

COMPANY INCOME STATEMENT
December 31, 2017

A.S. Line	Description	Policy Year 2009	Policy Year 2010	Policy Year 2011	Policy Year 2012	Policy Year 2013	Policy Year 2014	Policy Year 2015	Policy Year 2016	Policy Year 2017	CALENDAR YEAR 2017
plus: Ceded Unearned Premiums - Current											
1.0	FIRE										0.00
2.0	EXTENDED COVERAGE									6,848.02	6,848.02
4.0	HOMEOWNERS									523.97	523.97
12.0	EARTHQUAKE										0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,371.99	7,371.99
NET EARNED PREMIUMS											
1.0	FIRE	0.00	0.00	0.00	0.00	(37.00)	(692.00)	(845.00)	1,744,519.34	1,698,747.95	3,441,693.29
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	0.00	(15.00)	(250.00)	(356.00)	592,541.64	562,500.65	1,154,421.29
4.0	HOMEOWNERS	0.00	0.00	0.00	0.00	0.00	0.00	(614.00)	643,987.28	611,195.59	1,254,568.87
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	(35.00)	23,235.61	20,231.42	43,432.03
	TOTAL	0.00	0.00	0.00	0.00	(52.00)	(942.00)	(1,850.00)	3,004,283.87	2,892,675.61	5,894,115.48
NET LOSSES INCURRED											
1.0	FIRE	0.00	0.00	0.00	0.00	(50,000.00)	0.00	0.00	709,410.65	760,174.58	1,419,585.23
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	0.00	0.00	1,920.00	4,417.56	258,491.25	168,998.70	433,827.51
4.0	HOMEOWNERS	0.00	(2,856.50)	0.00	0.00	0.00	0.00	8,941.46	690,527.41	272,677.05	969,289.42
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL	0.00	(2,856.50)	0.00	0.00	(50,000.00)	1,920.00	13,359.02	1,658,429.31	1,201,850.33	2,822,702.16
NET LAE INCURRED											
1.0	FIRE	0.00	0.00	0.00	0.00	11,936.45	0.00	(2,578.00)	119,912.49	238,167.37	367,438.31
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	0.00	(108.00)	6,336.17	(1,830.66)	87,268.09	117,055.52	208,721.12
4.0	HOMEOWNERS	0.00	(328.61)	0.00	0.00	0.00	(532.00)	721.40	130,966.11	162,790.90	293,617.80
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL	0.00	(328.61)	0.00	0.00	11,828.45	5,804.17	(3,687.26)	338,146.69	518,013.79	869,777.23
Commissions											
1.0	FIRE					(3.70)	(69.20)	(84.50)	(10,489.20)	346,780.39	336,133.79
2.0	EXTENDED COVERAGE					(1.50)	(25.00)	(35.60)	(4,284.90)	113,797.02	109,450.02
4.0	HOMEOWNERS							(30.70)	(2,080.35)	62,991.19	60,880.14
12.0	EARTHQUAKE							(1.75)	(0.95)	3,516.44	3,513.74
	TOTAL	0.00	0.00	0.00	0.00	(5.20)	(94.20)	(152.55)	(16,855.40)	527,085.04	509,977.69
Less: Ceded Commissions											
1.0	FIRE										0.00
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	0.00				(132.30)	4,187.15	4,054.85
4.0	HOMEOWNERS	0.00	0.00	0.00	0.00				(13.80)	342.60	328.80
12.0	EARTHQUAKE										0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(146.10)	4,529.75	4,383.65
NET COMMISSIONS INCURRED											
1.0	FIRE	0.00	0.00	0.00	0.00	(3.70)	(69.20)	(84.50)	(10,489.20)	346,780.39	336,133.79
2.0	EXTENDED COVERAGE	0.00	0.00	0.00	0.00	(1.50)	(25.00)	(35.60)	(4,152.60)	109,609.87	105,395.17
4.0	HOMEOWNERS	0.00	0.00	0.00	0.00	0.00	0.00	(30.70)	(2,066.55)	62,648.59	60,551.34
12.0	EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	(1.75)	(0.95)	3,516.44	3,513.74
	TOTAL	0.00	0.00	0.00	0.00	(5.20)	(94.20)	(152.55)	(16,709.30)	522,555.29	505,594.04

Note: Column totals and line totals may not balance due to the rounding of cents.

