#### 1988 CASUALTY LOSS RESERVE SEMINAR

#### 4A-1: CHANGES TO SCHEDULES O & P

Moderator: Frederick Kist Partner Coopers & Lybrand

Panelist: Dean Anderson Consulting Actuary Tillinghast/Towers Perrin

Recorder: Alison Milford Supervising Specialist Coopers & Lybrand FREDERICK KIST: Good afternoon and welcome to Session 4A-1. My name is Frederick Kist. I am a partner with Coopers & Lybrand, responsible for the Southeastern actuarial consulting practice. Dean Anderson, our speaker for this session, is a principal with Tillinghast and a Fellow of the Casualty Actuarial Society. He is responsible for the Minneapolis property-casualty actuarial practice for Tillinghast. Dean is also a member of the American Academy Committee for Property Liability Insurance Financial Reporting.

This session will not be a teaching session. Due to the time constraints, we will not explain each and every column of the new Schedule P. We will, however, address the changes that will be occurring in the Schedule in 1989.

The changes in Schedule P, approved for implementation for the 1989 blank, represent the first major overhaul to the schedule in decades. In the last two or three years, a few new schedules have been introduced relating to the disclosure of the discounted amounts if a company is discounting. Also, additional schedules have been added to Schedule P to handle claims-made coverages. But, for the most part, the 1989 change really represents the first major change since Schedule P was transferred from a policy year to an accident year basis.

One of the reasons for the changes which we will be discussing is that the current Schedule P has a number of limitations. The data provided is limited. Firstly, claim count information is not fully provided and secondly, there are problems with respect to net data. Again, as I have pointed out, the new Schedule P will be effective for 1989. Dean will go through the individual details of the changes to the Schedule and then I

will be back to discuss some of the various interrogatories that we will have on the Schedule.

**DEAN ANDERSON:** Thank you Fred. It might be helpful for you to refer to page 16 and 17 of the Appendix.

First of all, we will discuss the changes that effect all parts. The good news is that three of the previous schedules that you had to fill out will be deleted; Schedules K, G, and O. The bad news is that the lines of business that were on these schedules will be included on the new Schedule P and will generally be in greater detail. There will be ten years of data on all of the parts in the new Schedule P, while on the current Schedule P in the incurred development, there were six years shown and in the paid development there were only five years shown. In every part, you will now be required to have a full ten years of runoff experience.

The new Schedule P will have sixteen different line of business segmentations. First of all, homeowners and farmowners will be a separate category, not combined with commercial multiple peril (CMP), ocean marine, aircraft, machinery, and all the other policies that have the multiple peril type coverage. The second big line of business change is that automobile liability will be split between private passenger automobile and commercial auto and truck insurance. The workers' compensation category will be the same as it previously had been. Commercial multiple peril will be split out, just like farmowners and homeowners. Medical malpractice will be the same as it is currently. Special liability will be the coverage remaining after you separate the CMP and homeowners from the old multiple peril

Other liability will be exactly the same as the current other section. liability category. The special property area will cover most of the monoline-property type coverages that were included on Schedule O: fire, allied lines, earthquake, ocean marine, burglary and glass. damage will be the same category that was previously included on Schedule O. Fidelity, surety, financial quaranty and mortgage quaranty will be combined. There will also be a catch-all category that covers credit, accident and health and the international line of business. The last four categories will be for non-proportional or excess of loss type reinsurance. Proportional or pro-rata type reinsurance is to be included in the appropriate line of business category or categories as specified above. The first of the nonproportional reinsurance categories is labeled Reinsurance A and will cover property type excess of loss coverage for the years 1988 and subsequent. Reinsurance B will be liability type excess of loss coverage for years 1988 and subsequent. Reinsurance C will be financial type reinsurance and will also be an excess of loss for 1988 and subsequent. Reinsurance D is the run-off of the current Schedule O reinsurance line for 1987 and earlier accident years.

#### SCHEDULE P - PART 1

The new Schedule P, Part 1 will be the major part of the schedule as is currently the case. Part 1 provides most of the information for all of the other parts. One major change to Part 1 is that there will be a prior year now for years aged eleven years or more. This prior year now only includes the transactions during the current year for the various categories and reserves at year end. You are not responsible for securing all the historical paid data for prior years. The biggest change, however, is that

the Schedule will no longer be strictly on a net basis, but you will be required to have separate categories for direct, assumed, and ceded business and the net total. Other changes to Schedule P are that there will be a separate column to show salvage and subrogation received, the number of claims reported will have to be shown for a number of the line of business segmentations, and there has been a clarification of the IBNR reserve to cover bulk reserves as well as IBNR reserves. Effectively all actuarial type reserves to supplement case reserves will be included in the bulk plus IBNR reserve.

Another major change is that you will be required to separately show allocated and unallocated loss reserves. In addition, the reserves for allocated loss adjustment expense will have to be split between case reserves and IBNR reserves.

There will be a column on the new exhibit to show any discount amount for the time value of money. This effectively replaces one of the current parts to Schedule P. The discounting shown here is only for the non-tabular type discount (i.e. discounting for workers compensation pension cases is still included in the case reserve number). If the company is involved in a intercompany pooling arrangement, you will be expected to show the percentage that is applicable to the specific accident year. If some of the business was pooled and some of it was not, then you will be expected to leave that section blank and explain the situation in one of the interrogatories. Even though you put down the intercompany pooling percentages in Part 1, you will still be expected to fill out Schedule P on an individual company basis and not on a total group basis.

Also new to Schedule P will be a column to show the net balance sheet reserves after discount. This column is just the loss reserves and the loss adjustment expense reserves that are previously shown in the exhibit less the amount that is shown in the "discount for time value of money" column.

#### SCHEDULE P - PART 1, SECTION 1

Refering to page 16 of the Appendix, Schedule P, Part 1, Section 1, there is not much in the way of change in column 1 other than the fact that we have ten individual years as we discussed before. As in the current Schedule P, the definition of what goes in each year depends upon the type of coverage provided. If you had an occurrence policy, the years are equivalent to an accident year, and if the policy coverage involved is claims-made the years correspond to a report year. The next three columns, Columns 2, 3, and 4 is the section to report any premium. Column 4 is exactly what we have in the current Schedule P, earned premiums on a net basis. Now, in addition to net, you will have to show direct and assumed in Column 2 and ceded in Column 3. The next section is the information on paid loss and loss adjustment expense. Columns 5 and 6 under loss payment are both effectively used since we do not show the ceded amounts. Then we have corresponding columns, Columns 7 and 8, for allocated loss adjustment Column 9, showing salvage and subrogation received, is a new column for Schedule P. Before salvage and subrogation received was just buried in the net number. The payments in Columns 5 and 6 are net of salvage and subrogation. This is equivalent to what happens on the current Schedule P, but is new to the Schedule O lines which were shown gross of salvage and subrogation with the salvage and subrogation shown separately. The next column, Column 11, is the sum of all of the columns with the

exception of the salvage and subrogation amount. Column 11 is the net loss and loss adjustment expense. Column 12 is completely new, and it is X'ed out on page 16 of the Appendix because the example we are showing here is the summary sheet. It is only necessary to show reported claim counts for automobile liability, medical malpractice, workers compensation, other liability, CMP and auto physical damage. All the other exhibits have Column 12 X'ed out. If you are in a company pooling arrangement, you are supposed to show only your percentage of the claims. The current instructions are silent on other pro rata reinsurance, but it would seem logical that if you are able to get claim count information on that type of coverage that you will of course only show your pro rata share of the claim count.

#### SCHEDULE P - PART 1, SECTION 2

The first category of Schedule P, Part 1, Section 2, which is also shown on page 16 of the Appendix, splits the loss reserves into its case and IBNR components. The change is that you will have to separate both components between direct and assumed business and ceded business, rather than just showing the net amount. The next area of Section 2 is new, since previously allocated reserves were shown combined with the unallocated so you could not separate unallocated from allocated and you could not separate case from IBNR. Now, the allocated loss reserves will have to be shown in the same detail as the loss reserves. Column 21 is the reserves for unallocated and there is no need to separate it between case and IBNR. Column 22 is the sum of the loss and loss adjustment expense reserves on a net basis. And Column 23 is the outstanding claim count which is currently shown in Schedule P.

#### SCHEDULE P - PART 1, SECTION 3

In Schedule P, Part 1, Section 3, the first group of three columns show the total loss and loss expense incurred. The net value is the same as that which is currently reported, but you will also have to show total loss and loss expense incurred on a direct, an assumed and a ceded basis. The next group of three columns are the corresponding loss ratios on all three bases. Columns 30 and 31 show the discount for the time value of money which is shown separately for losses and for loss adjustment expense. These column are new to Schedule P. Column 32 is the above mentioned intercompany pooling percentages. The last two columns, Columns 33 and 34, are the reserves that are carried on the balance sheet after discounting. These two columns will total up to the reserves that are carried on the liability page of the balance sheet.

I should point out that, for the first year (Statement year 1989), you will only be required to include the current accident year's reported claim counts. But for the 1990 annual statement's Schedule P and forward, you will have to go back and get the counts for all of the years that will be shown in that exhibit. There is not any provision for phasing in these changes. In other words, when you file the 1989 annual statement, all of the categories will have to be filled in with historical information with the exception of the reported claim counts.

#### SCHEDULE P - PART 2

Schedule P, Part 2, shown on page 17 of the Appendix, is still the exhibit that shows the historical loss development. There are a few changes, however. Firstly, Part 2 only includes loss and allocated. The unallocated

incurred are no longer shown on this exhibit. Secondly, the prior year row only shows the run-off of the loss reserves that were carried ten years prior. There is a one-year and a two-year development calculation done on this exhibit so that it can be used in the IRIS tests. The last two columns from the current Schedule P, Page 2, the calculated loss ratios and the cumulative totals for all accident years incurred, have been deleted. Part 2 is showing only the individual accident year development. The accident years, or report years if you have claims-made coverage, are shown in the first column. The years going across are the evaluation date for each of those accident years. The last two columns are the one-year and two-year development and there is a total at the bottom for doing IRIS calculations.

