, Schedule E - Part 2) and short-term investments (\$0, Schedule DA)	68,805,071	0	68,805,071	40,163,473
6. Contract loans (including \$0 premium notes)	0	0	0	0
7. Derivatives (Schedule DB)	0	0	0	0
8. Other invested assets (Schedule BA)	0	0	0	0
9. Receivable for securities	0	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL)	0	0	0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	350,433,213	0	350,433,213	319,768,668
13. Title plants less \$0 charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	1,623,796	0	1,623,796	1,668,101
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	0	0	0	25,706,650
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$0 earned but unbilled premiums)	0	0	0	0
15.3 Accrued retrospective premiums (\$0) and contracts subject to redetermination (\$0)	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	17,135,472	0	17,135,472	380,745
16.2 Funds held by or deposited with reinsured companies	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0	0
18.2 Net deferred tax asset	411,538	391,669	19,869	21,717
19. Guaranty funds receivable or on deposit	0	0	0	0
20. Electronic data processing equipment and software	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$0)	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates	11,326,488	0	11,326,488	1,969,338
24. Health care (\$0) and other amounts receivable	0	0	0	0
25. Aggregate write-ins for other than invested assets	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	380,930,507	391,669	380,538,838	349,515,219
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28. Total (Lines 26 and 27)	380,930,507	391,669	380,538,838	349,515,219
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	64,241,496	59,316,297
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	0	19,072,502
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	9,851,852	10,906,457
4. Commissions payable, contingent commissions and other similar charges	0	0
5. Other expenses (excluding taxes, licenses and fees)	0	0
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	400	400
7.1 Current federal and foreign income taxes (including \$ (807,128) on realized capital gains (losses))	4,247,382	5,443,363
7.2 Net deferred tax liability	0	0
8. Borrowed money \$0 and interest thereon \$0	0	0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$0 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)	0	0
10. Advance premium	0	0
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	27,273,594	0
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)	0	0
14. Amounts withheld or retained by company for account of others	131	131
15. Remittances and items not allocated	72,992	107,547
16. Provision for reinsurance (including \$0 certified) (Schedule F, Part 3, Column 78)	988,400	1,003,000
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	0	0
19. Payable to parent, subsidiaries and affiliates	0	0
20. Derivatives	0	0
21. Payable for securities	2,669,274	88,156
22. Payable for securities lending	0	0
23. Liability for amounts held under uninsured plans	0	0
24. Capital notes \$0 and interest thereon \$0	0	0
25. Aggregate write-ins for liabilities	1,000	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	109,346,521	95,937,853
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	109,346,521	95,937,853
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	3,525,000	3,525,000
31. Preferred capital stock	0	0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes	0	0
34. Gross paid in and contributed surplus	7,577,528	7,577,528
35. Unassigned funds (surplus)	260,089,789	242,474,838
36. Less treasury stock, at cost:		
36.1 .....0 shares common (value included in Line 30 \$0)	0	0
36.2 .....0 shares preferred (value included in Line 31 \$0)	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	271,192,317	253,577,366
38. TOTALS (Page 2, Line 28, Col. 3)	380,538,838	349,515,219
DETAILS OF WRITE-INS		
2501. Miscellaneous Accounts Payable	1,000	0
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	1,000	0
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	58,401,112	104,754,212
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	22,681,297	52,729,263
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	1,074,444	2,688,115
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	18,251,991	27,543,092
5. Aggregate write-ins for underwriting deductions	0	0
6. Total underwriting deductions (Lines 2 through 5)	42,007,732	82,960,470
7. Net income of protected cells	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	16,393,380	21,793,742
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	9,480,875	6,457,033
10. Net realized capital gains (losses) less capital gains tax of \$ (785,209) (Exhibit of Capital Gains (Losses))	(3,006,070)	(237,491)
11. Net investment gain (loss) (Lines 9 + 10)	6,474,805	6,219,542
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$0 amount charged off \$0)	0	0
13. Finance and service charges not included in premiums	0	0
14. Aggregate write-ins for miscellaneous income	0	0
15. Total other income (Lines 12 through 14)	0	0
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	22,868,185	28,013,284
17. Dividends to policyholders	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	22,868,185	28,013,284
19. Federal and foreign income taxes incurred	5,387,247	5,884,715
20. Net income (Line 18 minus Line 19)(to Line 22)	17,480,938	22,128,569
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	253,577,366	231,548,342
22. Net income (from Line 20)	17,480,938	22,128,569
23. Net transfers (to) from Protected Cell accounts	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 25,465	95,796	(80,285)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0
26. Change in net deferred income tax	1,364	(11,165)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	22,253	1,505
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	14,600	(9,600)
29. Change in surplus notes	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0
31. Cumulative effect of changes in accounting principles	0	0
32. Capital changes:		
32.1 Paid in	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0
32.3 Transferred to surplus	0	0
33. Surplus adjustments:		
33.1 Paid in	0	0
33.2 Transferred to capital (Stock Dividend)	0	0
33.3 Transferred from capital	0	0
34. Net remittances from or (to) Home Office	0	0
35. Dividends to stockholders	0	0
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	17,614,951	22,029,024
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	271,192,317	253,577,366
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 thru 0503 plus 0598)(Line 5 above)	0	0
1401.		
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	0	0
3701.		
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	111,381,356	105,366,109
2. Net investment income	9,313,360	5,950,419
3. Miscellaneous income	0	0
4. Total (Lines 1 through 3)	120,694,716	111,316,528
5. Benefit and loss related payments	53,617,881	54,737,984
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	20,381,040	31,019,345
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ (52,163) tax on capital gains (losses)	5,798,019	4,656,440
10. Total (Lines 5 through 9)	79,796,940	90,413,769
11. Net cash from operations (Line 4 minus Line 10)	40,897,776	20,902,759
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	49,019,290	23,971,814
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	19,634	0
12.7 Miscellaneous proceeds	2,581,118	87,750
12.8 Total investment proceeds (Lines 12.1 to 12.7)	51,620,042	24,059,564
13. Cost of investments acquired (long-term only):		
13.1 Bonds	54,520,070	97,009,209
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	54,520,070	97,009,209
14. Net increase/(decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(2,900,028)	(72,949,645)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied)	(9,356,149)	(9,393,841)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(9,356,149)	(9,393,841)
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)	28,641,599	(61,440,727)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	40,163,472	101,604,199
19.2 End of period (Line 18 plus Line 19.1)	68,805,071	40,163,472

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

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ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire	0	0	0	0
2.1 Allied lines	0	0	0	0
2.2 Multiple peril crop	0	0	0	0
2.3 Federal flood	0	0	0	0
2.4 Private crop	0	0	0	0
2.5 Private flood	0	0	0	0
3. Farmowners multiple peril	0	0	0	0
4. Homeowners multiple peril	0	0	0	0
5.1 Commercial multiple peril (non-liability portion)	0	0	0	0
5.2 Commercial multiple peril (liability portion)	0	0	0	0
6. Mortgage guaranty	0	0	0	0
8. Ocean marine	0	0	0	0
9. Inland marine	0	0	0	0
10. Financial guaranty	0	0	0	0
11.1 Medical professional liability - occurrence	0	0	0	0
11.2 Medical professional liability - claims-made	0	0	0	0
12. Earthquake	0	0	0	0
13.1 Comprehensive (hospital and medical) individual	0	0	0	0
13.2 Comprehensive (hospital and medical) group	0	0	0	0
14. Credit accident and health (group and individual)	0	0	0	0
15.1 Vision only	0	0	0	0
15.2 Dental only	0	0	0	0
15.3 Disability income	0	0	0	0
15.4 Medicare supplement	0	0	0	0
15.5 Medicaid Title XIX	0	0	0	0
15.6 Medicare Title XVIII	0	0	0	0
15.7 Long-term care	0	0	0	0
15.8 Federal employees health benefits plan	0	0	0	0
15.9 Other health	0	0	0	0
16. Workers' compensation	0	0	0	0
17.1 Other liability - occurrence	0	0	0	0
17.2 Other liability - claims-made	0	0	0	0
17.3 Excess workers' compensation	0	0	0	0
18.1 Products liability - occurrence	0	0	0	0
18.2 Products liability - claims-made	0	0	0	0
19.1 Private passenger auto no-fault (personal injury protection)	0	0	0	0
19.2 Other private passenger auto liability.....	0	0	0	0
19.3 Commercial auto no-fault (personal injury protection)	0	0	0	0
19.4 Other commercial auto liability.....	0	0	0	0
21.1 Private passenger auto physical damage	0	0	0	0
21.2 Commercial auto physical damage	0	0	0	0
22. Aircraft (all perils)	0	0	0	0
23. Fidelity	0	0	0	0
24. Surety	0	0	0	0
26. Burglary and theft	0	0	0	0
27. Boiler and machinery	0	0	0	0
28. Credit	0	0	0	0
29. International	0	0	0	0
30. Warranty	0	0	0	0
31. Reinsurance - nonproportional assumed property	58,401,112	0	0	58,401,112
32. Reinsurance - nonproportional assumed liability	0	0	0	0
33. Reinsurance - nonproportional assumed financial lines	0	0	0	0
34. Aggregate write-ins for other lines of business	0	0	0	0
35. TOTALS	58,401,112	0	0	58,401,112
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

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					
2.1 Allied lines					
2.2 Multiple peril crop					
2.3 Federal flood					
2.4 Private crop					
2.5 Private flood					
3. Farmowners multiple peril					
4. Homeowners multiple peril					
5.1 Commercial multiple peril (non-liability portion)					
5.2 Commercial multiple peril (liability portion)					
6. Mortgage guaranty					
8. Ocean marine					
9. Inland marine					
10. Financial guaranty					
11.1 Medical professional liability - occurrence					
11.2 Medical professional liability - claims-made					
12. Earthquake					
13.1 Comprehensive (hospital and medical) individual					
13.2 Comprehensive (hospital and medical) group					
14. Credit accident and health (group and individual)					
15.1 Vision only					
15.2 Dental only					
15.3 Disability income					
15.4 Medicare supplement					
15.5 Medicaid Title XIX					
15.6 Medicare Title XVIII					
15.7 Long-term care					
15.8 Federal employees health benefits plan					
15.9 Other health					
16. Workers' compensation					
17.1 Other liability - occurrence					
17.2 Other liability - claims-made					
17.3 Excess workers' compensation					
18.1 Products liability - occurrence					
18.2 Products liability - claims-made					
19.1 Private passenger auto no-fault (personal injury protection)					
19.2 Other private passenger auto liability					
19.3 Commercial auto no-fault (personal injury protection)					
19.4 Other commercial auto liability					
21.1 Private passenger auto physical damage					
21.2 Commercial auto physical damage					
22. Aircraft (all perils)					
23. Fidelity					
24. Surety					
26. Burglary and theft					
27. Boiler and machinery					
28. Credit					
29. International					
30. Warranty					
31. Reinsurance - nonproportional assumed property					
32. Reinsurance - nonproportional assumed liability					
33. Reinsurance - nonproportional assumed financial lines					
34. Aggregate write-ins for other lines of business					
35. TOTALS					
36. Accrued retrospective premiums based on experience					
37. Earned but unbilled premiums					
38. Balance (Sum of Line 35 through 37)					
DETAILS OF WRITE-INS					
3401.					
3402.					
3403.					
3498. Summary of remaining write-ins for Line 34 from overflow page					
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)					