COMPANY INCOME STATEMENT
December 31, 2017

A.S. Line Description	Policy Year 2009	Policy Year 2010	Policy Year 2011	Policy Year 2012	Policy Year 2013	Policy Year 2014	Policy Year 2015	Policy Year 2016	Policy Year 2017	CALENDAR YEAR 2017
TOTAL OTHER OPERATING EXPENSES INCURRED										
TOTAL									1,256,248.79	1,256,248.79
TOTAL UNDERWRITING DEDUCTIONS										
TOTAL	0.00	(3,185.11)	0.00	0.00	(38,176.75)	7,629.97	9,519.21	1,979,866.70	3,498,668.20	5,454,322.22
NET UNDERWRITING GAIN or (LOSS)										
TOTAL	0.00	3,185.11	0.00	0.00	38,124.75	(8,571.97)	(11,369.21)	1,024,417.17	(605,992.59)	439,793.26
NET INVESTMENT INCOME INCURRED										
NET INVESTMENT INCOME EARNED								129,749.29	137,099.11	266,848.40
NET CAPITAL GAIN (LOSS)									164,382.07	164,382.07
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	129,749.29	301,481.18	431,230.47
NET OTHER INCOME										
TOTAL									(85,752.18)	(85,752.18)
NET INCOME (LOSS) before Taxes										
TOTAL	0.00	3,185.11	0.00	0.00	38,124.75	(8,571.97)	(11,369.21)	1,154,166.46	(390,263.59)	785,271.55
NET TAXES INCURRED										
FEDERAL INCOME TAX									66,822.00	66,822.00
										0.00
										0.00
										0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	66,822.00	66,822.00
OTHER INCREASE (DECREASE) TO SURPLUS										
UNREALIZED CAPITAL GAIN or (LOSS)								(111,140.24)	479,339.54	368,199.30
CHANGE IN NON-ADMITTED ASSETS								132.08	122,445.22	122,577.30
OTHER ADJUSTMENTS								322.00	(322.00)	0.00
CHANGE IN NET DEFERRED INCOME TAX								38,000.00	(130,000.00)	(92,000.00)
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(72,686.16)	471,462.76	398,776.60
NET CHANGE IN SURPLUS										
TOTAL	0.00	3,185.11	0.00	0.00	38,124.75	(8,571.97)	(11,369.21)	1,081,480.30	14,377.17	1,117,226.15

Note: Column totals and line totals may not balance due to the rounding of cents.

COMPANY SCHEDULE P REPORT OF LOSSES
December 31, 2017

A.S. Line	Description	Policy Year 2009		Policy Year 2010		Policy Year 2011		Policy Year 2012		Policy Year 2013		Policy Year 2014		Policy Year 2015		Policy Year 2016		Policy Year 2017		CALENDAR YEAR 2017
		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		
		2009	2010	2010	2011	2011	2012	2012	2013	2013	2014	2014	2015	2015	2016	2016	2017	2017	2018	
Paid Losses																				
1.0	FIRE									75,000.00						218,448.60	546,594.78	543,774.58		1,383,817.96
2.0	EXTENDED COVERAGE											7,000.00		8,373.41	18,581.55	264,679.70	157,026.70			455,661.36
4.0	HOMEOWNERS													16,189.46	24,842.44	636,898.85	241,779.05			919,709.80
12.0	EARTHQUAKE																			0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	75,000.00	0.00	7,000.00	0.00	24,562.87	261,872.59	1,448,173.33	942,580.33		2,759,189.12
Paid Salv/Subro																				
1.0	FIRE																(23,232.73)			(23,232.73)
2.0	EXTENDED COVERAGE													(1,221.85)						(1,221.85)
4.0	HOMEOWNERS				(2,856.50)										(1,800.00)					(4,656.50)
12.0	EARTHQUAKE																			0.00
	TOTAL	0.00	0.00	0.00	(2,856.50)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(1,221.85)	(1,800.00)	(23,232.73)	0.00			(29,111.08)
Salv/Subro Reserve																				
1.0	FIRE																			0.00
2.0	EXTENDED COVERAGE																			0.00
4.0	HOMEOWNERS																			0.00
12.0	EARTHQUAKE																			0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Case Outstanding Losses - Current																				
1.0	FIRE																124,600.00	216,400.00		341,000.00
2.0	EXTENDED COVERAGE											3,500.00					4,000.00	3,500.00		11,000.00
4.0	HOMEOWNERS															59,600.12	28,000.00			87,600.12
12.0	EARTHQUAKE																			0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,500.00	0.00	0.00	0.00	188,200.12	247,900.00			439,600.12
IBNR Loss Reserves - Current																				
1.0	FIRE																			0.00
2.0	EXTENDED COVERAGE													312.00		1,766.00		8,472.00		10,550.00
4.0	HOMEOWNERS														2,486.00		2,898.00			5,384.00
12.0	EARTHQUAKE																			0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	312.00	0.00	4,252.00	0.00	11,370.00		15,934.00
Case Outstanding Losses - Prior																				
1.0	FIRE									125,000.00						157,000.00				282,000.00
2.0	EXTENDED COVERAGE											7,500.00			1,000.00	26,500.00				35,000.00
4.0	HOMEOWNERS													4,500.00	31,500.00					36,000.00
12.0	EARTHQUAKE																			0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	125,000.00	0.00	7,500.00	0.00	5,500.00	215,000.00	0.00	0.00			353,000.00

Note: Column totals and line totals may not balance due to the rounding of cents.