#### SCHEDULE P - PART 3

Schedule P, Part 3, also on Page 17 of the Appendix, is still the historical paid information. This exhibit, as in Part 2, only includes loss and allocated; unallocated loss adjustment expense paid is not shown. Part 3 shows ten years of activity, no longer just the previous five. An important area that is brand new is the closed claim counts which will have to be shown on this exhibit. These closed counts also have to be split between the number of claims that closed with a loss payment and the number of claims that closed without a loss payment. Finally, the paid ratios and reserved ratios have been deleted. The only thing shown is the actual raw data.

#### SCHEDULE P - PART 4

Part 4 has been deleted entirely. This change is because the information on the discount amounts for loss and loss adjustment expense reserves will be included on Part 1.

#### SCHEDULE P - PART 5

Part 5 was introduced this year, 1988, to give information on claims-made policies. This addition is being carried over.

#### SCHEDULE P - PART 6

Part 6 is the IBNR history exhibit replacing the current Part 1F. The new exhibit includes both loss and allocated loss adjustment expense, as opposed to only losses. Part 6 also shows the historical reserves that were carried for those accident years at each evaluation point and does not show the actual IBNR development. The format on this exhibit is basically the same as that of Parts 2 and 3. The specific accident years or report years are shown in the first column and the historical reserves for a given accident year are shown going across the page.

You may have noticed that there are not many footnotes. That is because most of the current instructions and footnotes from Schedule P, like the calculation of the Schedule P loss reserves and the allocation of paid unallocated loss adjustment expense have been elevated to the interrogatory section, which Fred will now discuss.

KIST: Thank you, Dean. Referring to pages 36 and 37 of the Appendix, the new footnotes and interrogatories will take the form that you see on these pages. First of all, the bad news is that the statutory excess reserve did not go away. Fortunately though, they did not expand it to include additional lines of business. What could have been added perhaps is a

statutory excess reserve for the liability non-proportional reinsurance category, Reinsurance B. However, they basically kept the same lines of business included in the statutory excess reserve calculation. The calculation was not changed in any fashion, other than the non-proportional excess liability will be taken out and shown in the reinsurance piece. There could be a slight change in the calculation of the statutory excess reserve as a result of the change in the non-proportional reinsurance segmentation. As you can see on page 36, you still have an excess reserve for auto liability, other liability, medical malpractice, and workers' compensation. You will also note that they have a line here for credit. Credit, in the past, was taken care of through a calculation on Schedule K, which will be deleted. The first footnote is the total statutory excess liability. This is the amount that will be posted up to page 3 for the statutory excess liability.

The next interrogatory relates to the same interrogatory that currently exists. It is asking for information on your company's writing of claims—made policies. It requires that you fill out a separate supplement, Part 5, if you have more than one hundred thousand and greater than 15% of the current earned premiums written on a claims—made basis. The lines of business included are other liability, medical malpractice, and commercial multiple peril. As can be seen, the company must provide them with the dollar amount of premiums and a yes or no as to whether you need to complete the special supplement.

The third interrogatory relates to the proper treatment of loss adjustment expense, both allocated and unallocated. This is just a definition of

these items to make sure that you are handling loss adjustment expense consistent with other companies.

The fourth interrogatory deals with the allocation of the unallocated loss adjustment expense payments. Your company allocates unallocated loss adjustment expense payments to line of business, but not to accident year. The accident year allocation of the unallocated loss adjustment expense is handled currently in Schedules O and P through this identical footnote. The footnote has not changed and uses the same allocation process to allocate the unallocated loss expense payments to accident year.

Interrogatory number 5, requests information regarding discounting. It also reminds you that you must provide additional information in the notes to the financial statement, making sure that you have made the proper disclosure of the basis of the reserves in the notes to the financial statements.

Interrogatory 6 provides the necessary information for the regulators to calculate any statutory reserve required for fidelity and surety. Five and ten percent of premiums in force for these lines of business is the New York requirement.

The next item is requested so that we have a clear understanding of what claim counts are being provided. In, for example, automobile liability, it might not be clear whether you are getting per claim or per claimant claim count information. The commissioners have therefore decided that it is important and have requested you to provide information whether you are reporting claim counts on a per claim or per claimant basis.

Finally, the eighth item. In the past, the external reviewer of Schedule P did not really have an understanding of what changes might have effected Schedule P historically. For example, a change in the reinsurance treaty, a change in retentions, loss portfolio transaction, cession or assumption of business or a variety of other factors that might effect Schedule P data. So, for example, if you had entered into a major reinsurance portfolio transaction, that would significantly affect Schedule P, you now would disclose that fact in this interrogatory. Currently, this last interrogatory requests information as to why the Schedule P data might be inaccurate or incorrect for the company, which I think will, firstly, help the regulator, and secondly, help the external reviewer of the Schedule P information.

Overall, I think the changes that have been made will go a long way to providing the internal and external reviewers of Schedule P with quite a bit more information. My personal observation is that it is a positive forward step with respect to the additional information being made available.

Another point that should be made here is, in the past, we have all lived with a Schedule D that can get as large as a phone book, but that produces a definite value. You know what your stocks and bonds are. In the past, we have not seen any changes in these reserve schedules no matter how complex your company is. While these changes do not expand the Schedule, it certainly does provide us with more information to do a better job in working with and evaluating the loss reserves both as an external reviewer and also as a regulator.

# DEPARTMENT OF INSURANCE 600 SOUTH COMMONWEALTH AVENUE LOS ANGELES, CA 90005



**April 1988** 

TO:

Members of the Financial Condition (EX4) Subcommittee and

Other Interested Persons

SUBJECT: New Schedule P for 1989, as adopted by the Blanks Task

Force on March 10, 1988, in Santa Fe

The new Schedule P for 1989 is such a long overdue and important change to the Annual Statement that a statement of its benefits and advantages should be given.

The major concern of commissioners and examiners is solvency. This is the primary focus of the financial examinations and of statutory accounting. Although the current Annual Statement is strong in the detailed reporting of assets, it is very weak in the detailed reporting of liabilities. And this unbalance is growing as the importance of the loss and expense reserves grows and as more reinsurance transactions take place.

For the loss and expense reserves, the current Schedules O and P are so unreliable and subject to distortions that they cannot be used to test the reasonableness of the current loss and expense reserves and certainly could not be used as a justification for regulatory action. Insurance departments must now rely on special requests for detailed data by line.

In order to develop a new Schedule P, the Casualty Actuarial (EX5) Task Force invited a group of casualty actuaries employed in industry and consulting to recommend changes. After more than a year of intense meetings and correspondence, a draft proposal was reviewed publically at the NAIC meeting in Phoenix. This draft proposal became the Task Force's proposal to the Blanks Committee. Copies of this proposal have been circulating widely among accounting firms, investment houses, insurance companies, and the actuarial profession. The proposal was adopted in its entirety at the Blanks Task Force meeting in Santa Fe, effective with the 1989 reporting year.

What will the new Schedule P do better?

(1) Schedule O has become complicated, bulky, and of limited analytical usefulness. This will be corrected by placing the Schedule O lines into the Schedule P format.

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- (2) The current Schedules O and P combine dissimilar lines such as private passenger and commercial auto, homeowners and commercial multiple peril, and reinsurance and property lines. This is corrected in the new Schedule P so that an individual analysis can be made of similar kinds of losses and expenses in each line.
- (3) It will be much easier to test the reasonableness of the expense reserves, which in some cases are as important as the loss reserves.
- (4) A ten year history of the losses and expenses paid and incurred will be reported. Currently, only six years of incurred and five years of paid history are given. This will be a significant improvement for analytical purposes and will bring the reporting into better conformity with the IRS and SEC requirements.
- (5) The actuarially determined reserves, called "bulk and IBNR", will be reported more completely. This removes the necessity of assembling past Annual Statements and greatly facilitates the use of standard actuarial reserving methods.
- (6) The reporting of claim count will be expanded. For many examiners and actuaries, claim count information gives additional insight into the growth of losses.
- (7) The reporting of reinsurance is improved, including incorporation of the adopted proposals of the Property & Casualty Reinsurance Study Group.
- (8) The Instructions have been rewritten and enlarged.
- (9) The reporting format has been simplified for use with personal computers by examiners and others. Calculations which could be readily recreated by computer were removed.

In our efforts to regulate the solvency of insurance companies, the new Schedule P is an important step forward. We who have worked hard on its development hope that you will agree.

RICHARD J. ROTH, JR. Assistant Commissioner and Chief Property-Casualty Actuary California Insurance Department

Anne E. Kelly Chief Casualty Actuary New York State Insurance Department

## DEPARTMENT OF INSURANCE

600 SOUTH COMMONWEALTH AVENUE LOS ANGELES, CA 90005



April 1988

TO: Glenda Channel, NAIC Central Office

SUBJECT: New Schedule P for 1989

On March 10, 1988, the NAIC Blanks Task Force adopted proposals 53-63, 65, 66, and 78, subject to the following amendments:

- (1) to be effective with the 1989 Blank.
- (2) proposal 52, relating to closed claim count, was adopted as an amendment for Auto Liability, Auto Physical Damage, Workers' Compensation, Commercial Multiple Peril, Medical Malpractice, and Other Liability. This can be seen in the new Schedule P Part 3.
- (3) proposal 45, relating to the deletion of premiums in force, was adopted subject to the amendment that premiums in force for fidelity and surety be reported in the new Schedule P.