NONE

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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN 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	0	0	0	0	0	0
2.1 Allied lines	0	0	0	0	0	0
2.2 Multiple peril crop	0	0	0	0	0	0
2.3 Federal flood	0	0	0	0	0	0
2.4 Private crop	0	0	0	0	0	0
2.5 Private flood	0	0	0	0	0	0
3. Farmowners multiple peril	0	0	0	0	0	0
4. Homeowners multiple peril	0	0	0	0	0	0
5.1 Commercial multiple peril (non-liability portion)	0	0	0	0	0	0
5.2 Commercial multiple peril (liability portion)	0	0	0	0	0	0
6. Mortgage guaranty	0	0	0	0	0	0
8. Ocean marine	0	0	0	0	0	0
9. Inland marine	0	0	0	0	0	0
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
13.1 Comprehensive (hospital and medical) individual	0	0	0	0	0	0
13.2 Comprehensive (hospital and medical) group	0	0	0	0	0	0
14. Credit accident and health (group and individual)	0	0	0	0	0	0
15.1 Vision only	0	0	0	0	0	0
15.2 Dental only	0	0	0	0	0	0
15.3 Disability income	0	0	0	0	0	0
15.4 Medicare supplement	0	0	0	0	0	0
15.5 Medicaid Title XIX	0	0	0	0	0	0
15.6 Medicare Title XVIII	0	0	0	0	0	0
15.7 Long-term care	0	0	0	0	0	0
15.8 Federal employees health benefits plan	0	0	0	0	0	0
15.9 Other health	0	0	0	0	0	0
16. Workers' compensation	0	0	0	0	0	0
17.1 Other liability - occurrence	0	0	0	0	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 Private passenger auto no-fault (personal injury protection)	0	0	0	0	0	0
19.2 Other private passenger auto liability	0	0	0	0	0	0
19.3 Commercial auto no-fault (personal injury protection)	0	0	0	0	0	0
19.4 Other commercial auto liability	0	0	0	0	0	0
21.1 Private passenger auto physical damage	0	0	0	0	0	0
21.2 Commercial auto physical damage	0	0	0	0	0	0
22. Aircraft (all perils)	0	0	0	0	0	0
23. Fidelity	0	0	0	0	0	0
24. Surety	0	0	0	0	0	0
26. Burglary and theft	0	0	0	0	0	0
27. Boiler and machinery	0	0	0	0	0	0
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	58,411,112	0	10,000	0	58,401,112
32. Reinsurance - nonproportional assumed liability	XXX	0	0	0	0	0
33. Reinsurance - nonproportional assumed financial lines	XXX	0	0	0	0	0
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0
35. TOTALS	0	58,411,112	0	10,000	0	58,401,112
DETAILS OF WRITE-INS						
3401.						
3402.						
3403.						
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0
3499. Totals (Lines 3401 thru 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 reported on an annualized basis \$0

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

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	0	0	0	0	0	0	0	0.0
2.1 Allied lines	0	0	0	0	0	0	0	0.0
2.2 Multiple peril crop	0	0	0	0	0	0	0	0.0
2.3 Federal flood	0	0	0	0	0	0	0	0.0
2.4 Private crop	0	0	0	0	0	0	0	0.0
2.5 Private flood	0	0	0	0	0	0	0	0.0
3. Farmowners multiple peril	0	0	0	0	0	0	0	0.0
4. Homeowners multiple peril	0	0	0	0	0	0	0	0.0
5.1 Commercial multiple peril (non-liability portion)	0	0	0	0	0	0	0	0.0
5.2 Commercial multiple peril (liability portion)	0	0	0	0	0	0	0	0.0
6. Mortgage guaranty	0	0	0	0	0	0	0	0.0
8. Ocean marine	0	0	0	0	0	0	0	0.0
9. Inland marine	0	0	0	0	0	0	0	0.0
10. Financial guaranty	0	0	0	0	0	0	0	0.0
11.1 Medical professional liability - occurrence	0	0	0	0	0	0	0	0.0
11.2 Medical professional liability - claims-made	0	0	0	0	0	0	0	0.0
12. Earthquake	0	0	0	0	0	0	0	0.0
13.1 Comprehensive (hospital and medical) individual	0	0	0	0	0	0	0	0.0
13.2 Comprehensive (hospital and medical) group	0	0	0	0	0	0	0	0.0
14. Credit accident and health (group and individual)	0	0	0	0	0	0	0	0.0
15.1 Vision only	0	0	0	0	0	0	0	0.0
15.2 Dental only	0	0	0	0	0	0	0	0.0
15.3 Disability income	0	0	0	0	0	0	0	0.0
15.4 Medicare supplement	0	0	0	0	0	0	0	0.0
15.5 Medicaid Title XIX	0	0	0	0	0	0	0	0.0
15.6 Medicare Title XVIII	0	0	0	0	0	0	0	0.0
15.7 Long-term care	0	0	0	0	0	0	0	0.0
15.8 Federal employees health benefits plan	0	0	0	0	0	0	0	0.0
15.9 Other health	0	0	0	0	0	0	0	0.0
16. Workers' compensation	0	0	0	0	84,562	84,562	0	0.0
17.1 Other liability - occurrence	8,954	0	7,163	1,791	25,186,155	20,198,989	4,988,957	0.0
17.2 Other liability - claims-made	0	0	0	0	0	0	0	0.0
17.3 Excess workers' compensation	0	0	0	0	0	0	0	0.0
18.1 Products liability - occurrence	210,235	0	137,226	73,009	38,970,779	39,032,746	11,042	0.0
18.2 Products liability - claims-made	0	0	0	0	0	0	0	0.0
19.1 Private passenger auto no-fault (personal injury protection)	0	0	0	0	0	0	0	0.0
19.2 Other private passenger auto liability	0	0	0	0	0	0	0	0.0
19.3 Commercial auto no-fault (personal injury protection)	0	0	0	0	0	0	0	0.0
19.4 Other commercial auto liability	0	0	0	0	0	0	0	0.0
21.1 Private passenger auto physical damage	0	0	0	0	0	0	0	0.0
21.2 Commercial auto physical damage	0	0	0	0	0	0	0	0.0
22. Aircraft (all perils)	0	0	0	0	0	0	0	0.0
23. Fidelity	0	0	0	0	0	0	0	0.0
24. Surety	0	0	0	0	0	0	0	0.0
26. Burglary and theft	0	0	0	0	0	0	0	0.0
27. Boiler and machinery	0	0	0	0	0	0	0	0.0
28. Credit	0	0	0	0	0	0	0	0.0
29. International	0	0	0	0	0	0	0	0.0
30. Warranty	0	0	0	0	0	0	0	0.0
31. Reinsurance - nonproportional assumed property	XXX	17,681,298	0	17,681,298	0	0	17,681,298	30.3
32. Reinsurance - nonproportional assumed liability	XXX	0	0	0	0	0	0	0.0
33. Reinsurance - nonproportional assumed financial lines	XXX	0	0	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	219,189	17,681,298	144,389	17,756,098	64,241,496	59,316,297	22,681,297	38.8
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	0.0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0	0	0	0	0	0	0.0

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

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 Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire	0	0	0	0	0	0	0	0	0
2.1 Allied lines	0	0	0	0	0	0	0	0	0
2.2 Multiple peril crop	0	0	0	0	0	0	0	0	0
2.3 Federal flood	0	0	0	0	0	0	0	0	0
2.4 Private crop	0	0	0	0	0	0	0	0	0
2.5 Private flood	0	0	0	0	0	0	0	0	0
3. Farmowners multiple peril	0	0	0	0	0	0	0	0	0
4. Homeowners multiple peril	0	0	0	0	0	0	0	0	0
5.1 Commercial multiple peril (non-liability portion)	0	0	0	0	0	0	0	0	0
5.2 Commercial multiple peril (liability portion)	0	0	0	0	0	0	0	0	0
6. Mortgage guaranty	0	0	0	0	0	0	0	0	0
8. Ocean marine	0	0	0	0	0	0	0	0	0
9. Inland marine	0	0	0	0	0	0	0	0	0
10. Financial guaranty	0	0	0	0	0	0	0	0	0
11.1 Medical professional liability - occurrence	0	0	0	0	0	0	0	0	0
11.2 Medical professional liability - claims-made	0	0	0	0	0	0	0	0	0
12. Earthquake	0	0	0	0	0	0	0	0	0
13.1 Comprehensive (hospital and medical) individual	0	0	0	0	0	0	0	(a)	0
13.2 Comprehensive (hospital and medical) group	0	0	0	0	0	0	0	(a)	0
14. Credit accident and health (group and individual)	0	0	0	0	0	0	0	0	0
15.1 Vision only	0	0	0	0	0	0	0	(a)	0
15.2 Dental only	0	0	0	0	0	0	0	(a)	0
15.3 Disability income	0	0	0	0	0	0	0	(a)	0
15.4 Medicare supplement	0	0	0	0	0	0	0	(a)	0
15.5 Medicaid Title XIX	0	0	0	0	0	0	0	(a)	0
15.6 Medicare Title XVIII	0	0	0	0	0	0	0	(a)	0
15.7 Long-term care	0	0	0	0	0	0	0	(a)	0
15.8 Federal employees health benefits plan	0	0	0	0	0	0	0	(a)	0
15.9 Other health	0	0	0	0	0	0	0	(a)	0
16. Workers' compensation	138,158	0	110,526	27,632	486,045	0	429,115	84,562	(15,093)
17.1 Other liability - occurrence	8,867,643	0	4,605,501	4,262,142	30,546,654	0	9,622,641	25,186,155	3,273,272
17.2 Other liability - claims-made	0	0	0	0	0	0	0	0	0
17.3 Excess workers' compensation	0	0	0	0	0	0	0	0	0
18.1 Products liability - occurrence	12,813,245	0	5,207,940	7,605,305	58,929,196	0	27,563,722	38,970,779	6,593,673
18.2 Products liability - claims-made	0	0	0	0	0	0	0	0	0
19.1 Private passenger auto no-fault (personal injury protection)	0	0	0	0	0	0	0	0	0
19.2 Other private passenger auto liability	0	0	0	0	0	0	0	0	0
19.3 Commercial auto no-fault (personal injury protection)	0	0	0	0	0	0	0	0	0
19.4 Other commercial auto liability	0	0	0	0	0	0	0	0	0
21.1 Private passenger auto physical damage	0	0	0	0	0	0	0	0	0
21.2 Commercial auto physical damage	0	0	0	0	0	0	0	0	0
22. Aircraft (all perils)	0	0	0	0	0	0	0	0	0
23. Fidelity	0	0	0	0	0	0	0	0	0
24. Surety	0	0	0	0	0	0	0	0	0
26. Burglary and theft	0	0	0	0	0	0	0	0	0
27. Boiler and machinery	0	0	0	0	0	0	0	0	0
28. Credit	0	0	0	0	0	0	0	0	0
29. International	0	0	0	0	0	0	0	0	0
30. Warranty	0	0	0	0	0	0	0	0	0
31. Reinsurance - nonproportional assumed property	XXX	0	0	0	XXX	0	0	0	0
32. Reinsurance - nonproportional assumed liability	XXX	0	0	0	XXX	0	0	0	0
33. Reinsurance - nonproportional assumed financial lines	XXX	0	0	0	XXX	0	0	0	0
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0
35. TOTALS	21,819,046	0	9,923,967	11,895,079	89,961,895	0	37,615,478	64,241,496	9,851,852
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	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0	0	0	0	0	0	0	0

(a) Including \$ 0 for present value of life indemnity claims reported in Lines 13 and 15.