COMPANY SCHEDULE P REPORT OF LOSSES
December 31, 2017

A.S. Line Description	Policy Year 2009 Accident Year		Policy Year 2010 Accident Year		Policy Year 2011 Accident Year		Policy Year 2012 Accident Year		Policy Year 2013 Accident Year		Policy Year 2014 Accident Year		Policy Year 2015 Accident Year		Policy Year 2016 Accident Year		Policy Year 2017 Accident Year		CALENDAR YEAR
	2009	2010	2010	2011	2011	2012	2012	2013	2013	2014	2014	2015	2015	2016	2016	2017	2017	2018	2017
	IBNR Loss Reserves - Prior																		
1.0 FIRE											0.00		0.00		0.00				0.00
2.0 EXTENDED COVERAGE											1,080.00		2,046.00		4,036.00				7,162.00
4.0 HOMEOWNERS											0.00		2,748.00		0.00				2,748.00
12.0 EARTHQUAKE																			0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,080.00	0.00	4,794.00	0.00	4,036.00	0.00		0.00	9,910.00
Incurred Losses																			
1.0 FIRE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(50,000.00)	0.00	0.00	0.00	0.00	61,448.60	647,962.05	760,174.58	0.00	1,419,585.23
2.0 EXTENDED COVERAGE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(1,080.00)	3,000.00	(1,734.00)	6,151.56	(10,188.45)	268,679.70	168,998.70	0.00	433,827.51
4.0 HOMEOWNERS	0.00	0.00	0.00	(2,856.50)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2,748.00)	11,689.46	(5,971.56)	696,498.97	272,677.05	0.00	969,289.42
12.0 EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	(2,856.50)	0.00	0.00	0.00	0.00	0.00	(50,000.00)	(1,080.00)	3,000.00	(4,482.00)	17,841.02	45,288.59	1,613,140.72	1,201,850.33		2,822,702.16
Open Claims																			
1.0 FIRE																1	4		5
2.0 EXTENDED COVERAGE											1					2	1		4
4.0 HOMEOWNERS																3	2		5
12.0 EARTHQUAKE																			0
TOTAL	0	0	0	0	0	0	0	0	0	0	1	0	0	0	6	7			14
Claims Closed with Loss Payment																			
1.0 FIRE									1						9	21	20		51
2.0 EXTENDED COVERAGE											1		2		6	51	31		91
4.0 HOMEOWNERS			1										5		6	40	21		73
12.0 EARTHQUAKE																			0
TOTAL	0	0	1	0	0	0	0	0	1	0	1	0	7	21	112	72			215
Claims Closed w/o Loss Payment																			
1.0 FIRE	1		1		1		1		1	1	1	1		1	1				8
2.0 EXTENDED COVERAGE		2	2	2	1	2	3	1	3	3			2	2			3		26
4.0 HOMEOWNERS	2	2	2	4	1	2	2				1		3	1			2		22
12.0 EARTHQUAKE																			0
TOTAL	3	4	5	6	2	4	5	1	4	4	2	1	5	3	1	1	5		56

Note: Column totals and line totals may not balance due to the rounding of cents.