  This can be seen in the new Schedule P Interrogatories.

A complete mock-up of the new Schedule P, reflecting the adopted proposals and amendments, is attached. The new Schedule P replaces the current Schedules G, K, O, and P.

The required changes to the 1988 Blank for reporting in 1989 are:

- (1) Delete Schedules G, K, and O.
- (2) Replace Schedule P with new Schedule P.
- (3) Page 3, line 15. Replace reference in parenthesis with: "Schedule P Interrogatories."
- Page 21, lines 60-69. Change line 62 to read:
  "Development in estimated losses and loss expenses incurred prior to current year (Part 2, Item 11, Col. 7 less Col. 6; Part 2 Summary, One Year Total, 1989 and after)." Change line 67 to read: "Development in estimated losses and loss expenses incurred 2 years before current year and prior (Part 2, Item 9, Col. 7 less Col. 5; Part 2 Summary, Two Year Total, 1989 and after)."
- (5) Delete General Interrogatory number 28.

A separate memo covers the required changes to the Instructions.

RICHARD J. ROTH, JR. California Insurance Department

## DEPARTMENT OF INSURANCE

600 SOUTH COMMONWEALTH AVENUE LOS ANGELES, CA 90005



**April 1988** 

TO: Glenda Channel, NAIC Central Office

SUBJECT: New Schedule P for 1989 - Changes to Instructions

The NAIC Annual Statement Instructions (Property/Casualty) need to be changed to reflect the new Schedule P, approved by the Blanks Task Force in Santa Fe on March 10, 1988. The required changes to the Instructions are:

(1) Table of Contents, p. 2. Delete references Schedules G, K, and O. References to Schedule P to read:

Schedule	P	- Part 1	57 <b>-</b> 58
Schedule	P	- Part 2	59
Schedule	P	- Part 3	60
Schedule	P	- Part 4 (deleted)	61
Schedule	P	- Part 5	62
Schedule	P	- Part 6	63
Schedule	P	Interrogatories	64

(2) Page 3-3, Line 15. To read:

Enter from Schedule P Interrogatories the excess reserves as calculated in accordance with the computation method instructions. This additional liability causes a direct reduction of unassigned funds (surplus).

(3) Pages 10-1 and 10-2.

Column 5 - Net Losses Unpaid - delete all sentences containing a reference to either Schedule O or P. Add sentence: "Total on line 32 to agree with Schedule P - Part 1 - Summary, column 33, total."

Column 6 - Loss Adjustment Expenses Unpaid - Delete all sentences containing a reference to either Schedule O or P. Add sentence: "Total on line 32 to agree with Schedule P - Part 1 - Summary, column 34, total."

(4) Page 17-11, item 12.

Delete: "State whether or not any of the liabilities for unpaid losses or unpaid loss adjustment expenses are discounted. (Workers' Compensation liabilities covered by Note (f) beneath Schedule P, Part 1, may be excluded from the notes)."

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Add: "State whether or not any of the liabilities for unpaid losses or unpaid loss adjustment expenses are discounted, including liabilities for Workers' Compensation."

Delete reference to Schedule P - Part 4 in line b(4).

This consolidates the reporting for all lines together in one place and replaces Note (f).

- (5) Page 49-1. Delete page, since Schedules G and K have been deleted.
- (6) Pages 54-1 to 64-1. Replace with attached instructions for new Schedule P.
- (7) Sup. Inst. 2-2. Change reference to Schedule O to refer to Schedule P.

RICHARD J. ROTH, JR. California Insurance Department

#### 57-1

#### Schedule P

Include only the data for the insurer identified on Page 1 of the Annual Statement. Do not include consolidated data for affiliated companies except in a Consolidated Annual Statement. If the insurer participates in a pooling agreement, show only its share of the business, not the total for all participants.

Salvage and subrogation should be recognized in the Annual Statement only after such salvage and subrogation has been reduced to cash or its equivalent.

Information in Schedule P is to be reported on an undiscounted basis in order to make effective use of the triangles in Parts 2 and 3. The reserves reported are expected to represent the ultimate amounts to be paid, including anticipated inflation. If the loss and expense reserves reported on Page 3 of this Annual Statement reflect the use of a discount, a reconciliation is provided in Schedule P - Part 1. Also, work papers relating to any discount amounts must be available for examination upon request. Only a discount implicit in tabular reserves may be included in Schedule P. Discounting (including the discount in tabular reserves) is allowed only if expressly permitted by the state insurance department to which this Annual Statement is being filed.

Earned premium is on a calendar-year basis. Losses incurred should be assigned to the year in which the event occurred that triggered coverage under the contract. This may be a date of accident (occurrence policies), a date of report (claims-made policies), or a date of discovery (fidelity and surety). Report all dollar amounts in Schedule P in thousands of dollars (000 omitted), by either rounding or truncating.

The Part 1 - Summary is the sum of the Schedule P lines as reported.

The columnar headings provide instructions necessary for completion.

Except for the reinsurance lines, the lines of business are groupings of the lines of business used on page 14, the state page. In some cases, the heading of the line of business has been expanded for clarity.

"Number of Claims Reported" applies to Auto Liability (commercial and private passenger), Medical Malpractice, Workers' Compensation, Other Liability, Commercial Multiple Peril, and Auto Physical Damage only. This column can be left blank in all other lines, including Summary. For the 1989 Annual Statement, reporting is required for claims reported in 1989, optional for prior years. Required for all years in 1990 Annual Statement. "Number of Claims Outstanding" must be reported for all lines, except Reinsurance A B, C and D. For insurers reporting on a pooling basis, the poolrng percentage should be applied to claim count as well as dollar amounts. Indicate in the Interrogatories whether per claim or per claimant.

Cumulative salvage and subrogation received and losses and expenses paid should be reported for each specific year. For "prior", report only salvage and subrogation received and losses and expenses paid in current year.

In Part 1, salvage and subrogation received and unallocated loss expenses paid and unpaid should be reported net of reinsurance, if any. Loss payments are to be reported net of salvage and subrogation received in Schedule P.

Premiums earned and losses paid, unpaid, and incurred should reconcile with the Underwriting and Investment Exhibit. The work papers which show a reconciliation explaining reinsurance, discounting, and salvage and subrogation adjustments should be available for examination on request.

"Assumed" means reinsurance assumed, including from affiliated pooling agreements, but excluding any non-proportional reinsurance assumed reported as a separate line and reported accordingly.

"Direct" means as directly written, but not if part of an affiliated pooling agreement.

"Ceded" means reinsurance ceded on business so reported as direct or assumed.

Session 4A-1 Page 7 Columns (30) and (31) require reporting of the discount, if any, as included in Page 3 on liabilities for unpaid losses and expenses, in regard to non-tabular losses and expenses. Columns (33) and (34) are the Column (22) unpaid losses and expenses net of the discount in Columns (30) and (31). If the insurer reports on a pooling basis, then the percentage of that pool reported herein should be entered in Column (32). If some of the business is pooled and some is not, leave Column (32) blank and explain in Question (8) of the Schedule P Interrogatories.

The definitions of the named lines are the same as used in the Underwriting and Investment Exhibit or on Page 14, except that the reinsurance lines are defined:

Reinsurance A includes all 1988 and subsequent non-proportional reinsurance in the following lines: fire, allied lines, ocean marine, inland marine, earthquake, group accident and health, credit accident and health, other accident and health, auto physical damage, glass, boiler and machinery, burglary and theft and international (of the foregoing).

Reinsurance B includes all 1988 and subsequent non-proportional reinsurance in the following lines: farmowners multiperil, homeowners multiperil, commercial multiperil, medical malpractice, workers compensation, other liability, auto liability, aircraft (all peril) and international (of the foregoing).

Reinsurance C includes all 1988 and subsequent non-proportional reinsurance in the following lines: financial guaranty, fidelity, surety, credit and international (of the foregoing).

Reinsurance D includes all 1987 and prior reinsurance previously reported on Line 30 reinsurance.

All proportional reinsurance must be allocated to appropriate lines.

As used in this instruction "non-proportional reinsurance" means reinsurance excess of a retention by the ceding company, and "proportional reinsurance" means first dollar pro rata reinsurance.

For contracts that afford both proportional and non-proportional reinsurance, allocate premiums and losses to their component parts.

Unearned premium reserves reported in the 1987 annual statement must be reported on the same annual statement line in the 1988 and in subsequent annual statements until fully earned. Newly recorded premiums in 1988 and subsequent calendar years must be allocated to lines A, B or C as appropriate.

Part 2 displays net losses and allocated loss expenses incurred data reported in Schedule P, Part 1, of the current and prior years, except as directed in the footnote. Unallocated loss expenses should be excluded. The schedule format provides a loss and allocated expense development overview to test the adequacy of the insurer's reserves.

Amounts reported are to be net of salvage and subrogation received.

As in the rest of Schedule P, all reserves are to be reported on an undiscounted basis.

Report all amounts in thousands of dollars (000 omitted), by either rounding or truncating.

Part 3 displays net losses and allocated expenses paid data reported in Schedule P, Part 1, of the current and prior years. The schedule format establishes payment patterns for cash flow projections, discounting calculations, and actuarial projections. Do not include unallocated expenses. Report net of salvage and subrogation received.

The number of claims closed with or without loss payment must be reported for 1989 and subsequent years in which losses were incurred; optional for prior years. Claim count required for Automobile Liability and Physical Damage, Workers' Compensation, Other Liability, Commercial Multiple Peril, and Medical Malpractice.

For the line "prior", report only the most recent nine years of payments.

Report all amounts in thousands of dollars (000 omitted). The company may either round or truncate.

This schedule has been deleted, since Part 1 now provides for the reporting of a discount in the loss and expense reserves, if any. Reporting discount information is also required in the Notes to Financial Statements, as specified in the Instructions.