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

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	(173,970)	0	0	(173,970)
1.2 Reinsurance assumed	1,042,344	0	0	1,042,344
1.3 Reinsurance ceded	0	0	0	0
1.4 Net claim adjustment service (1.1 + 1.2 - 1.3)	868,374	0	0	868,374
2. Commission and brokerage:				
2.1 Direct excluding contingent	0	0	0	0
2.2 Reinsurance assumed, excluding contingent	0	17,212,466	0	17,212,466
2.3 Reinsurance ceded, excluding contingent	0	0	0	0
2.4 Contingent - direct	0	0	0	0
2.5 Contingent - reinsurance assumed	0	0	0	0
2.6 Contingent - reinsurance ceded	0	0	0	0
2.7 Policy and membership fees	0	0	0	0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) ..	0	17,212,466	0	17,212,466
3. Allowances to managers and agents	0	0	0	0
4. Advertising	0	0	1	1
5. Boards, bureaus and associations	0	0	0	0
6. Surveys and underwriting reports	0	0	0	0
7. Audit of assureds' records	0	0	0	0
8. Salary and related items:				
8.1 Salaries	151,512	483,749	125,589	760,850
8.2 Payroll taxes	9,875	29,622	6,148	45,645
9. Employee relations and welfare	20,268	64,962	18,403	103,633
10. Insurance	118	264	130	512
11. Directors' fees	0	0	0	0
12. Travel and travel items	2,263	53,290	13,209	68,762
13. Rent and rent items	18,009	3,322	16,387	37,718
14. Equipment	2,180	63,055	3,340	68,575
15. Cost or depreciation of EDP equipment and software	0	0	0	0
16. Printing and stationery	1,576	6,506	1,287	9,369
17. Postage, telephone and telegraph, exchange and express	269	283,020	68,570	351,859
18. Legal and auditing	0	0	0	0
19. Totals (Lines 3 to 18)	206,070	987,790	253,064	1,446,924
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$	0	1,345	0	1,345
20.2 Insurance department licenses and fees	0	50,390	100	50,490
20.3 Gross guaranty association assessments	0	0	0	0
20.4 All other (excluding federal and foreign income and real estate)	0	0	0	0
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	0	51,735	100	51,835
21. Real estate expenses	0	0	0	0
22. Real estate taxes	0	0	0	0
23. Reimbursements by uninsured plans	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses	0	0	3,550	3,550
25. Total expenses incurred	1,074,444	18,251,991	256,714 (a)	19,583,149
26. Less unpaid expenses - current year	9,851,852	400	0	9,852,252
27. Add unpaid expenses - prior year	10,906,457	400	0	10,906,857
28. Amounts receivable relating to uninsured plans, prior year	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year	0	0	0	0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	2,129,049	18,251,991	256,714	20,637,754
DETAILS OF WRITE-INS				
2401. Bank Activity Fees	0	0	3,550	3,550
2402.				
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)	0	0	3,550	3,550

(a) Includes management fees of \$ 1,439,483 to affiliates and \$ 0 to non-affiliates.

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) 2,048,943	..... 2,005,410
1.1	Bonds exempt from U.S. tax	(a) 0	..... 0
1.2	Other bonds (unaffiliated)	(a) 4,523,262	..... 4,572,626
1.3	Bonds of affiliates	(a) 0	..... 0
2.1	Preferred stocks (unaffiliated)	(b) 0	..... 0
2.11	Preferred stocks of affiliates	(b) 175,000	..... 175,000
2.2	Common stocks (unaffiliated) .....	..... 0	..... 0
2.21	Common stocks of affiliates .....	..... 0	..... 0
3.	Mortgage loans	(c) 0	..... 0
4.	Real estate	(d) 0	..... 0
5.	Contract loans .....	..... 0	..... 0
6.	Cash, cash equivalents and short-term investments	(e) 3,001,445	..... 3,001,445
7.	Derivative instruments	(f) 0	..... 0
8.	Other invested assets .....	..... 0	..... 0
9.	Aggregate write-ins for investment income .....	..... 0	..... 0
10.	Total gross investment income	9,748,650	9,754,481
11.	Investment expenses		(g) 256,614
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) 100
13.	Interest expense		(h) 16,892
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) .....		..... 273,606
17.	Net investment income (Line 10 minus Line 16)		9,480,875
DETAILS OF WRITE-INS			
0901.	.....	
0902.	.....	
0903.	.....	
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$ 442,506 accrual of discount less \$ 230,686 amortization of premium and less \$ 248,870 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 \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 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	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	(1,328,258)	0	(1,328,258)	0	0
1.1	Bonds exempt from U.S. tax	0	0	0	0	0
1.2	Other bonds (unaffiliated)	(2,463,023)	0	(2,463,023)	101,628	0
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	0	0	0	0	0
2.21	Common stocks of affiliates	0	0	0	0	0
3.	Mortgage loans	0	0	0	0	0
4.	Real estate	0	0	0	0	0
5.	Contract loans	0	0	0	0	0
6.	Cash, cash equivalents and short-term investments	0	0	0	19,634	0
7.	Derivative instruments	0	0	0	0	0
8.	Other invested assets	0	0	0	0	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	(3,791,281)	0	(3,791,281)	121,262	0
DETAILS OF WRITE-INS						
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens.....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB)	0	0	0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL)	0	0	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	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due ..	0	0	0
15.3 Accrued retrospective premiums and contracts subject to redetermination	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset	391,669	413,922	22,253
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software	0	0	0
21. Furniture and equipment, including health care delivery assets	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0
24. Health care and other amounts receivable	0	0	0
25. Aggregate write-ins for other than invested assets	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	391,669	413,922	22,253
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
28. Total (Lines 26 and 27)	391,669	413,922	22,253
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501.			
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	0	0	0

NOTES TO FINANCIAL STATEMENTS

NOTE 1 Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The accompanying financial statements of Appalachian 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 #	2023	2022
NET INCOME					
(1) State basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 17,480,938	\$ 22,128,569
(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	\$ 17,480,938	\$ 22,128,569
SURPLUS					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 271,192,317	\$ 253,577,366
(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	\$ 271,192,317	\$ 253,577,366

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

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

C. Accounting Policy

Premium earned consists solely of premium assumed pursuant to an intercompany pooling agreement. Refer to footnote 26.

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 and dividends 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

The Company has no short-term Investments.

(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

The Company has no common stock.

(4) Basis for Preferred Stocks

Preferred stocks are stated at cost.

(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: 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

The Company owns 25,000 shares of the 7% cumulative preferred stock (\$100 par value) outstanding of Affiliated FM Insurance Company (NAIC #10014), which is also fully owned by FMIC Holdings, Inc. The preferred stock is stated at cost.

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

The Company has no investments in joint ventures, partnerships and limited liability corporations.

(9) Accounting Policies for Derivatives

The Company has no derivatives.

(10) Anticipated Investment Income Used in Premium Deficiency Calculation

The Company does not currently have open insurance contracts and therefore does not assess the need for a premium deficiency reserve.

(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 a 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.

(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	\$	-
2. 12 Months or Longer	\$	655,696

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

1. Less than 12 Months	\$	-
2. 12 Months or Longer	\$	17,035,143

NOTES TO FINANCIAL STATEMENTS

NOTE 5 Investments (continued from preceding page)

(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

Not Applicable.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not Applicable.

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not Applicable.

H. Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable.

J. Real Estate

Not Applicable.

K. Low Income Housing Tax Credits (LIHTC)

Not Applicable.

L. Restricted Assets

1. Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted						
	Current Year					6	7
	1	2	3	4	5		
Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. Collateral held under security lending agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
c. Subject to repurchase agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
d. Subject to reverse repurchase agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
e. Subject to dollar repurchase agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
f. Subject to dollar reverse repurchase agreements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
g. Placed under option contracts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
i. FHLB capital stock	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
j. On deposit with states	\$ 5,729,352	\$ -	\$ -	\$ -	\$ 5,729,352	\$ 5,774,317	\$ (44,965)
k. On deposit with other regulatory bodies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
l. Pledged collateral to FHLB (including assets backing funding agreements)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
m. Pledged as collateral not captured in other categories	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
n. Other restricted assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
o. Total Restricted Assets (Sum of a through n)	\$ 5,729,352	\$ -	\$ -	\$ -	\$ 5,729,352	\$ 5,774,317	\$ (44,965)

NOTES TO FINANCIAL STATEMENTS

NOTE 5 Investments (continued from preceding page)

Restricted Asset Category	Current Year			
	8 Total Non-admitted Restricted	9 Total Admitted Restricted (5 minus 8)	Percentage	
			10 Gross (Admitted & Non-admitted) Restricted to Total Assets (c)	11 Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	0.000%	0.000%
b. Collateral held under security lending agreements	\$ -	\$ -	0.000%	0.000%
c. Subject to repurchase agreements	\$ -	\$ -	0.000%	0.000%
d. Subject to reverse repurchase agreements	\$ -	\$ -	0.000%	0.000%
e. Subject to dollar repurchase agreements	\$ -	\$ -	0.000%	0.000%
f. Subject to dollar reverse repurchase agreements	\$ -	\$ -	0.000%	0.000%
g. Placed under option contracts	\$ -	\$ -	0.000%	0.000%
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	\$ -	\$ -	0.000%	0.000%
i. FHLB capital stock	\$ -	\$ -	0.000%	0.000%
j. On deposit with states	\$ -	\$ 5,729,352	1.504%	1.506%
k. On deposit with other regulatory bodies	\$ -	\$ -	0.000%	0.000%
l. Pledged collateral to FHLB (including assets backing funding agreements)	\$ -	\$ -	0.000%	0.000%
m. Pledged as collateral not captured in other categories	\$ -	\$ -	0.000%	0.000%
n. Other restricted assets	\$ -	\$ -	0.000%	0.000%
o. Total Restricted Assets (Sum of a through n)	\$ -	\$ 5,729,352	1.504%	1.506%

(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

2. Detail of Assets Pledged as Collateral Not Captured in Other Categories

Not Applicable.