COMPANY SCHEDULE P REPORT OF LOSS ADJUSTMENT EXPENSE
December 31, 2017

A.S. Line	Description	Policy Year 2009		Policy Year 2010		Policy Year 2011		Policy Year 2012		Policy Year 2013		Policy Year 2014		Policy Year 2015		Policy Year 2016		Policy Year 2017		CALENDAR YEAR 2017
		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		Accident Year		
		2009	2010	2010	2011	2011	2012	2012	2013	2013	2014	2014	2015	2015	2016	2016	2017	2017	2018	
Paid Loss Adjustment Expense																				
1.0	FIRE										18,683.57					17,202.67	28,927.24	23,882.99		88,696.47
2.0	EXTENDED COVERAGE												6,535.98	608.14	1,956.50	7,286.44	47,092.15	21,592.59		85,071.80
4.0	HOMEOWNERS														2,401.00	7,216.93	50,986.30	21,159.09		81,763.32
12.0	EARTHQUAKE																			0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18,683.57	0.00	6,535.98	608.14	4,357.50	31,706.04	127,005.69	66,634.67		255,531.59
Paid Unallocated Loss Adjustment Fees																				
1.0	FIRE										8,627.83					25,129.83	75,858.25	203,421.38		313,037.29
2.0	EXTENDED COVERAGE												805.26		822.70	2,137.58	35,675.92	65,113.93		104,555.39
4.0	HOMEOWNERS														1,862.40	2,650.75	83,793.97	122,552.81		210,531.32
12.0	EARTHQUAKE																			0.00
	TOTAL	0.00	0.00	0.00	(328.61)	0.00	0.00	0.00	0.00	0.00	8,627.83	0.00	805.26	0.00	2,685.10	29,918.16	195,328.14	391,088.12		628,124.00
Case Outstanding LAE - Current																				
1.0	FIRE																3,500.00	8,950.00		12,450.00
2.0	EXTENDED COVERAGE												500.00				500.00	500.00		1,500.00
4.0	HOMEOWNERS					500.00											500.00	3,500.00		4,500.00
12.0	EARTHQUAKE																			0.00
	TOTAL	0.00	0.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00	500.00	0.00	0.00	0.00	4,500.00	12,950.00		18,450.00
IBNR ALAE Reserves - Current																				
1.0	FIRE																	246.00		246.00
2.0	EXTENDED COVERAGE															4,391.00		10,649.00		15,040.00
4.0	HOMEOWNERS															1,104.00		10,246.00		11,350.00
12.0	EARTHQUAKE																			0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,495.00	0.00	21,141.00		26,636.00
IBNR Unallocated LAE Reserves - Current																				
1.0	FIRE																	1,667.00		1,667.00
2.0	EXTENDED COVERAGE													200.00		237.00		19,200.00		19,637.00
4.0	HOMEOWNERS															284.00		5,333.00		5,617.00
12.0	EARTHQUAKE																			0.00
	TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	200.00	0.00	521.00	0.00	26,200.00		26,921.00
Case Outstanding LAE - Prior																				
1.0	FIRE										6,861.95					9,685.50				16,547.45
2.0	EXTENDED COVERAGE												847.07		500.00	3,100.00				4,447.07
4.0	HOMEOWNERS					500.00									500.00	4,696.84				5,696.84
12.0	EARTHQUAKE																			0.00
	TOTAL	0.00	0.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	6,861.95	0.00	847.07	0.00	1,000.00	17,482.34	0.00	0.00		26,691.36

Note: Column totals and line totals may not balance due to the rounding of cents.

COMPANY SCHEDULE P REPORT OF LOSS ADJUSTMENT EXPENSE
December 31, 2017

A.S. Line Description	Policy Year 2009 Accident Year		Policy Year 2010 Accident Year		Policy Year 2011 Accident Year		Policy Year 2012 Accident Year		Policy Year 2013 Accident Year		Policy Year 2014 Accident Year		Policy Year 2015 Accident Year		Policy Year 2016 Accident Year		Policy Year 2017 Accident Year		CALENDAR YEAR
	2009	2010	2010	2011	2011	2012	2012	2013	2013	2014	2014	2015	2015	2016	2016	2017	2017	2018	2017
	IBNR ALAE Reserves - Prior																		
1.0 FIRE									0.00		0.00		2,578.00		10,328.00				12,906.00
2.0 EXTENDED COVERAGE									108.00		0.00		4,571.00		4,598.00				9,277.00
4.0 HOMEOWNERS									0.00		532.00		2,361.00		8,728.00				11,621.00
12.0 EARTHQUAKE									0.00		0.00		0.00		0.00				0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	108.00	0.00	532.00	0.00	9,510.00	0.00	23,654.00	0.00	0.00	0.00	33,804.00
IBNR Unallocated LAE Reserves - Prior																			
1.0 FIRE									8,513.00		0.00		0.00		10,692.00				19,205.00
2.0 EXTENDED COVERAGE									0.00		658.00		347.00		2,354.00				3,359.00
4.0 HOMEOWNERS									0.00		0.00		681.00		2,145.00				2,826.00
12.0 EARTHQUAKE									0.00		0.00		0.00		0.00				0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,513.00	0.00	658.00	0.00	1,028.00	0.00	15,191.00	0.00	0.00	0.00	25,390.00
Incurred Loss Adjustment Expense																			
1.0 FIRE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(8,513.00)	20,449.45	0.00	0.00	(2,578.00)	0.00	11,627.00	108,285.49	238,167.37		367,438.31
2.0 EXTENDED COVERAGE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(108.00)	0.00	(658.00)	6,994.17	(4,109.86)	2,279.20	4,000.02	83,268.07	117,055.52		208,721.12
4.0 HOMEOWNERS	0.00	0.00	0.00	(328.61)	0.00	0.00	0.00	0.00	0.00	0.00	(532.00)	0.00	(3,042.00)	3,763.40	(4,314.16)	135,280.27	162,790.90		293,617.80
12.0 EARTHQUAKE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
TOTAL	0.00	0.00	0.00	(328.61)	0.00	0.00	0.00	0.00	(8,621.00)	20,449.45	(1,190.00)	6,994.17	(9,729.86)	6,042.60	11,312.86	326,833.83	518,013.79		869,777.23

Note: Column totals and line totals may not balance due to the rounding of cents.