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## SCHEDULE P - PART 5

Part 5 is a supplemental schedule for reporting experience with respect to claims-made policies. See Schedule P Interrogatories.

The bulk and IBNR reserves for losses and allocated expenses are intended to include reserves for incurred but not reported claims, for reopened claims, for development on case reserves of reported claims, and for aggregate reserves on newly reported claims without specific case reserves. The bulk and IBNR reserves are the required actuarially determined reserves and are included in the losses unpaid and allocated loss expenses unpaid reported in Schedule P, Part 1.

Since these reserves include provision for allocated loss expenses, they will be different than the reserves reported in the Underwriting and Investment Exhibit-Part 3A, where the intention is to report bulk and IBNR reserves for losses only.

These reserves do not include provision for unallocated loss expenses, since those expenses are not related to specific claims and since the reserves for unallocated loss expenses are determined by special methods.

#### SCHEDULE P- INTERROGATORIES

- (1) Computation of excess statutory reserves over statement reserves. A percentage minimum loss and expense ratio is determined which is then applied to the net earned premiums. The result is then compared to the net losses and loss expenses incurred to give the required excess statutory reserves. Required only for Auto Liability (private passenger and commercial), Other Liability, Medical Malpractice, Workers' Compensation, and Credit.
  - (a) Other than Credit. The percentage to be used is based on the company's actual loss ratios in the five years immediately prior to the most recent three, provided that at least three of the five years have at least \$1 million in net earned premium. See Part 1, column (29). Use the lowest ratio of losses and loss expenses incurred for these years using only years which have at least \$1 million in net earned premium. If the lowest qualifying ratio is less than 60%, then use 60% (65% for Workers' Compensation). the lowest qualifying ratio is more than 75%, then use 75%. If at least three of the five years do not have at least \$1 million in net earned premium, use 60% (65% for Workers' Compensation). Round percentage to nearest tenth of one percent. Indicate percentage used. Premiums and losses are exclusive of non-proportional reinsurance, contrary to the procedure in previous years.
  - (b) Credit. Use the following formula and carry the result over to the Annual Statement.

1.	Net unpaid losses on policies expired prior to October 1, current year	
2.	Reserve for Losses on policies expired in Octob November and December, current year:	per,
	(a) Net Premiums written on such policies	
	(b) 50% of (a)	
	(c) Net losses paid under such policies	
	(d) Difference (b)-(c)	
	(e) Net losses unpaid under such policies	
	(f) Difference (d)-(e), show zero if negative	

3.	Reserve for accrued losses on policies in Ford 31, current year:	ce December
	(a) Net Premiums earned under such policies	
	(b) 50% of (a)	
	(c) Net losses paid under such policies	
	(d) Difference (b)-(c)	
	(e) Net losses unpaid under such policies	
	<pre>(f) Difference (d)-(e), show zero if negative</pre>	
4.	Excess of Statutory Reserve over Statement Res 2(f)+3(f) (Carry result over to Annual Statement.)	serves

Note: Sum of 1 + 2(e) + 3(e) should equal Page 10, Column 5, Item 28.

#### (2) Claims-made policies; Schedule P-Part 5.

"Claims-made Earned Premiums" shall include earned premiums arising from any policy where the predominant exposure is claims-made.

If claims-made earned premiums exceed \$100,000 and represent more than 15% of the current year earned premiums by line for Other Liability, Medical Malpractice, or Commercial Multiple Peril, then the insurer must complete a parallel Schedule P for the claims-made exposure for such lines only.

The following rules should be followed in accounting for claims-made exposure:

- a. When dealing with losses under claims-made (but not "tail") forms, the report date shall be substituted for the "incurred" date for the loss.
- b. Losses shall be booked in the report year consistent with the report year definition contained in the policy.

#### Notes to Schedule P

(1) The Parts of Schedule P:

Part 1 - detailed information on losses and loss expenses.

Part 2 - history of incurred losses and allocated expenses.

Part 3 - history of loss and allocated expense payments.

Part 4 - (deleted; discount information now in Part 1. and Notes to Financial Statements. Reserved for future use.)

Part 5 - supplemental schedule for claims-made policies.

Part 6 - history of bulk and incurred-but-not-reported

Schedule P Interrogatories

- (2) Lines of business A through L are groupings of the lines of business used on page 14, the state page.
- (3) Reinsurance A, B, C, and D (lines M to P) are:

Reinsurance A = non-proportional property (1988 and subsequent)

Reinsurance 8 = non-proportional liability (1988 and subsequent)

Reinsurance C = financial lines (1988 and subsequent)

Reinsurance D = old Schedule O line 30 (1987 and prior)

(4) The Instructions to Schedule P contain directions necessary for filling out Schedule P.

## (Dollars in Thousands) Section 1

(1)		Promium Bacm	ud .			Loss and	Loss Expense	Paymenta			
Years in	(2)	(3)	(4)	Loss P	nywene.a	Allocat		(9)	(10)	(11)	(12)
Which Pro- miums More Earned and Loussed More Incurred	Direct and Assumed	Coded	Not. (2)-(3)	(5) Direct and Amused	(6) Coded	(7) Direct and Assumed	(8)	Salvage and Subrogazion Received	Unaliocated Loss Expense Payments	Total Net Paid (5)-(6)+(7) -(8)+(10)	Number of Claims Reported- Direct and Assumed
Prior 1900 1901 1902 1903 1904 1905 1906 1907 1908	and a	mi	ERRS								FREE FREE FREE FREE FREE FREE FREE FREE
Totals	17833	11111	EXIS.								1212

Note: For "prior", report amounts paid or received in current year only, Report camulative exounts paid or received for specific years. Re ort loss payments not of salvage and subrogation received. Section 2

(1)		Losse	s Unpaid		A	liocated Loss	Expenses Unp	aid			
Yeers in	Case	<b>[40]</b>	Bulk	T SHORT	Case	Basis	Bulk +	IDR	(21)	(22)	(23)
Which Pre- miume Were Earned and Losses were Incurred	(13) Direct and Assumed	(14) Caded	(15) Direct and Assumed	(16) Ceded	(17) Direct and Assumed	(18) Coded	(15) Direct and Assumed	(20) Ceded	Unailocated Loss Expenses Unpaid	Total Net Commen and Expenses Unpaid	Number of Claims Outstanding- Direct and Assumed
Prior 1990 1981 1982 1993 1984 1985 1986 1987 1988											REFE REFE REFE REFE REFE REFE REFE REFE
Totals											****

Section 3

(1) Years in Which Fre-		Total d Loss Expen	men incurred	red Loss and Expense Ratio (%) Tis (Incurred/Premiums Earned) (27) (28) (29)			Discoun Time Value	of Money	(32) Inter-	Het Balance Sheet Reserves After Discount		
naume Wore Earned and Losses Were [nourred]	(24) Direct and Assumed	(25) Ceded	(26) Net(*)	(27) Direct and Assumed	(28) Ceded	(29) Heet	(30) Loss	Loss Expense	Company Pooling Perticipation Percentage	())) (o <b>e</b> e	(34) Loss Expense	
Prior 1980 1981 1982 1982 1984 1985 1986 1987 1988	****	REEL	****	<b>新花花</b>	YEE	ARR			<b>北大田</b> 東			
Totals	2222	1227	ARER	2222	1222	EFFE			EXXX			

SCHEDULE P - PART 2 - SURVARY

Years in which Cosms were Incurred	1960	1981				ļ	l		1 1	1		
			1982	1983	1964	1985	1986	1967	1988	1989	One Year	Two
Prior (*) 1980 1981 1982 1983 1984 1985 1986 1987 - 1988	)  ITALE  ITALE	ELEE ELEE ELEE ELEE ELEE ELEE ELEE ELE	EERI SERR SERR SERR SERR SERR SERR SERR	EXES EXES EXES EXES EXES EXES EXES EXES	HANN HANN HANN HANN HANN HANN HANN HANN	ERRE SERE SERE SERE	1111	IIXI	KXXX		****	XIGH 1111

<sup>(\*)</sup> Reported reserves only. Subsequent development relates only to subsequent payments and reserves.(\*\*) Current year less first or second prior year, showing (redundant) or adverse.

+a)

SCHEDULE P - PART ) - SLOOMRY

			CUMULATIVE P	AID LOSSES A	O ALLOCATED	EXPENSES AT	YEAR 2ND (	000 OHITED	)		Name of	Number of
Yeers In which Losses were Incurred	1900	1981	1962	1983	1984	1965	1986	1987	1986	1989	Classed With Loss Payment	Closed Without Loss Payment
1. Prior 2. 1980 3. 1981 4. 1982 5. 1983 6. 1984 7. 1985 8 1986 9. 1987 10. 1988 11. 1989	EEEE EEEE EEEE EEEE EEEE EEEE	THE SEEK	HAND HAND HAND HAND HAND HAND HAND HAND	NAME NAME NAME NAME NAME	REER REER REER REER REER REER	RYCKR NIKE RHEE ERKR	1101 1231 1332	1111	11111		1733 1733 1733 1733 1733 1733 1731 1731	EXEL SEEN SEEN SEEN SEEN SEEN SEEN SEEN SE

Note: Not of Salvage and Subrogation received.