3. Detail of Other Restricted Assets

Not Applicable.

4. Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

Not Applicable.

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

Not Applicable.

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

Not Applicable.

NOTE 6 Joint Ventures, Partnerships and Limited Liability Companies

Not Applicable.

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.

B. The total amount excluded:

There were no accrued investment income amounts over 90 days past due as of December 31, 2023, or as of December 31, 2022.

NOTES TO FINANCIAL STATEMENTS

NOTE 7 Investment Income (continued from preceding page)

C. The gross, nonadmitted and admitted amounts for interest income due and accrued.

Interest Income Due and Accrued	Amount
1. Gross	\$ 1,623,796
2. Nonadmitted	\$ -
3. Admitted	\$ 1,623,796

D. The aggregate deferred interest.

Not Applicable.

E. The cumulative amounts of paid-in-kind (PIK) interest included in the current principal balance.

Not Applicable.

NOTE 8 Derivative Instruments

Not Applicable.

NOTE 9 Income Taxes

A. Deferred Tax Assets/(Liabilities)

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

	As of End of Current Period			12/31/2022			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	\$ 492,346	\$ -	\$ 492,346	\$ 455,233	\$ 21,342	\$ 476,575	\$ 37,113	\$ (21,342)	\$ 15,771
(b) Statutory Valuation Allowance Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 492,346	\$ -	\$ 492,346	\$ 455,233	\$ 21,342	\$ 476,575	\$ 37,113	\$ (21,342)	\$ 15,771
(d) Deferred Tax Assets Nonadmitted	\$ 391,669	\$ -	\$ 391,669	\$ 392,580	\$ 21,342	\$ 413,922	\$ (911)	\$ (21,342)	\$ (22,253)
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 100,677	\$ -	\$ 100,677	\$ 62,653	\$ -	\$ 62,653	\$ 38,024	\$ -	\$ 38,024
(f) Deferred Tax Liabilities	\$ 80,808	\$ -	\$ 80,808	\$ 40,936	\$ -	\$ 40,936	\$ 39,872	\$ -	\$ 39,872
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 19,869	\$ -	\$ 19,869	\$ 21,717	\$ -	\$ 21,717	\$ (1,848)	\$ -	\$ (1,848)

2. Admission Calculation Components SSAP No. 101

	As of End of Current Period			12/31/2022			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	\$ 13,246	\$ -	\$ 13,246	\$ 14,478	\$ -	\$ 14,478	\$ (1,232)	\$ -	\$ (1,232)
(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)	\$ 6,623	\$ -	\$ 6,623	\$ 7,239	\$ -	\$ 7,239	\$ (616)	\$ -	\$ (616)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$ 6,623	\$ -	\$ 6,623	\$ 7,239	\$ -	\$ 7,239	\$ (616)	\$ -	\$ (616)
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	\$40,548,858	XXX	XXX	\$38,033,348	XXX	XXX	\$ 2,515,510
(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.	\$ 80,808	\$ -	\$ 80,808	\$ 40,936	\$ -	\$ 40,936	\$ 39,872	\$ -	\$ 39,872
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 100,677	\$ -	\$ 100,677	\$ 62,653	\$ -	\$ 62,653	\$ 38,024	\$ -	\$ 38,024

3. Other Admissibility Criteria

	2023	2022
a. Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	1267.102%	899.417%
b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 271,172,448	\$ 253,555,649

NOTES TO FINANCIAL STATEMENTS

NOTE 9 Income Taxes (continued from preceding page)

4. Impact of Tax Planning Strategies

	As of End of Current Period		12/31/2022		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	(Col. 1 - 3) Ordinary	(Col. 2 - 4) Capital
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.						
1. Adjusted Gross DTAs amount from Note 9A1(c)	\$ 492,346	\$ -	\$ 455,233	\$ 21,342	\$ 37,113	\$ (21,342)
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	\$ 100,677	\$ -	\$ 62,653	\$ -	\$ 38,024	\$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%

b. Do the Company's tax-planning strategies include the use of reinsurance?

Yes [] No [X]

B. Deferred Tax Liabilities Not Recognized

Not Applicable.

C. Current and Deferred Income Taxes

	(1) As of End of Current Period	(2) 12/31/2022	(3) (Col. 1 - 2) Change
1. Current Income Tax			
(a) Federal	\$ 5,387,247	\$ 5,884,715	\$ (497,468)
(b) Foreign	\$ -	\$ -	\$ -
(c) Subtotal (1a+1b)	\$ 5,387,247	\$ 5,884,715	\$ (497,468)
(d) Federal income tax on net capital gains	\$ (785,209)	\$ (63,089)	\$ (722,120)
(e) Utilization of capital loss carry-forwards	\$ -	\$ -	\$ -
(f) Other	\$ -	\$ -	\$ -
(g) Federal and foreign income taxes incurred (1c+1d+1e+1f)	\$ 4,602,038	\$ 5,821,626	\$ (1,219,588)
2. Deferred Tax Assets:			
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ 492,346	\$ 455,233	\$ 37,113
(2) Unearned premium reserve	\$ -	\$ -	\$ -
(3) Policyholder reserves	\$ -	\$ -	\$ -
(4) Investments	\$ -	\$ -	\$ -
(5) Deferred acquisition costs	\$ -	\$ -	\$ -
(6) Policyholder dividends accrual	\$ -	\$ -	\$ -
(7) Fixed assets	\$ -	\$ -	\$ -
(8) Compensation and benefits accrual	\$ -	\$ -	\$ -
(9) Pension accrual	\$ -	\$ -	\$ -
(10) Receivables - nonadmitted	\$ -	\$ -	\$ -
(11) Net operating loss carry-forward	\$ -	\$ -	\$ -
(12) Tax credit carry-forward	\$ -	\$ -	\$ -
(13) Other	\$ -	\$ -	\$ -
(99) Subtotal (sum of 2a1 through 2a13)	\$ 492,346	\$ 455,233	\$ 37,113
(b) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(c) Nonadmitted	\$ 391,669	\$ 392,580	\$ (911)
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 100,677	\$ 62,653	\$ 38,024
(e) Capital:			
(1) Investments	\$ -	\$ 21,342	\$ (21,342)
(2) Net capital loss carry-forward	\$ -	\$ -	\$ -
(3) Real estate	\$ -	\$ -	\$ -
(4) Other	\$ -	\$ -	\$ -
(99) Subtotal (2e1+2e2+2e3+2e4)	\$ -	\$ 21,342	\$ (21,342)
(f) Statutory valuation allowance adjustment	\$ -	\$ -	\$ -
(g) Nonadmitted	\$ -	\$ 21,342	\$ (21,342)
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$ -	\$ -	\$ -
(i) Admitted deferred tax assets (2d + 2h)	\$ 100,677	\$ 62,653	\$ 38,024
3. Deferred Tax Liabilities:			
(a) Ordinary:			
(1) Investments	\$ 76,685	\$ 40,936	\$ 35,749
(2) Fixed assets	\$ -	\$ -	\$ -
(3) Deferred and uncollected premium	\$ -	\$ -	\$ -
(4) Policyholder reserves	\$ -	\$ -	\$ -
(5) Other	\$ -	\$ -	\$ -
(99) Subtotal (3a1+3a2+3a3+3a4+3a5)	\$ 76,685	\$ 40,936	\$ 35,749
(b) Capital:			
(1) Investments	\$ 4,123	\$ -	\$ 4,123
(2) Real estate	\$ -	\$ -	\$ -
(3) Other	\$ -	\$ -	\$ -
(99) Subtotal (3b1+3b2+3b3)	\$ 4,123	\$ -	\$ 4,123
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 80,808	\$ 40,936	\$ 39,872
4. Net deferred tax assets/liabilities (2i - 3c)	\$ 19,869	\$ 21,717	\$ (1,848)

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:

	As of End of Current Period	Effective Tax Rate
Provision computed at statutory rate	\$ 4,637,424	21.00%
Tax exempt interest	\$ -	0.00%
Dividends received deduction	\$ (36,750)	-0.20%
Proration of tax exempt investment income	\$ -	0.00%
Nondeductible expenses	\$ -	0.00%
Tax on change in non-admitted assets	\$ -	0.00%
Tax on other surplus adjustments	\$ -	0.00%
True-ups and other adjustments to tax	\$ -	0.00%
Total Tax	\$ 4,600,674	20.80%
Reconciliation		
Federal and foreign income taxes incurred	\$ 5,387,247	24.40%
Realized capital gains (losses) tax	\$ (785,209)	-3.60%
Change in Deferred Tax	\$ (1,364)	0.00%
Total Tax	\$ 4,600,674	20.80%

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 proceeding years that is available for recoupment in the event of future net losses:

Year	Amounts
2023	\$4,638,189
2022	\$5,798,676
2021	\$113,006

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	Corporate Insurance Services, Inc.
Appalachian Insurance Company	Watch Hill Insurance Company
Risk Engineering Insurance Company Limited	

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)

Not Applicable.

I. Alternative Minimum Tax (AMT) Credit

Not Applicable.

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

A. Nature of the Relationship Involved

All of the common stock outstanding of the Company is owned by FMIC Holdings, Inc. (Johnston, RI), which is a wholly-owned subsidiary of Factory Mutual Insurance Company, (NAIC #21482) Johnston, RI.

The Company owns 25,000 shares of the 7% cumulative preferred stock (\$100 par value) outstanding of Affiliated FM Insurance Company (NAIC #10014), which is also fully owned by FMIC Holdings, Inc.

B. Transactions

The Company lists its transactions with affiliates on Schedule Y Part 2. There were no reportable transactions between the Company and any affiliates which exceeded one-half of 1% of admitted assets.

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

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 To/From Related Parties

The amounts reported due (to)/from affiliates are as follows:

Affiliate	2023	2022
Factory Mutual Insurance Company (Parent)	\$ 11,332,179	\$ 1,973,876
Affiliated FM Insurance Company	(5,691)	(4,538)
Total	\$ 11,326,488	\$ 1,969,338

Settlement terms/procedures are 60 days from the end of each quarter.

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

The Company receives certain accounting, management and other services from its parent Factory Mutual Insurance Company (NAIC #21482). Management fees are charged as part of a cost sharing agreement approved by the state of domicile.

F. Guarantees or Undertakings

Not Applicable.

G. Nature of the Control Relationship

The Company is owned by FMIC Holdings Inc., a wholly owned subsidiary of Factory Mutual Insurance Company (NAIC #21482).

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

Not Applicable.

J. Investments in Impaired SCAs

Not Applicable.

K. Investment in Foreign Insurance Subsidiary

Not Applicable.

L. Investment in Downstream Noninsurance Holding Company

Not Applicable.

M. All SCA Investments

Not Applicable.

N. Investment in Insurance SCAs

Not Applicable.

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

The Company has no employees. All services necessary for functioning of the Company are provided by its parent, Factory Mutual Insurance Company (NAIC #21482), pursuant to a management and services agreement, which provides for compensatory expense allocations. Included in the expense allocations were amounts related to non-contributory retirement income plans and postretirement benefit plans sponsored by Factory Mutual Insurance Company. Refer to Note 12G for the amounts and allocation methodology.

B. Investment Policies and Strategies

Not Applicable.

C. Fair Value of Plan Assets

Not Applicable.

D. Rate of Return Assumptions

Not Applicable.

E. Defined Contribution Plan

The Company has no employees. All services necessary for functioning of the Company are provided by its parent, Factory Mutual Insurance Company (NAIC #21482), pursuant to a management and services agreement, which provides for compensatory expense allocations. Included in the expense allocations were amounts related to savings plans sponsored by Factory Mutual Insurance Company. Refer to Note 12G for the amounts and allocation methodology.

F. Multiemployer Plans

Not Applicable.

G. Consolidated Holding Company Plans

As stated above in Note 12A and Note 12E, the Company has no employees. All services necessary for functioning of the Company are provided by its parent, Factory Mutual Insurance Company (NAIC #21482), pursuant to a management and services agreement, which provides for compensatory expense allocations. Included in the expense allocations were amounts for defined benefit plans and defined contribution plans sponsored by Factory Mutual Insurance Company, as follows:

The net income allocated to the Company related to defined benefit plans was \$8,454 in 2023 and \$246,006 in 2022.

The net expense allocated to the Company related to defined contribution plans was \$297,000 in 2023 and \$536,000 in 2022.

The net income (expense) incurred by the Company for these plans is based on the percentage allocations per the intercompany pooling agreement discussed below in Note 26. The Company has no legal obligation for benefits under the plans.

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, Dividend Restrictions and Quasi-Reorganizations
A. Number of Shares and Par or State Value of Each Class

All of the common stock, 705,000 shares (\$5 par value), is owned by FMIC Holdings, Inc. (Johnston, RI), which is a wholly-owned subsidiary of Factory Mutual Insurance Company, (NAIC #21482) Johnston, RI.

B. Dividend Rate, Liquidation Value and Redemption Schedule of Preferred Stock Issues

Not Applicable.

C. Dividend Restrictions

The maximum amount of dividends, which can be paid by state of Rhode Island domiciled insurance companies to shareholders without prior approval of the Insurance Commissioner, is subject to restrictions relating to statutory surplus and net income. The maximum dividend payout which may be made without prior approval is the lesser of:

- a. 10% of surplus as regards policyholders as of the 31st day of December next preceding, or
- b. Net income, not including realized capital gains, for the twelve month period ending the 31st day of December next preceding, but shall not include pro rata distributions of any class of the insurer's own securities.

For 2023, the maximum dividend payout that could have been made without prior approval was \$22,128,569. For 2024, the maximum dividend payout that may be made without prior approval is \$17,480,938.

D. Dates and Amounts of Dividends Paid

Not Applicable.

E. Profits that may be Paid as Ordinary Dividends to Stockholders

Other than the limitations described in item C above, there are no other restrictions placed on the portion of profits that may be paid as ordinary dividends.

NOTES TO FINANCIAL STATEMENTS

NOTE 13 Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations (continued from preceding page)
F. Restrictions Placed on Unassigned Funds (Surplus)

There are no restrictions on the unassigned funds of the Company other than those described in item C above. Unassigned funds are held for the benefit of the owner.

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 cumulative unrealized gains and losses is

\$ 19,634

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

Not Applicable.

L. The impact of any restatement due to prior quasi-reorganizations is as follows:

Not Applicable.

M. Effective Date of Quasi-Reorganizations for a Period of Ten Years Following Reorganization

Not Applicable.

NOTE 14 Liabilities, Contingencies and Assessments
A. Contingent Commitments

Not Applicable.

B. Assessments

Not Applicable.

C. Gain Contingencies

Not Applicable.

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

Not Applicable.

E. Product Warranties

Not Applicable.

F. Joint and Several Liabilities

Not Applicable.

G. All Other Contingencies

Lawsuits arise against the Company in the normal course of business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company. The Company has no asset that is considered impaired.

NOTE 15 Leases

Not Applicable.

NOTE 16 Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

Not Applicable.

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

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.

NOTES TO FINANCIAL STATEMENTS

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 class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Preferred Stock	\$ -	\$ -	\$ -	\$ -	\$ -
Money Market Mutual Funds	\$ -	\$ -	\$ -	\$ 41,303,580	\$ 41,303,580
Total assets at fair value/NAV	\$ -	\$ -	\$ -	\$ 41,303,580	\$ 41,303,580

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
b. Liabilities at fair value	-	-	-	-	-
Total liabilities at fair value	\$ -	\$ -	\$ -	\$ -	\$ -

(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.

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

The valuation techniques required by the Fair Value Measurements guidance (SSAP 100R) 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 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. Aggregate fair value for all financial instruments and the level within the fair value hierarchy in which the fair value measurements in their entirety fall.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$ 256,713,786	\$ 279,128,142	\$ -	\$ 256,713,786	\$ -	\$ -	\$ -
Preferred Stock	\$ 2,500,000	\$ 2,500,000	\$ -	\$ 2,500,000	\$ -	\$ -	\$ -
Cash and cash equivalents	\$ 68,805,071	\$ 68,805,071	\$ 27,501,491	\$ -	\$ -	\$ 41,303,580	\$ -

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

Not Applicable.

NOTES TO FINANCIAL STATEMENTS

NOTE 22 Events Subsequent

Subsequent events have been considered through February 23, 2024 for these statutory financial statements which are to be issued on February 23, 2024.

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

NOTE 23 Reinsurance

Not Applicable.

NOTE 24 Retrospectively Rated Contracts & 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 estimate of insured events related to prior years, the provision for losses and loss adjustment expenses increased by \$5,000,000. 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

Lead Entity and all Affiliated Entities	NAIC Company Code	Pooling Percentage
Factory Mutual Insurance Company (lead insurer)	21482	87.0%
Affiliated FM Insurance Company	10014	12.0%
Appalachian Insurance Company	10316	1.0%

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 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.

G. Amounts Due To / From Lead Entity and Pool Participants as of December 31:

Name of Insurer	Amounts Receivable	Amounts Payable
Factory Mutual Insurance Company (lead insurer)	\$135,475,325	\$119,061,701
Affiliated FM Insurance Company	\$95,313,782	\$108,201,731
Appalachian Insurance Company	\$23,747,919	\$27,273,594

NOTE 27 Structured Settlements

Not Applicable.

NOTE 28 Health Care Receivables

Not Applicable.

NOTE 29 Participating Policies

Not Applicable.

NOTE 30 Premium Deficiency Reserves

Not Applicable.

NOTE 31 High Deductibles

Not Applicable.

NOTES TO FINANCIAL STATEMENTS

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

	2019	2020	2021	2022	2023
a. Beginning reserves:	\$ 55,741,000	\$ 55,434,000	\$ 54,704,000	\$ 55,758,000	\$ 55,178,000
b. Incurred losses and loss adjustment expense:	\$ (1,000)	\$ 1,000	\$ 1,587,000	\$ (2,000)	\$ 1,000
c. Calendar year payments for losses and loss adjustment expenses:	\$ 306,000	\$ 731,000	\$ 533,000	\$ 578,000	\$ 631,000
d. Ending reserves (a+b-c):	\$ 55,434,000	\$ 54,704,000	\$ 55,758,000	\$ 55,178,000	\$ 54,548,000

(2) Assumed Reinsurance

	2019	2020	2021	2022	2023
a. Beginning reserves:	\$ -	\$ -	\$ -	\$ -	\$ -
b. Incurred losses and loss adjustment expense:	\$ -	\$ -	\$ -	\$ -	\$ -
c. Calendar year payments for losses and loss adjustment expenses:	\$ -	\$ -	\$ -	\$ -	\$ -
d. Ending reserves (a+b-c):	\$ -	\$ -	\$ -	\$ -	\$ -

(3) Net of Ceded Reinsurance

	2019	2020	2021	2022	2023
a. Beginning reserves:	\$ 43,534,000	\$ 37,529,000	\$ 36,546,000	\$ 39,754,000	\$ 40,167,000
b. Incurred losses and loss adjustment expense:	\$ (5,753,000)	\$ (434,000)	\$ 3,692,000	\$ 1,188,000	\$ 2,139,000
c. Calendar year payments for losses and loss adjustment expenses:	\$ 252,000	\$ 549,000	\$ 484,000	\$ 775,000	\$ 498,000
d. Ending reserves (a+b-c):	\$ 37,529,000	\$ 36,546,000	\$ 39,754,000	\$ 40,167,000	\$ 41,808,000

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

(1) Direct Basis:	\$ 41,748,000
(2) Assumed Reinsurance Basis:	\$ -
(3) Net of Ceded Reinsurance Basis:	\$ 34,185,000

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

(1) Direct Basis:	\$ 13,982,000
(2) Assumed Reinsurance Basis:	\$ -
(3) Net of Ceded Reinsurance Basis:	\$ 6,907,000

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

	2019	2020	2021	2022	2023
a. Beginning reserves:	\$ 64,821,000	\$ 64,760,000	\$ 64,711,000	\$ 67,391,000	\$ 66,767,000
b. Incurred losses and loss adjustment expense:	\$ -	\$ -	\$ 2,735,000	\$ -	\$ -
c. Calendar year payments for losses and loss adjustment expenses:	\$ 61,000	\$ 49,000	\$ 55,000	\$ 624,000	\$ 49,000
d. Ending reserves (a+b-c):	\$ 64,760,000	\$ 64,711,000	\$ 67,391,000	\$ 66,767,000	\$ 66,718,000

(2) Assumed Reinsurance

	2019	2020	2021	2022	2023
a. Beginning reserves:	\$ -	\$ -	\$ -	\$ -	\$ -
b. Incurred losses and loss adjustment expense:	\$ -	\$ -	\$ -	\$ -	\$ -
c. Calendar year payments for losses and loss adjustment expenses:	\$ -	\$ -	\$ -	\$ -	\$ -
d. Ending reserves (a+b-c):	\$ -	\$ -	\$ -	\$ -	\$ -

(3) Net of Ceded Reinsurance

	2019	2020	2021	2022	2023
a. Beginning reserves:	\$ 23,306,000	\$ 29,108,000	\$ 29,500,000	\$ 30,173,000	\$ 28,811,000
b. Incurred losses and loss adjustment expense:	\$ 5,842,000	\$ 431,000	\$ 707,000	\$ (1,184,000)	\$ (12,042,000)
c. Calendar year payments for losses and loss adjustment expenses:	\$ 40,000	\$ 39,000	\$ 34,000	\$ 178,000	\$ 42,000
d. Ending reserves (a+b-c):	\$ 29,108,000	\$ 29,500,000	\$ 30,173,000	\$ 28,811,000	\$ 16,727,000