SCHEDULE P - PART 6 - SURVARY

Years	BUL	A AND ENCURRED	BUT NUT NO.	CRIED RESIDEN	S UR CLESES	WO WITTEN	ED EUPENSES	AT TEAR EN	1000 04171	EDI
in which Loams were Incurred	1980	1981	1982	1963	1964	1965	1986	1987	1988	1989
1. Prior 2. 1980 3. 1981 4. 1982 5. 1983 6. 1984 7. 1985 8. 1986 9. 1987 10. 1988 11. 1989	INII IIII IIII IIII IIII IIII IIII	#### #### #### #### #### #### ####	OURY STATE STATE STATE STATE STATE STATE STATE	HANGE STATES	EXEL EXEL EXEL EXEL EXEL EXEL EXEL EXEL		EXE EXE EXE	11011 11101	xxxx	

#### SOMBLE F - MAT 1 - SECTION 1

#### SOMETILE P - MATE IA - HOMEDWENE/PROCESSING (Dollars in Thousants)

(1)		Frantis Back	<b>d</b>			Loss and	Lane Expens	Payments				
Years in	(2)	(3)	(4)	Long R	eya <sub>mint</sub> a	Allocat Expense		(9)	(10)	(11)	(12)	
ithich Pre- nium Here Earned and Losses Here Incurred	Direct and Assumed	Cadad	Not. (2)=(3)	(5) Direct and Assumed	(6) Coded	(7) Direct and Assumed	(8) Ceded	Salveys and Subroyetion Received	Unalidated Loke Expense Paywerts	Total Not Paid (5)-(6)+(7) -(8)+(10)	Humber of Claims Reported- Direct and Assumed	
Prior 1980 1981 1982 1983 1984 1985 1996 1987 1988 1989	ue	XXXX	ELEX								TOTAL TOTAL	
Totals	1221	XXXX	IXIZ								1271	

## SCHEDULZ P - PART 18 - PRIVATE PASSINGER AUTO LIABILITY/PEDICAL

Prior 1960	1222	EDECK	2332				1021
1961 1962 1963							
1964 1905 1906							
1987   1988   1989			ļ				
Totals	EEEE	DE 1	2001				nu n

## SCHEDILE P - PART 1C - COMMERCIAL AUTO/TRICK LIAMILITY/REDICAL

Prior 1900 1901 1902 1903 1904 1905 1906 1907 1908	101	****	TERE				100
Totala	EXCE)	FEER	ESTR			 	1221

#### SCHEDULE P - PART 10 - HORETHE COMPRISATION

Prior 1980	IRE	HANK	EXES							REER
1981 1962 1983		[								
1984 1985		Į		1	,			ì		
1986 1987 1968		}	1	]	}	]	}			
1909	1	1	}	İ	}		L			
Totals	RHER	TREE	ERRE	!	<u> </u>					A E E E

#### SCHEDULE P - PART 18 - COMMERCIAL MULTIPLE PERIL

Prior	XXXX	EXEX	2222						'		***
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1981	ł	l			1	)				)	ì
1902 1903	1	ł	ł	1	ł						1
1984	1	1	1	ì	1	۱ '	\	[	1	ļ :	
1985	1	!	Į.		1		1	ì	}		
1966 1987	1	1	į.	Į.	1	Į.	l	İ	ł	i	
1968	1	l	1	i	1	l	ı	1	ł	}	ł
1989	İ	ľ	1		1			1			l
	<u> </u>	1	1	1	<u></u>	<u> </u>	<b>\</b>	<b></b>			1111
Totals	HERE	XXX	EXEX				ľ		1		

Hote: For "prior" report assumts paid or received in current year only.
Report Camilative assumts paid or received for specific years. Report loss payments not of salvage and subrogation received.

## (DOLLACS IN TROUCAL MALAMACTICE

ω		Presum Earn	ed			Loss and	LONG EXPENSE	Payments			
Years in Which Pre-	(2)	(3)	(4)	Long P	eywents	Allocat	ed Loss Payments	(9)	(10)	(11)	(12)
niuma Mare Earned And Lomma Mare Incurred	Direct and Assumed	Coded	Het. _(2)-(3)	(5) Direct and Assumed	(6) Cadad	(7) Direct and Assumed	(8) Caded	Salvage And Subrogation	Unallocated Loss Expense	Total Net Faid (5)-(6)+(7)	Number of Claims Reported- Direct and
Prior 1900 1901 1902 1903 1904 1905 1906 1907 1908	IREE	EEEE	SERE.					Ascelved	Parymanc a	(#)+(10)	EEEE
Totals	1221	1721	1531								****

## SCHEDILE P - PART IG - SPECIAL LIABILITY (OCEAN PARTIE), AIRCOUPT (ALL PRICES), SOILOR MO AIRCOUPT

Prior	2222	XXXX	17.12								THE STATE OF THE S
1900						l i		[		j '	1212
1901	- [	[ ]	[	·						[ [	ERES
1982	1	ł i	ł	}		} ;		,		ł i	Extra )
1984	1	<b>i</b> '	}	\				<i>'</i>			1213
1905	1	Į,	) .	J .	}	ļ,	! .	) .		}	10g13 )
1966			}	]	) ·	1	ì '	1	ı	Į l	1001 1001
1906	1	}		<b> </b>	·		(	l		ł i	1353
1909	}	}	)	ነ	}	1	\	<b>\</b>		l i	1000
Totals	ALC: N	2522	pu)	<del> </del>	<del> </del>	<del></del>	<del></del>		<u> </u>		13073
					L		L			Ì	

#### SCHOOLS P - PART IN - OTHER LIABILITY

Prior 1980	ERRE	XXXX	XXXX					EREE
1981 1962 1983		}				}		
1984 1985 1986	}	{						
1987 1968 1989	1	}	}					
Totals	IXXX	NAME OF TAXABLE PARTY.	FREE				 	 1111

## SCHEDULE P - PART || - SPECIAL PROPERTY IFIRE, ALLIED LINES INCAM RADINE, ELEPHOLISE, CLASS, BURGARY AND THEFT

1983 1984 1985 1986 1987			terr terr terr terr terr
1989 Totals sang gara sang			INI

#### SCHEDULE P - PART 13 - AUTO PHYSICAL DAVINGE

Prior 1980	IXXI	exx	REEL						,	IIII
1981 1982		}		<u> </u>				ľ		
1983 1984 1985		]	)	}	}		)			) }
1986 1987			<u> </u>	}		`	}			
1908 1909		1	}	}	{	}	{	{	{	
Totals	XXXX	1888	ARRE			<b> </b>				1222

Note: for "prior" report amounts paid or received in current year only.

Asport cumulative amounts paid or received for specific years. Report loss payments net of salvage and subrogation received.

#### SCHOOLS F - PART 1 - SECTION 1

## COMMER P - MAT IR - FIGELITY, SURTY, FINANCIAL COMMITY, HONGAZ GRANATY [Dollars in Thomsonds:

(1)		Promium Garn	-			Loss and	Loss Expens	Peyments			
Years in	(2)	(3)	(4)	LOSS P	yeunca	Ailocat	ed Loss Payments	(9)	(10)	(11)	(12)
Which Pre- miume Here Earned and Losses Here Incurred	Direct and Assumed	Coded	Net. (21-(3)	(5) Direct and Assumed	(6) Ceded	(7) Direct and Assumed	(6) Ceded	Salvage and Subrogation Received	Unellocated Loss Expense Payments	Total Net Paid (5)-(6)+(7) -(8)+(10)	Number of Claims Reported- Direct and Assumed
Prior 1980 1981 1982 1983 1984 1985 1986 1987 1988 1989	ANNX	ENSE	XXXX								AXEX EXEX EXEX EXEX EXEX EXEX EXEX EXEX EXEX EXEX EXEX EXEX
Totals	1111	ERRE	1133						·	- <del> </del>	1221

## SCHEDULE 9 - PART IL - OTHER (INCLIDING CHEDIT, ACCIDENT MED MENTE, INTERNACIONAL)

Prior 1980 1981 1982 1983 1984 1985	RESERVE	XXXX	1111				
1967 1968 1969 Totals	X EX I	rest	TATE I				181

#### SCHEDULE P - PART LH - RETHERMANCE A

1966 1969					i			****
Totals	ERRE	MERK	EXXX					4414

#### SCHEDULE P - PART IN - REINSURANCE &

1988	1	ì '	'		1	1	'	REER
1988 1989								REER
1	1			 		 		 
Totals	XXXX	XXXX	HENT	l .		l I		***
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#### SCHEDULE P - PART 10 - REINSURANCE C

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- i	1944							 EXXX
	1948 1969							4322
١.					 	 	 	 ****
- 1	Totals	EXXX	XXXX	IXXX			i	****
- 1							 	 

#### SCHEDULE P - PART 1P - REINSURANCE D

Prior 1900 1901 1902 1903 1904 1905 1906 1907	ERER	REXE	EXXX						XXXX XXXX XXXX XXXX XXXX XXXX XXXX XXXX XXXX
Totals	EXEX	4311	1222	<del>                                     </del>		<del> </del>		<del> </del>	1221

Note: For "prior" report amounts paid or received in current year only.
Report cumulative amounts paid or received for specific years. Report loss payments net of salvage and subrogation received.

#### SOMETULE P - PART 1 - SECTION 2

#### SCHEDILE P - PART IA - HONDONNE/PARCHAGES (Collars in Thomsends)

(1)		London	s Umpaid			llocated Loss	Corponance Unpo	ud			
	Case	Beat.e	Bulk	• 1848	Case	Backs	Bulk +	IDE	(21)	(22)	(23)
Years in Which Pro- siums Were : Earned and Losses were Incurred	(13) Direct and Assumed	(14) Ceded	(15) Direct and Assumed	(16) Ceded	(17) Direct and Assumed	(18) Coded	(19) Direct and Assumed	(20) Caded	Unallocated Loss Expunses Unpaid	Total Not Losses and Expenses Unpaid	Number of Claims Outstanding- Direct and Assumed
Prior 1900 1981 1962 1963 1964 1965 1966 1967 1968 1969											
Totals											

## SCHEDULE P - PART 18 - PRIVATE PASSINGER AUTO LIABILITY/MEDICAL

Prior 1980 1981 1982 1983 1984 1985 1986 1987 1988 1989						
Totals						

## SCHEDULE P - PART IC - COMMENCIAL AUTO/TRUCK LIABILITY/MEDICAL

Prior 1980 1981 1982						
1963 1964 1965 1966 1987						
1968						
Totals						

#### SCHEDULE P - PART 10 - MORIGINE' COMPRISATION

Prior 1980 1981 1982 1983 1984 1985 1986 1987						
1968 1989 Totals						

#### SCHEDULE P - PART LE - COMMERCIAL MULTIPLE PERIL

Prior 1960 1961 1962 1983 1984					
1985 1986 1987 1988 1989					
Totals					

### SCHOOLS P - MAT 1 - SECTION 2

## (Dollars in Thomassis)

(1)		Lanne	o Umpaid		A	liocated Loss	Expanses Unp	id			
Years in	CAME	hard 8	Bulk	ing.	Case	Bacia	Bulk +	Ine	(21)	(22)	(23)
Mhich Pre- aium Here farned and Losses were Inducted	(13) Direct and Assumed	(14) Ceded	(15) Direct and Assumed	(16) Caded	(17) Direct and Assumed	(18) Ceded	(19) Direct and Assumed	(20) Caded	Unallocated Loss Expenses Unpaid	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding- Direct and Assumed
Prior 1900 1981 1982 1963 1964 1965 1966 1967 1968 1969											
Totals			l								

#### SCHEDULE G - PART 1G - SPECIAL LIABILITY (OCEAN HARINE, AIRCRAFT (ALL PERLIS), BOILER AND MICHIGEN)

Prior 1900 1901 1901 1902 1903 1904 1905 1906 1907 1908 1909			:			
100.818	L	1				

#### SCHEDULE P - PART IN - OTHER LIABILITY

Prior 1980 1981 1982					
1963 1964 1965 1966	,				
1967 1960 1969					

## SCHEDULE P - PART II - SPECIAL PROPERTY (FIRE, ALLIED LINES, INCAND MARINE, EARTHQUARE, GLASS, BURGLARY AND THEFT)

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De1.00	1										
Prior 1980	1			j			1				
1981	) )			1		) i					1
1962											l
1983	1 1									ì	]
1964	l				1						1
1985	1		}			1	,			l	•
1986 1987			<b>\</b>							!	1
1988						1		l	1	<b>\</b>	1
1989	1	ļ.		1	1	1				1	
1		Ĺ			<u> </u>				<u> </u>	<u> </u>	
Totals							[	1	1	1	İ
l		L				<u> </u>	<u> </u>			·	

#### SCHEDULE P - PART IJ - AUTO PHYSICAL DANNER

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Prior		'									1
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1961			ļ				1				! !
1962	[ ]	l l			[	1	l i			į	i i
1983	i	}					ĺ			l	1 1
1984	1		ł		į.	ł	Į.	1	į	ļ	1 .
1965	i .		1		i	ļ	ì	ļ	Į.		1 !
1966	1				l .	Į.				1	1
1987	1	}	l .	}		1	Į.	<b>,</b>	ļ	l .	1 1
1968	į i		l	ļ					i	1	i i
1989	l i		l		i	1	1	i		ì	ł
						ļ					
Totals	1 1		ł	i	1	1	l	1	i	l	
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#### SCHOOLS F - MAR 1 - SECTION 2

## SOMBLE P - PART IR - PIDELTY, SUREY, FIRMALIA, GRAMMY, HONTONE GRAMMY (DOLLARS IN TROMBERCH)

(1)		Long	o Organid		A	llocated Lone	Expenses Unp	niq.			
	Case	-	Bulk	- (met	Case	Basis	Suik +	IMB	(21)	(22)	(23)
Years in Which Pre- siums More Earned and Losses were Incurred	(13) Direct and Assumed	(14) Cadad	(15) Direct and Assumed	(16) Caded	(17) Direct and Assumed	(18) Coded	(19) Direct and Assumed	(26) Caded	Unalionated Loss Expenses Unpaid	Total Het Losmes and Expenses Unpaid	Number of Claims Outstanding- Direct and Assumed
Prior 1980 1981 1982 1983 1984 1985 1986 1987 1988											
totale											

## SCHEDULE P - PART IL - OTHER LINCLADING CHEDIT, ACCIDENT AND HEALTH, INTERNATIONAL!

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Pt10t 1900	1						i	
1901				1				
1903	1		)	'				
1984 1985	1							
1906	{				1			
1906			(					
1909	<u> </u>							
Totals			I					

#### SCHEDULE P - PART IN - RETHEURANCE A

1900 1909						1222
Totals						1111

#### SCHEDULE P - PART IN - REINSURANCE &

19	964 969			, , , , ,		<b>,</b>	2222	
1	otals						£222	

#### SCHEDULE P - PART 10 - REINSURANCE C

1988	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
1968	
Totals	I KAN

#### SCHEDULE P - PART 1P - RETHSURANCE D

Prior 1980 1981 1982 1983 1984 1985 1986								ELES EXES EXES EXES EXES EXES EXES EXES
Totals	 	<del>                                     </del>	<del> </del>	-	<del>                                     </del>	·	 <del> </del>	LEXE

### SCHOOLER P - PART IA - HENGENSHIPARTHONESIS (Dollars in Thousands)

(1) Years in Which Fre-			see Incurred	(Incur	nd Expense A ced/Promiums	Earned)	Discoun Time Value	of Money	(32) Inter-	Not Baland Reset After Di	Ves
ALUMS Here Earned and Loames Here Incurred	(24) Direct and Assumed	(25) Codesi	(26) Hec(*)	(27) Direct and Assumed	(26) Caded	(29) Het	(30) Loss	(31) Loss Expense	Company Pobling Perticipation Percentage	(33)	(34) Loss Expense
Prior 1980 1981 1982 1983 1984 1985 1986 1987 1988 1989	1911		FRIX	RERE	XXXX	ern.			SUR		
totale	XXXX	***	****	KXXX	REEL	****			erii		-

## SCHEDULE P - PART 18 - PRIVATE PASSENCER NATO LIABILITY/REDICAL

Prior 1900 1901	XXXX	AXXX	RXXX	1311	11111	122		****	
1962 1963 1964									
1965 1966 1967									
1966									
fotals	EXXX	REEK	2323	XXXX	EXXX	1223		an .	

### SCHEDULE P - PART 1C - COMMERCIAL AUTO/TRUCK LIABILITY/MEDICAL

Prior 1980	1111		MERN	2222	XEXE	IXXI		****		
1901 1902 1903										
1964 1985 1966								1	İ	
1907 1908 1909										
Totals	1272	FEER	EXX	EXXX	INI	****		1911		

### SCHEDALE P - PART 10 - HORICESS' COMPRISATION

Prior 1980	1231	1111	****	XXXX	****	****		2323	
1981 1962 1963									
1964 1985 1966				<u> </u>  -					
1987 1988 1989				! !				į	
Totals	EXXX	XXXX	***	4222	1221	XXXX		XXXX	<del>                                     </del>

### SCHEDULE P - PART 1E - COMMENCIAL MULTIPLE PERIL

Pr100	1221	ENNE	EXEX	***	1222	1222		mii	
1981 1962 1963									
1964 1985 1986								i	
1987 1988 1989	l								
Totals	EXXX	2222	HARE	ARRE .	2222	HERE		FEET	

### SCHOOLS F - MAT 1 - SECTION )

### SOURCE P - MART LP - HEDICAL HALPINGTICS

(1) Years in Which Fre-			me inputred	(Incur	nd Expense R red/Premium	Earned)	Discoun Time Value		(32)	Met Salan Rege After D	rves
Earned and Losses More Incurred	(24) Direct and Assumed	(25) Ceded	(26) Met.(*)	(27) Direct and Assumed	(28) Ceded	(29) Net	(30) Loss	(31) Loss Expense	Company Pooling Participation Percentage	(33)	(34) Loss Expense
Prior 1980 1981 1982 1983 1984 1985 1986 1987 1988 1989	1111	EXXX	an an	FILE	XXX	III			IRIE		
Totals	1122	2223	EERE	YEER	CERT.	extr.			EXX		

#### SCHEDULE P - PART IG - SPECIAL LIABILITY (OCEAN MARINE, AIRCRAFT (ALL PERILS), BOILER AND PROFILERY)

Prior 1980 1981	****	****	TEXT.	EEEE	***	XXXX		1213	
1902 1903 1904		1	<u> </u>	<u> </u>	]				
1965 1966 1967					{	Į			
1968 1969									
Totala	AXXX	1111	THE	. ENTI	XXXX	XXXI		EEEE S	

### SCHEDULE F - PART IN - OTHER LIABILITY

Prior 1960	EXX	***	1111	XXXX	****	1231		****	
1981 1902 1983									
1984 1985 1986			[						
1967 1968 1989									
fotals	4122	XXXX	1222	CHEST.	STEEL STEEL	***		EXEX	

### SCHOOLE F - PART II - SPECIAL PROPERTY (FIRE, ALLIED LINES, INCAND MALINE, EARTHQUARE, GLASS, SURGLAN AND THEFT)

PT10F 1980	AZZZ	1222	REER	XXXX	SEE	****		1212		
1961 1962 1963			]   							
1984 1985 1986										}
1967 1968 1989		 							}	
Totals	****	AXXX	SEEE	XXXX	ANNX	XXXX		1XXE		<u> </u>

### SCHEDULE P - PART 13 - AUTO PHYSICAL DANGE

Prior 1980	****	****	XXXX	1111	ERRE	2223		ANN Y	
1981 1982 1983 1984									
1965 1966 1967			<u>'</u>			'			
1969									
Totals	****	REER	1111	EXXX	XXXX	XXXX		EXE	1