NOTES TO FINANCIAL STATEMENTS

NOTE 33 Asbestos/Environmental Reserves (continued from preceding page)

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

(1) Direct Basis:	\$ 66,653,000
(2) Assumed Reinsurance Basis:	\$ -
(3) Net of Ceded Reinsurance Basis:	\$ 16,716,000

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

(1) Direct Basis:	\$ 13,982,000
(2) Assumed Reinsurance Basis:	\$ -
(3) Net of Ceded Reinsurance Basis:	\$ 6,907,000

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 [X] No []
If yes, complete Schedule Y, Parts 1, 1A, 2 and 3.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []
- 1.3 State Regulating? Rhode Island
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [] No [X]
- 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 [X]
- 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. 12/31/2022
- 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. 12/31/2022
- 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). 11/17/2023
- 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 [X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]
- 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 [X]
4.12 renewals? Yes [] No [X]
- 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 [X]
4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No [X]
- 7.2 If yes,
7.21 State the percentage of foreign control; 0.0 %
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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If the response to 8.1 is yes, please identify the name of the DIHC.
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

- 8.5 Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the depository institution holding company? Yes [] No [X]
- 8.6 If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule? Yes [] No [X] N/A []
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young, LLP 200 Clarendon Street, Boston, MA 02116
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
.....
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
.....
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
- 10.6 If the response to 10.5 is no or n/a, please explain.
.....
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
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 [X]
- 12.11 Name of real estate holding company ...
- 12.12 Number of parcels involved 0
- 12.13 Total book/adjusted carrying value \$0
- 12.2 If yes, provide explanation
.....
- 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 [X] 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 [X]
- 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 [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
.....

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY
GENERAL INTERROGATORIES

- 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 [X]
- 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 subordinate committee thereof? Yes [X] 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 [X] 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 [X] 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 [X]
- 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 reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- | | |
|---------------------------------|-----------|
| 21.21 Rented from others..... | \$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 [X]
- 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 |
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 11,332,179
- 24.1 Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days? Yes [] No [X]
- 24.2 If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

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

INVESTMENT

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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

GENERAL INTERROGATORIES

- 25.02 If no, give full and complete information, relating thereto
JP Morgan Worldwide Securities Services and various state deposit custodial banks hold custody of the securities. \$0
- 25.03 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)
Not Applicable.
- 25.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. \$0
- 25.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$0
- 25.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]
- 25.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]
- 25.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]
- 25.09 For the reporting entity's securities lending program state the amount of the following as of December 31 of the current year:
- 25.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$0
- 25.092 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$0
- 25.093 Total payable for securities lending reported on the liability page. \$0
- 26.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 25.03). Yes [X] No []
- 26.2 If yes, state the amount thereof at December 31 of the current year:
- 26.21 Subject to repurchase agreements \$0
- 26.22 Subject to reverse repurchase agreements \$0
- 26.23 Subject to dollar repurchase agreements \$0
- 26.24 Subject to reverse dollar repurchase agreements \$0
- 26.25 Placed under option agreements \$0
- 26.26 Letter stock or securities restricted as to sale -
excluding FHLB Capital Stock \$0
- 26.27 FHLB Capital Stock \$0
- 26.28 On deposit with states \$ 5,729,352
- 26.29 On deposit with other regulatory bodies \$0
- 26.30 Pledged as collateral - excluding collateral pledged to an FHLB \$0
- 26.31 Pledged as collateral to FHLB - including assets backing funding agreements \$0
- 26.32 Other \$0

26.3 For category (26.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

- 27.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]
- 27.2 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 27.3 through 27.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

- 27.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes [] No []
- 27.4 If the response to 27.3 is YES, does the reporting entity utilize:
- 27.41 Special accounting provision of SSAP No. 108 Yes [] No []
- 27.42 Permitted accounting practice Yes [] No []
- 27.43 Other accounting guidance Yes [] No []
- 27.5 By responding YES to 27.41 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 Guideline Conditional Tail Expectation Amount.
 - Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts.
- 28.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]
- 28.2 If yes, state the amount thereof at December 31 of the current year. \$0
29. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?..... Yes [X] No []

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

1 Name of Custodian(s)	2 Custodian's Address
JP Morgan Worldwide Securities Services	383 Madison Avenue, New York, NY 10179

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY
GENERAL INTERROGATORIES

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

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

29.03 Have there been any changes, including name changes, in the custodian(s) identified in 29.01 during the current year?..... Yes [] No [X]

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

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

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

1 Name of Firm or Individual	2 Affiliation
Sanjay Chawla, SVP, Chief Investment Officer	I.....
Scott Anthony, VP, Sector Portfolio Mgr Fixed Income	I.....

29.0597 For those firms/individuals listed in the table for Question 29.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's invested assets?..... Yes [] No [X]

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

29.06 For those firms or individuals listed in the table for 29.05 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

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

30.2 If yes, complete the following schedule:

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY
GENERAL INTERROGATORIES

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1 Bonds	279,128,142	256,713,786	(22,414,356)
31.2 Preferred stocks	2,500,000	2,500,000	0
31.3 Totals	281,628,142	259,213,786	(22,414,356)

31.4 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. The affiliated owned preferred stock is priced by the Company and approved by the NAIC under SSAP 97 Paragraph 8b(i).

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

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

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

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

33.2 If no, list exceptions:

34. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:
 a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
 b. Issuer or obligor is current on all contracted interest and principal payments.
 c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
 Has the reporting entity self-designated 5GI securities? Yes [] No [X]

35. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:
 a. The security was purchased prior to January 1, 2018.
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
 d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
 Has the reporting entity self-designated PLGI securities? Yes [] No [X]

36. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
 a. The shares were purchased prior to January 1, 2019.
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
 d. The fund only or predominantly holds bonds in its portfolio.
 e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
 f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.
 Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [] No [X]

37. By rolling/renewing short-term or cash equivalent investments with continued reporting on Schedule DA, Part 1 or Schedule E Part 2 (identified through a code (%) in those investment schedules), the reporting entity is certifying to the following:
 a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
 b. If the investment is with a nonrelated party or nonaffiliate, then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
 c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
 d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 37.a - 37.c are reported as long-term investments.
 Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria? Yes [X] No [] N/A []

GENERAL INTERROGATORIES

38.1 Does the reporting entity directly hold cryptocurrencies? Yes [] No [X]

38.2 If the response to 38.1 is yes, on what schedule are they reported?

39.1 Does the reporting entity directly or indirectly accept cryptocurrencies as payments for premiums on policies? Yes [] No [X]

39.2 If the response to 39.1 is yes, are the cryptocurrencies held directly or are they immediately converted to U.S. dollars?
 39.21 Held directly Yes [] No []
 39.22 Immediately converted to U.S. dollars Yes [] No []

39.3 If the response to 38.1 or 39.1 is yes, list all cryptocurrencies accepted for payments of premiums or that are held directly.

1 Name of Cryptocurrency	2 Immediately Converted to USD, Directly Held, or Both	3 Accepted for Payment of Premiums

OTHER

40.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$0

40.2 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

41.1 Amount of payments for legal expenses, if any?\$0

41.2 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

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

42.2 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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND 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 Current Year	2 Prior Year
2.1 Premium Numerator	0	0
2.2 Premium Denominator	58,401,112	104,754,212
2.3 Premium Ratio (2.1/2.2)	0.000	0.000
2.4 Reserve Numerator	0	0
2.5 Reserve Denominator	74,093,348	89,295,256
2.6 Reserve Ratio (2.4/2.5)	0.000	0.000

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 []

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

4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? % 0.0

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

5. For Reciprocal Exchanges Only:

5.1 Does the Exchange appoint local agents? Yes [] No []

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

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 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?
The Company does not issue Workers' Compensation contracts.
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process.
The Company 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.
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
In addition to controlling the Company's exposure by loss prevention engineering, deductibles, and limits of liability, we purchase risk and catastrophe reinsurance.
- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [] No [X]
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss.
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.
- 7.1 Has this 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 - Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [] No [X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
(a) The entity does not utilize reinsurance; or, Yes [] No [X]
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [] No [X]
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [] No [X]
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 []

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force? Yes [] No [X]
- 11.2 If yes, give full information
.....
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
- 12.11 Unpaid losses\$0
- 12.12 Unpaid underwriting expenses (including loss adjustment expenses)\$0
- 12.2 Of the amount on Line 15.3, Page 2, state the amount which 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 From0.0 %
- 12.42 To.....0.0 %
- 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]
- 12.6 If yes, state the amount thereof at December 31 of the 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):\$ 27,119,000
- 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. 1
- 14.1 Is the company 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:
The method of allocating reinsurance with outside reinsurers is based proportionally on each company's share of occurrence and specific contract terms with respect to intercompany reinsurance agreements.
- 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 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home	0	0	0	0	0
16.12 Products	0	0	0	0	0
16.13 Automobile	0	0	0	0	0
16.14 Other*	0	0	0	0	0

* Disclose type of coverage:
.....

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that is exempt from the statutory provision for unauthorized reinsurance? Yes [] No []

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	\$	5,700,000
17.12 Unfunded portion of Interrogatory 17.11	\$	5,700,000
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	\$	5,700,000
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 []

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 []

18.4 If yes, please provide the balance of funds administered as of the reporting date. \$ 0

19. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [] 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 []