#### SCHOOLS P - PART IS - FIDELITY, SUBSTIT, FIRMICIAL GLASHITY, HOSTORE GLASHITY (DOLLARS IN TRANSMISS)

(1) Tents in Which Fre-	Losses And		ma incurred	(Incur	nd Expense A red/Promiume	(arned)	Discount Time Value	of Roney	(32) Inter-	HOT BAJAN ROSS After D	rvee Lacount
mauma More Earned and Losses More Incurred	(24) Struck and Assessed	(25) Carded	(26) Mec(*)	(27) Direct and Assumed	(28) Ceded	(29)" Met	(30) Lone	(31) Lone Expense	Company Pooling Perticipation Percentage	(33)	(34) Loss Expense
Prior 1960 1961 1962 1963 1964 1965 1966 1967 1968 1969	ier	part	XXX	. XXXX		exx			2222		
Totals	IXXX	EXER	ARRY	****	ESTI	****			2222		

### SCHEDILE 9 - PART IL - OTHER (INCLIDING CREDIT, ACCIDENT AND HEALTH, INTERNATIONAL

Prior 1900	1223	KRES	XXXX	ERES	SEEK	1311		1215		
1901 1902 1963	1	İ	İ				ļ I		\	
1904 1905							[			-
1986 1987 1988						]				
1909		İ	ļ	1		}				
Totals	***	ARREST .	XXXX	THE	ERRR	ENRE	<u> </u>	XXXX		

### SCHEDULE P - PART IN - RETHERMANCE A

1900 1909										
Totals	EXXX	LEXE	REER	XXXX	XXXX	I STATE	ĺ	XXXX	4	

### SCHEDULE P PART IN - REINSURANCE B

1966 1969								
Totals	1222	XXXX	REER	XXXX	REER		11001	 1

### SCHEDULE P - PART 10 - RETNERANCE C

	1988 1989						*			
Ì	Totals	EXIL	HERE	KEEL	1222	1212	EXXX		XEER	

### SCHEDULE P - PART 1P - REINSTRANCE D

Prior 1980 1981 1982	****	****	13.11	XXXX	****	52.83		WII		
1962 1963 1964 1965 1966										
1907										!
fotals	ERER	AMAR	1222	XXXX	EE E	REER		1212		

(\*) Net = (24) = (25) = (11) + (22)

#### STREET, P - PART 2A - KOMMONDE, PANICHONS

Years			KCURRO LON	NO ALLO	ATE 507848	A REPORTED A	T YEAR DO	000 Oct 171	<b>3</b> )		DEVEL	
in which Losses were Incurred	1980	1901	1962	1903	1964	1965	1906	1987	1900	1989	One Year	Two
1. Prior 2. 1900 1. 1941 4. 1942 5. 1943 6. 1994 7. 1995 8 1986 8 1986 9, 1987 10. 1988 11. 1989	(*)  EREE EREE EREE EREE EREE EREE EREE E	XXXX XXXX XXXX XXXX XXXX XXXX XXXX XXXX XXXX	1111 1111 1111 1111 1111 1111	NIEN NIEN NIEN NIEN NIEN	ELEE ELEE ELEE ELEE ELEE ELEE ELEE ELE	1215 1215 1215 1215	1711	XXXI	1122		INT	EKKE
										Total		

## SCHOOLS P - PART 28 - PRIVATE PASHDOOR AUTO

1. 2. 3. 4. 5. 6. 7. 8	Prior 1900 1901 1902 1903 1904 1905 1906 1907 1900 1909	(*)  EXET FIRE REEL REEL REEL REEL REEL REEL REEL R	SINE SIER SIER SIER SIER SIER SIER SIER	RENE EXE RENE EXEX EXEX EXEX EXEX	NINE NINE NINE NINE NINE NINE NINE NINE	MANA MANA MANA MANA MANA MANA MANA MANA	EXEL EXEL EXEL EXEL	1111	11111	uri		mi	INIX
,				•				•			Total		

## SCHEDULE P - PAINT 2C - COMMERCIAL AUTO/TRACK LIABILITY/MEDICAL

	Prior 1980 1981 1982 1983 1984 1985 1986 1987 1988	(*)  REAL  R	TERE TERE TERE TERE TERE TERE TERE TERE	HERE HERE HERE HERE HERE HERE	ELLE ELLE ELLE ELLE ELLE ELLE ELLE ELL	ENER ENER ENER ENER	NEER NEER NEER NEER	HELE REXE TEXE	HERE	ERRE		123/1	1111
--	---	--	--	--	---	------------------------------	------------------------------	----------------------	------	------	--	-------	------

### SCHEDULE P - FARE 2D - NORGERS' CONFIDENCIAL

	Prior 1980 1981 1982 1983 1984 1985 1986 1987	(*) HERE HERE HERE HERE HERE HERE HERE HER	REER REER REER REER REER REER REER REE	HEER HEER HEER HEER HEER HEER HEER	HERE HERE HERE HERE HERE	KRAR KRAR KRAR KRAR KRAR	HEER HEER HEER HEER HEER	HERE HERE HERE	REER	****		EXXI	1222
--	---	--	---	--	--------------------------------------	--------------------------------------	--------------------------------------	----------------------	------	------	--	------	------

### SCHEDULE P - PART 2E - COMMERCIAL MELTIPLE PERIL

1. Prior 2. 1980 3. 1981 4. 1982 5. 1983 6. 1984 7. 1985 8 1986 9. 1987 10. 1988 11. 1989	ERRE ERRE ERRE ERRE ERRE ERRE ERRE ERR	TEXE TEXE TEXE TEXE TEXE TEXE TEXE TEXE	1112 1112 1112 1112 1112 1112	IIII IIII IIII IIII	EEEE EEEE EEEE EEEE	1215 2215 2215 2215	HENE	1111	****		2222	EERE
---	--	--	--	------------------------------	------------------------------	------------------------------	------	------	------	--	------	------

(\*) Reported reserves only. Subsequent development relates only to subsequent payments.

(\*\*) Current year less first or second prior year, showing (redundant) or adverse.

Total

#### SCHOOLE P - PART IF - MEDICAL MALPRACTICE

in which Losses were Incurred		1	1									
1	1900	1961	1982	1983	1984	1985	1986	1907	1900	1909	One	Two Year
Prior (1900) 1901 1902 1902 1903 1904 1905 1906 1907 1908 1909	*)  XXVI  XX	REER REER REER REER REER REER REER	EREC EREC EREC EREC EREC EREC EREC EREC		EXER EXER EXER EXER EXER	INI INI INI INI	ire Dir	ERRE ERRE	11001		****	1211

# SCHEDULE P - PART 2G - SPECIAL CLASILISTY (CCEAN MARINE, ALKSAFF (ALL PERILS), BOILES AND MACHINEY)

. 1962 . 1964 . 1984 . 1985 . 1986 . 1987 0, 1988 1. 1989	HILL LITE LITE FIRE FIRE FIRE FIRE FIRE FIRE FIRE FIR	THE STATE ST	REER REER REER REER REER REER REER REE	ELLE SEER SEER SEER SEER	HERE ENER HERE EREE	EERE EERE EERE	III III		DAY 3	IIIR IIII
l. Prior l. 1980 l. 1981	(*)			1			i	1		

### SCHEDULE P - PART 2H - OTHER LEASILITY

	. 15 . 15 . 15 . 15 . 15 . 19	71 or 940 961 962 963 964 965 966 967 968	XXXXX XXXXX XXXXX XXXXX XXXXX XXXXX XXXX	ANKE AFTE AFTE AFTE AFFE AFFE AFFE AFFE AFF	HANK SERR SERR SERR SERR SERR SERR	HENE ENER ENER ENER ENER ENER ENER	EREE EREE EREE EREE EREE EREE	HENN HENN HENN HENN HENN	1822 1822 1824	IIII IAII	2212		200.E	ERIE
--	--	--	--	---	--	--	--	--------------------------------------	----------------------	--------------	------	--	-------	------

	1. Prior 2. 1980 3. 1981 4. 1982 5. 1983 6. 1984 7. 1985 8. 1986 9. 1987 10. 1988 11, 1989	INNE HERE HERE HERE HERE HERE HERE HERE H	EERE KARE EERE EERE EERE EREE KREE KREE	HERE HERE HERE HERE HERE HERE HERE	HANK HANK HANK HANK HANK HANK HANK HANK	***** **** ****	1111 1111 1111 1111	MARK	1212 1212	MAIN		101	2222 2222
--	--	---	--	--	--	-----------------	------------------------------	------	--------------	------	--	-----	--------------

### SCHOOLE P - PART 23 - AUTO PHYSICAL DANGE

Prior 1900 1991 1991 1992 1993 1994 1995 1946 1986 1946 1987 0. 1988	(*)  ******  *****  *****  *****  *****  ****	1112 1112 1112 1112 1112 1112 1112 111	2222 2222 2222 2222 2222 2222 2222 2222	1222 1222 1222 1222 1222 1222 1222 122	#### #### #### #### ####	1112	TEEN TEEN TEEN	23.53 12.53	1111		****	1222
--	---	---	--	---	--------------------------------------	------	----------------------	----------------	------	--	------	------

(\*\*) Current year less first or second prior year, showing (redundant) or adverse.