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

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

	1 2023	2 2022	3 2021	4 2020	5 2019
Gross Premiums Written (Page 8, Part 1B Cols. 1, 2 & 3)					
1. Liability lines (Lines 11, 16, 17, 18 & 19)	0	0	0	0	0
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	58,411,112	104,764,212	100,312,755	85,803,159	75,108,152
6. Total (Line 35)	58,411,112	104,764,212	100,312,755	85,803,159	75,108,152
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11, 16, 17, 18 & 19)	0	0	0	0	0
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	58,401,112	104,754,212	100,302,755	85,793,159	75,098,152
12. Total (Line 35)	58,401,112	104,754,212	100,302,755	85,793,159	75,098,152
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	16,393,380	21,793,742	17,444,766	4,609,195	12,523,675
14. Net investment gain (loss) (Line 11)	6,474,805	6,219,542	4,691,610	9,198,583	6,420,549
15. Total other income (Line 15)	0	0	0	0	0
16. Dividends to policyholders (Line 17)	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19)	5,387,247	5,884,715	4,593,017	1,998,472	3,915,760
18. Net income (Line 20)	17,480,938	22,128,569	17,543,359	11,809,306	15,028,464
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	380,538,838	349,515,219	336,319,414	295,707,222	290,649,511
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	0	25,706,650	26,318,547	23,520,899	20,262,677
20.2 Deferred and not yet due (Line 15.2)	0	0	0	0	0
20.3 Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26)	109,346,521	95,937,853	104,771,072	81,661,570	88,357,752
22. Losses (Page 3, Line 1)	64,241,496	59,316,297	59,772,290	59,854,713	59,983,599
23. Loss adjustment expenses (Page 3, Line 3)	9,851,852	10,906,457	11,694,595	7,658,520	8,128,640
24. Unearned premiums (Page 3, Line 9)	0	0	0	0	0
25. Capital paid up (Page 3, Lines 30 & 31)	3,525,000	3,525,000	3,525,000	3,525,000	3,525,000
26. Surplus as regards policyholders (Page 3, Line 37)	271,192,317	253,577,366	231,548,342	214,045,652	202,291,759
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	40,897,776	20,902,759	32,588,081	4,923,308	(5,079,606)
Risk-Based Capital Analysis					
28. Total adjusted capital	271,192,317	253,577,366	231,548,342	214,045,652	202,291,759
29. Authorized control level risk-based capital	21,400,989	28,191,099	26,966,926	28,447,152	25,950,401
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0					
30. Bonds (Line 1)	79.7	86.7	66.3	72.8	73.5
31. Stocks (Lines 2.1 & 2.2)	0.7	0.8	0.8	0.9	0.9
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3)	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5)	19.6	12.6	32.9	25.9	25.2
35. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7)	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8)	0.0	0.0	0.0	0.0	0.0
38. Receivables for securities (Line 9)	0.0	0.0	0.0	0.4	0.0
39. Securities lending reinvested collateral assets (Line 10)	0.0	0.0	0.0	0.0	0.4
40. Aggregate write-ins for invested assets (Line 11)	0.0	0.0	0.0	0.0	0.0
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 (Schedule D, Summary, Line 12, Col. 1)	0	0	0	0	0
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1)	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
44. Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1)	0	0	0	0	0
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
46. Affiliated mortgage loans on real estate	0	0	0	0	0
47. All other affiliated	0	0	0	0	0
48. Total of above Lines 42 to 47	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
49. Total Investment in Parent included in Lines 42 to 47 above	0	0	0	0	0
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)	0.9	1.0	1.1	1.2	1.2

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2023	2 2022	3 2021	4 2020	5 2019
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	95,796	(80,285)	20,553	(18,270)	5,696
52. Dividends to stockholders (Line 35)	0	0	0	0	0
53. Change in surplus as regards policyholders for the year (Line 38)	17,614,951	22,029,024	17,502,690	11,753,893	14,916,160
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11, 16, 17, 18 & 19)	219,189	711,741	172,475	318,709	225,183
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	17,681,298	52,729,261	52,595,246	54,165,500	39,445,886
59. Total (Line 35)	17,900,487	53,441,002	52,767,721	54,484,209	39,671,069
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11, 16, 17, 18 & 19)	74,800	455,995	82,423	127,306	147,254
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	0	0	0	0	0
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	0	0	0	0	0
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	17,681,298	52,729,261	52,595,246	54,165,500	39,445,886
65. Total (Line 35)	17,756,098	53,185,256	52,677,669	54,292,806	39,593,140
Operating Percentages (Page 4) (Line 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)	38.8	50.3	52.4	63.1	52.5
68. Loss expenses incurred (Line 3)	1.8	2.6	3.1	4.1	1.6
69. Other underwriting expenses incurred (Line 4)	31.3	26.3	27.1	27.4	29.2
70. Net underwriting gain (loss) (Line 8)	28.1	20.8	17.4	5.4	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)	31.3	26.3	27.1	27.4	29.2
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	40.7	52.9	55.5	67.2	54.1
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)	21.5	41.3	43.3	40.1	37.1
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)	5,000	1	(2)	(2)	1
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).....	2.0	0.0	0.0	0.0	0.0
Two Year Loss Development (\$000 omitted)					
76. Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	5,001	(1)	(4)	(1)	0
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)	2.2	0.0	0.0	0.0	0.0

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

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY
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						10 Salvage and Subrogation Received	11 Total Net Paid Cols (4 - 5 + 6 - 7 + 8 - 9)	12 Number of Claims Reported Direct and Assumed
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments				
				4	5	6	7	8	9			
1. Prior.....	XXX	XXX	XXX	219	144	880	0	206	0	0	1,161	XXX
2. 2014.....	77,503	13,865	63,638	20,963	0	0	969	0	0	0	19,994	XXX
3. 2015.....	80,582	15,402	65,180	31,481	0	0	7,755	0	0	0	23,726	XXX
4. 2016.....	81,914	15,790	66,124	39,909	0	2,926	0	0	0	0	42,835	XXX
5. 2017.....	86,660	15,894	70,766	73,587	0	2,992	0	0	0	0	76,579	XXX
6. 2018.....	69,128	53	69,075	73,079	0	2,707	0	0	0	0	75,786	XXX
7. 2019.....	75,108	10	75,098	39,446	0	1,080	0	0	0	0	40,526	XXX
8. 2020.....	85,803	10	85,793	54,166	0	3,459	0	0	0	0	57,625	XXX
9. 2021.....	100,313	10	100,303	52,595	0	0	1,438	0	0	0	51,157	XXX
10. 2022.....	104,764	10	104,754	52,729	0	2,657	0	0	0	0	55,386	XXX
11. 2023.....	58,411	10	58,401	17,681	0	1,042	0	0	0	0	18,723	XXX
12. Totals	XXX	XXX	XXX	455,855	144	17,743	10,162	206	0	0	463,498	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	22			
	13	14	15	16	17	18	19	20					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded					
1. Prior.....	21,819	9,925	89,963	37,616	0	0	14,886	8,879	3,845	0	0	74,093	XXX
2. 2014.....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
3. 2015.....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
4. 2016.....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
5. 2017.....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6. 2018.....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
7. 2019.....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
8. 2020.....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
9. 2021.....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
10. 2022.....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
11. 2023.....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
12. Totals	21,819	9,925	89,963	37,616	0	0	14,886	8,879	3,845	0	0	74,093	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	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. Prior.....	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	64,241	9,852
2. 2014.....	20,963	969	19,994	27.0	7.0	31.4	0	0	1.0	0	0
3. 2015.....	31,481	7,755	23,726	39.1	50.4	36.4	0	0	1.0	0	0
4. 2016.....	42,835	0	42,835	52.3	0.0	64.8	0	0	1.0	0	0
5. 2017.....	76,579	0	76,579	88.4	0.0	108.2	0	0	1.0	0	0
6. 2018.....	75,786	0	75,786	109.6	0.0	109.7	0	0	1.0	0	0
7. 2019.....	40,526	0	40,526	54.0	0.0	54.0	0	0	1.0	0	0
8. 2020.....	57,625	0	57,625	67.2	0.0	67.2	0	0	1.0	0	0
9. 2021.....	52,595	1,438	51,157	52.4	14,380.0	51.0	0	0	1.0	0	0
10. 2022.....	55,386	0	55,386	52.9	0.0	52.9	0	0	1.0	0	0
11. 2023.....	18,723	0	18,723	32.1	0.0	32.1	0	0	1.0	0	0
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	64,241	9,852

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.

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

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 2014	2 2015	3 2016	4 2017	5 2018	6 2019	7 2020	8 2021	9 2022	10 2023	11 One Year	12 Two Year
1. Prior.....	69,822	83,821	77,120	77,122	77,121	77,122	77,120	77,118	77,119	82,119	5,000	5,001
2. 2014.....	19,994	19,994	19,994	19,994	19,994	19,994	19,994	19,994	19,994	19,994	0	0
3. 2015.....	XXX	23,726	23,726	23,726	23,726	23,726	23,726	23,726	23,726	23,726	0	0
4. 2016.....	XXX	XXX	42,835	42,835	42,835	42,835	42,835	42,835	42,835	42,835	0	0
5. 2017.....	XXX	XXX	XXX	76,579	76,579	76,579	76,579	76,579	76,579	76,579	0	0
6. 2018.....	XXX	XXX	XXX	XXX	75,786	75,786	75,786	75,786	75,786	75,786	0	0
7. 2019.....	XXX	XXX	XXX	XXX	XXX	40,526	40,526	40,526	40,526	40,526	0	0
8. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	57,625	57,625	57,625	57,625	0	0
9. 2021.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	51,157	51,157	51,157	0	0
10. 2022.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	55,386	55,386	0	XXX
11. 2023.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	18,723	XXX	XXX
12. Totals											5,000	5,001

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 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1 2014	2 2015	3 2016	4 2017	5 2018	6 2019	7 2020	8 2021	9 2022	10 2023		
1. Prior.....	000	2,464	5,876	7,132	8,907	9,208	9,564	9,865	10,916	11,871	XXX	XXX
2. 2014.....	19,994	19,994	19,994	19,994	19,994	19,994	19,994	19,994	19,994	19,994	XXX	XXX
3. 2015.....	XXX	23,726	23,726	23,726	23,726	23,726	23,726	23,726	23,726	23,726	XXX	XXX
4. 2016.....	XXX	XXX	42,835	42,835	42,835	42,835	42,835	42,835	42,835	42,835	XXX	XXX
5. 2017.....	XXX	XXX	XXX	76,579	76,579	76,579	76,579	76,579	76,579	76,579	XXX	XXX
6. 2018.....	XXX	XXX	XXX	XXX	75,786	75,786	75,786	75,786	75,786	75,786	XXX	XXX
7. 2019.....	XXX	XXX	XXX	XXX	XXX	40,526	40,526	40,526	40,526	40,526	XXX	XXX
8. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	57,625	57,625	57,625	57,625	XXX	XXX
9. 2021.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	51,157	51,157	51,157	XXX	XXX
10. 2022.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	55,386	55,386	XXX	XXX
11. 2023.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	18,723	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 2014	2 2015	3 2016	4 2017	5 2018	6 2019	7 2020	8 2021	9 2022	10 2023
1. Prior.....	61,788	70,687	63,172	62,029	60,687	56,763	56,537	55,235	54,293	58,354
2. 2014.....	0	0	0	0	0	0	0	0	0	0
3. 2015.....	XXX	0	0	0	0	0	0	0	0	0
4. 2016.....	XXX	XXX	0	0	0	0	0	0	0	0
5. 2017.....	XXX	XXX	XXX	0	0	0	0	0	0	0
6. 2018.....	XXX	XXX	XXX	XXX	0	0	0	0	0	0
7. 2019.....	XXX	XXX	XXX	XXX	XXX	0	0	0	0	0
8. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0	0
9. 2021.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	0
10. 2022.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0
11. 2023.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0

ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN 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 (Included in Column 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	E	0	0	0	0	0	0	0
2. Alaska	AK	E	0	0	0	0	0	0	0
3. Arizona	AZ	E	0	0	0	0	0	0	0
4. Arkansas	AR	E	0	0	0	0	0	0	0
5. California	CA	E	0	0	152,535	1,625,138	45,713,892	0	0
6. Colorado	CO	E	0	0	0	0	0	0	0
7. Connecticut	CT	E	0	0	0	0	0	0	0
8. Delaware	DE	E	0	0	0	0	0	0	0
9. District of Columbia	DC	E	0	0	0	0	0	0	0
10. Florida	FL	E	0	0	0	28,336	222,237	0	0
11. Georgia	GA	E	0	0	0	(962,220)	27,995,444	0	0
12. Hawaii	HI	E	0	0	0	0	0	0	0
13. Idaho	ID	E	0	0	0	0	0	0	0
14. Illinois	IL	E	0	0	0	51	841	0	0
15. Indiana	IN	E	0	0	0	0	0	0	0
16. Iowa	IA	E	0	0	0	0	0	0	0
17. Kansas	KS	E	0	0	0	0	0	0	0
18. Kentucky	KY	E	0	0	0	0	0	0	0
19. Louisiana	LA	E	0	0	0	23	182	0	0
20. Maine	ME	E	0	0	0	0	0	0	0
21. Maryland	MD	E	0	0	0	0	0	0	0
22. Massachusetts	MA	E	0	0	0	1	4	0	0
23. Michigan	MI	E	0	0	0	0	10	0	0
24. Minnesota	MN	E	0	0	0	0	6	0	0
25. Mississippi	MS	E	0	0	0	1	4	0	0
26. Missouri	MO	E	0	0	0	(577,321)	16,797,291	0	0
27. Montana	MT	E	0	0	0	0	0	0	0
28. Nebraska	NE	E	0	0	0	0	0	0	0
29. Nevada	NV	E	0	0	0	0	0	0	0
30. New Hampshire	NH	E	0	0	0	0	0	0	0
31. New Jersey	NJ	E	0	0	0	0	0	0	0
32. New Mexico	NM	E	0	0	0	0	0	0	0
33. New York	NY	E	0	0	5,503	1,262,604	10,205,589	0	0
34. North Carolina	NC	E	0	0	0	0	0	0	0
35. North Dakota	ND	E	0	0	0	0	0	0	0
36. Ohio	OH	E	0	0	0	0	0	0	0
37. Oklahoma	OK	E	0	0	0	0	0	0	0
38. Oregon	OR	E	0	0	0	0	0	0	0
39. Pennsylvania	PA	E	0	0	0	(96,241)	2,800,160	0	0
40. Rhode Island	RI	L	0	0	57,450	3,093,509	3,038,380	0	0
41. South Carolina	SC	E	0	0	0	0	0	0	0
42. South Dakota	SD	E	0	0	0	0	0	0	0
43. Tennessee	TN	E	0	0	0	0	0	0	0
44. Texas	TX	E	0	0	0	(322)	10,291	0	0
45. Utah	UT	E	0	0	0	0	0	0	0
46. Vermont	VT	E	0	0	0	0	0	0	0
47. Virginia	VA	E	0	0	0	0	0	0	0
48. Washington	WA	E	0	0	3,701	626,441	4,996,609	0	0
49. West Virginia	WV	E	0	0	0	0	0	0	0
50. Wisconsin	WI	E	0	0	0	0	0	0	0
51. Wyoming	WY	E	0	0	0	0	0	0	0
52. American Samoa	AS	N	0	0	0	0	0	0	0
53. Guam	GU	E	0	0	0	0	0	0	0
54. Puerto Rico	PR	E	0	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	E	0	0	0	0	0	0	0
56. Northern Mariana Islands	MP	N	0	0	0	0	0	0	0
57. Canada	CAN	E	0	0	0	0	0	0	0
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0
59. Totals	XXX	0	0	0	219,189	5,000,000	111,780,940	0	0
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	0	0	0	0	0	0	0	0

(a) Active Status Counts:

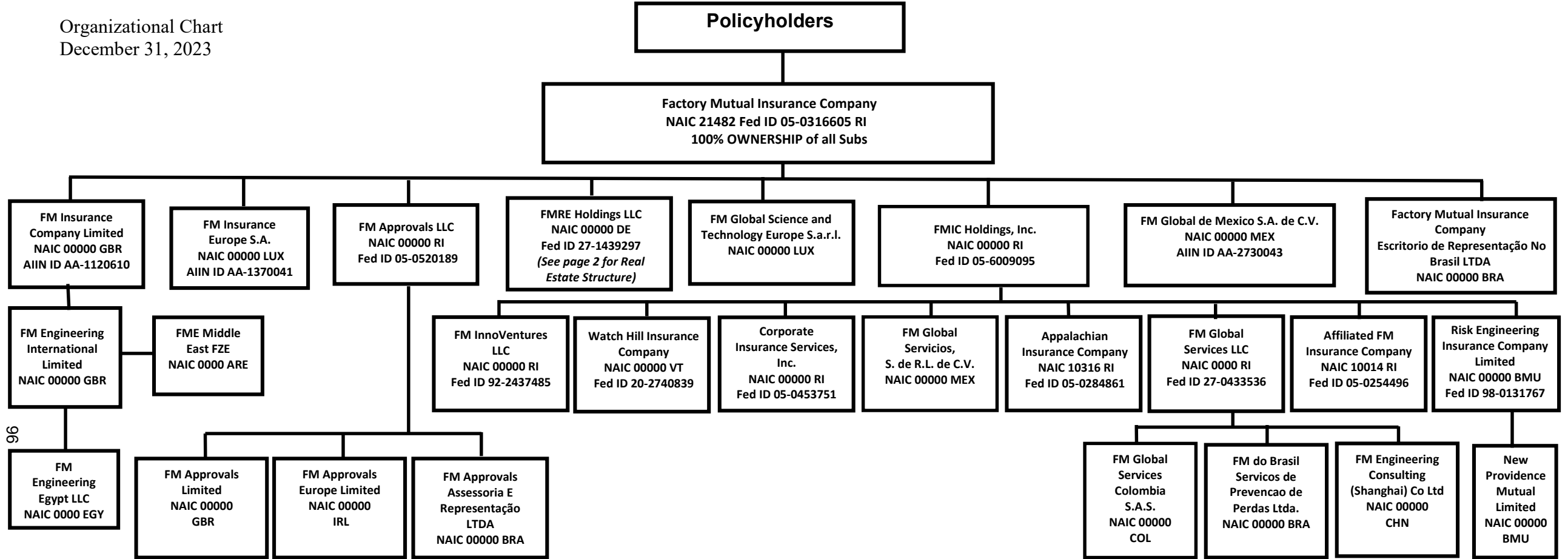
- 1. L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG..... 1
- 2. R - Registered - Non-domiciled RRGs..... 0
- 3. E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - see DSLI)..... 54
- 4. Q - Qualified - Qualified or accredited reinsurer..... 0
- 5. D - Domestic Surplus Lines Insurer (DSLII) - Reporting entities authorized to write surplus lines in the state of domicile..... 0
- 6. N - None of the above - Not allowed to write business in the state..... 2

(b) Explanation of basis of allocation of premiums by states, etc.

Not applicable.

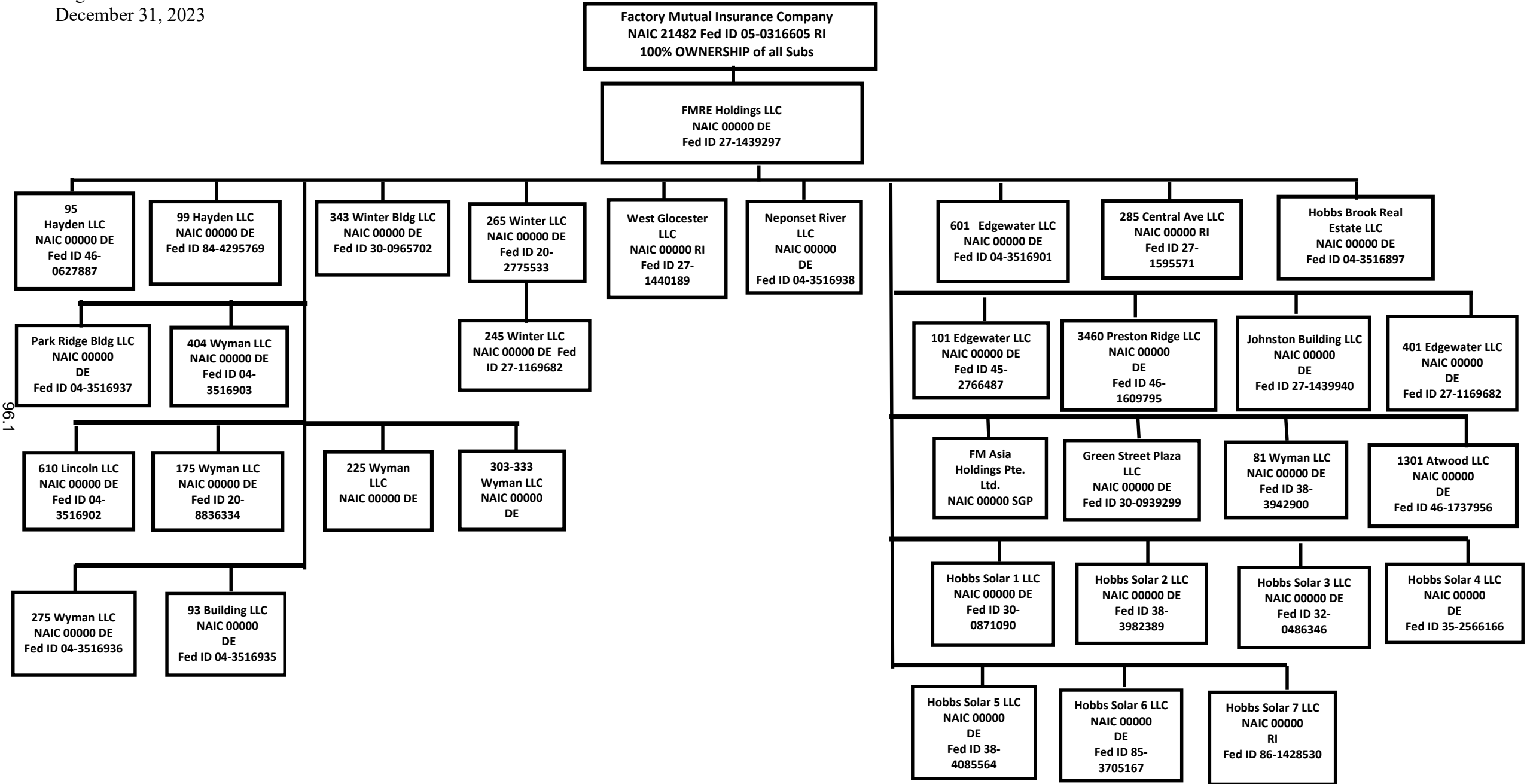
ANNUAL STATEMENT FOR THE YEAR 2023 OF THE APPALACHIAN INSURANCE COMPANY

Organizational Chart
December 31, 2023



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Organizational Chart
December 31, 2023



96.1

NONE