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## SCHOOLE P - PART IR - FIDELITY, SERVEY, FIRANCIAL GUARANTY, KORTGAZ GUARANTY

Years		- <del></del>	NCUSTRED LOSS	ES NO ALLOC	ATED CUPENE	S ALFORTED A	T YEAR 290	000 001778	<b>D)</b>		DEVIEW	PHENT (**
in which Losses were Incurred	1900	1961	1962	1903	1984	1965	1986	1907	1966	1989	One Year	J.eot L.eo
1. Prior 2. 1980 3. 1981 4. 1982 5. 1983 6. 1984 7. 1985 8 1986 9. 1987 10. 1988 11. 1989	CANE	EXAM AXRE AXXX RIXX AXXX XXXX XXXX	1111 1111 1111 1111 1111 1111 1111	1111 1111 1111 1111 1111 1111	HILL HILL HILL HILL HILL HILL HILL HILL	11111 1213 1213 1213 1213 1213 1213 121	1112	XXXI	1101		EXPE	m
										Total		

## SCHEDULE P - PART 2L - OTHER LINGUISHING CHEDIT, ACCIDENT AND HEALTH, [INTERNATIONAL]

1. 2. 3. 4. 5. 6. 7. 8	Prior 1940 1941 1942 1943 1944 1945 1946 1947 1948	(*)  IREE IREE IREE IREE IREE IREE IREE IR	HANN HANN HANN HANN HANN HANN HANN HANN	EXEK EXEK EXEK EXEK EXEK EXEK EXEK EXEK	FERE FERE FERE FERE FERE	EXES EXES EXES EXES	2222 2222 2222	1111	mi		 ini
										Total	

### SCHEDULE P - PART 2H - REINSURANCE A

10.	1968 1909	1111 1211	HANK HANK	XXXX 2221	XXXX	XXXX XXXX	11111	REER	****	1333		11111	23.22 23.22
'—											Total		

### SCHEDULE P - PART 2N - REINSLINANCE S

10. 1988 11. 1989	EXEC	IXII IXII	NAME .	EREX SEE	XXXX	TEEK TEEK	XXXX XXXX	XXXX	1111		IRRE	101
\										Total		

#### SCHEDULE P - PART 20 - REINSKRANCE C

10. 1988 11. 1989	RENE RENE	****	****	****	XXXX	****	****	****	****		1112	****
										Total		

### SCHEDULE P - PART 2P - REINSURANCE D

1. 2. 3. 4. 5. 6. 7. 8	Prior 1960 1961 1962 1963 1964 1985 1986 1987	ERRE ERRE ERRE ERRE ERRE ERRE (*)	EXXX EXEX SERE SERE EXER	XXXX XXXX XXXX XXXX XXXX	REER REER EXER EXER	HILL HILL HILL HILL HILL HILL HILL HILL	IXIE IXIE	****			
[* <u>!</u> ,	Reported res Current year	ecves only. S less first or	second prior	elopment rel year, shows	ates only to ng (redundan	subsequent it) or advers	payments and	reserves.		Total	

#### SCHOOLE P - PART IA - HOMEDINERS/PANICHERS

			CONLATIVE P	AID LORSES A	O MILOCATED	EXPONENS AT	YEAR DIO (	000 0411120			Number of	
in which Losess were Incurred	1980	1901	1962	1963	1964	1905	1986	1987	1900	1909	Claims Closed With Loss Payment	Closed Without Loss Payment
1. Prior 2. 1980	000										EXXE	1111
1. 1961	EXXX	1	1		1						XXXX	****
4. 1982 5. 1983	2212	1111	****		1			1	1		XXX	****
6. 1964	ERRE	EXXX	XXXX	2273	}			1			IFIE	EXXE
7. 1965	2222	HHAM	XXXX	****	****	·	1			Ì	HERE	****
8 1986	EXXX	AREE .	122	- EXC	XXXX	XXXX		1		l	ERES	FERE
9. 1987 10. 1988	NAME AND ADDRESS OF THE PERSON ADDRESS OF THE PERSON ADDRESS OF THE PERSON ADDRESS OF THE PERSON AND ADDRESS OF THE PERSON ADDRESS OF THE PERSON ADD	EXXX	TREE .	222	EREE EREE	HERE	HITE HERE	222		1	1111	1011
11. 1909	2572	HANN	EEXE	2272	1110	*****	EXXI	1112	EXE	l	4222	****
11. 1909	TERE	HEAR	HINE	1100	11101	1110	EXXL	11133	****	L	CEXE	***

## SCHEDULE P - PART 38 - PRIVATE PARENCER AUTO LIABILITY/REDICAL

1. Prior 2. 1980 1. 1981 4. 1982 5. 1983 6. 1984 7. 1985 8. 1986 9. 1987 10. 1988 11. 1989	CCO	TITE THE THE THE THE THE THE THE THE THE THE	EERE BEEE EERE EERE EERE EERE EERE	EXEC EXEC EXEC EXEC EXEC EXEC EXEC EXEC	ERRE ERRE ERRE ERRE	EXES SEES SEES SEES SEES SEES SEES SEES	ini ini ini	1221				
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## SCHEDULE P - PART 3C - COMMERCIAL AUTO/TRUCK LIABILITY/REDICAL

1. Prior 2. 1980 3. 1981 4. 1982 5. 1983 6. 1984 7. 1985 8. 1986 9. 1987 10. 1988 11. 1989	COO  REALE STATE S	1111 111 1111 11	EZZZ EZZZ	E HERE	INSE NESE	*2*1			
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### SCHEDULE P - PART 30 - MORREIS' COMPRISATION

10. 1966 MARK MARK MARK MARK MARK MARK MARK MARK						1		ZZZZ ZZZZ ZZZZ	REFE	XXXX			
--	--	--	--	--	--	---	--	----------------------	------	------	--	--	--

### SCHEDULE P - PART JE - COMMERCIAL MULTIPLE PERIL

1. Prior COD 2. 1980 REME 4. 1982 SANK 5. 1983 NANK 6. 1984 NANK 7. 1985 NANK 8 1984 NANK 9. 1987 NANK 10. 1988 NANK 10. 1988 NANK	ERRE ERRE ERRE ERRE ERRE ERRE ERRE ERR	MEKH HARK HARK KEKH KEKH KEKH HARK HARK	ZZZZ ZZZZ ZZZZ ZZZZ ZZZZ	MEN'S MEN'S MEN'S MEN'S MEN'S	TEER EXEL EXEL	REER REER	2222			
--	--	--	--------------------------------------	---	----------------------	--------------	------	--	--	--

Note: Net of salvage and subrogation received.

### SCHEDULE P - PART IP - REDICAL HALPRACTICE

			CUMULATIVE P	AID LOSSES A	NO ALLOCATED	EXPENSES AT	YEAR DIO I	000 OKT 1780			Number of	Number of
Tucntted Torses A Tu Apricu Arets	[980	1981	1982	1963	1984	1965	1986	1987	1968	1989	Claims Closed With Loss Payment	Closed Without Loss Payment
1. Prior 2. 1980 3. 1981 4. 1982 5. 1983 6. 1984 7. 1985 8 1986 9. 1987 10. 1988 11. 1989	2322 2322 2322 2322 2322 2322 2322 232	HERE HERE HERE HERE HERE HERE HERE HERE	**** **** **** **** ****	NEXE NEXE NEXE NEXE NEXE	XXXX XXXX XXXX XXXX XXXX	EXEX EXEX EXEX	XXXX XXXX XXXX	****	83.XX			

#### SCHEDULE P - PART XC - SPECIAL LIABILITY (OCEAN MARINE, ALICEACHY (ALL PERILS), BOILER AND PACHINERY)

10. 1946   EXAM MARK MARK MARK MARK MARK MARK MARK MA													
---	--	--	--	--	--	--	--	--	--	--	--	--	--

### SCHEDULE P - PART IN - OTHER LIABILITY

1. Prior COO 2. 1940 1. 1941 4. 1942 5. 1943 6. 1944 6. 1944 6. 1944 7. 1945 7. 1945 8 1944 9. 1947 10. 1948 10		
--	--	--

### SCHEDULE F - PART 11 - SPECIAL PROPERTY (FIRE, ALLIED LINES, INC. NO. THEFT) MARINE, EARTHQUARE, CLASS EURGLARY AND THEFT;

2. 1900 1. 1981 2. 1982 3. 1982 5. 1983 6. 1984 7. 1985 8 1986 99, 1987 110. 1988	COO	INTE XXXX IXIE XXXX IXIE XXXX IXIE XXXX IXIE XXXX IXIE XXXX	1772 2221 1722 1721 1721 1721 1772	1111	#### #### ############################	### ### ### ### ### ### ### ### ### ##
--	-----	---	---	------	--	---

### SCHEDULE P - PART 13 - AUTO PHYSICAL DANNE

1964
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Note: Net of salvage and suprogation received.

## SCHEDULE P - PART IR - FIDELITY, SERTY, FIRSKLIAL GRANNTY, RESTRUCT GRANNTY

			CUMULATIVE P	AID LOSSES A	NO ALLOCATED	EXPENSES AT	YEAR DO (	000 ON THE	)		Muster of	
Years in which Losses were Incurred	1900	1961	1962	1963	1984	1985	1986	1987	1988	1989	Claums Closed With Loss Payment	Closed Without Lose Payment
Prior	000										***	KICKE
. 1980			1	l	ļ.		ł			1	IIII	1222
. 1961 [	2222	****	1	ì		1	l		ļ	ŀ	1222	****
1982 1983	XXXX	****	XXXX	l .	l		i	i	Ĭ	İ	1122	#272
. 1983   . 1984	1111	2222	22.22	1311		1			ł	1	X 823 A	EEEE
1985	C111	1111	****	EXX	1272	1	i	i		1	EXXX	IIII
1986	2222	****	EXAR	XXXX	4222	REER	1	j		ŀ	1011	1111
1987	****	EXXE	2222	EXXX	222	1333	11112	i i	t	1	AREE	1333
. 1988	REER	2222	EXXX	EXXX	EXEX	ERRX	EXXX	EEE	J	1	***	***
1909	EXXX	EREE	1111	NERE	TEXE	2222	EXER	ZEXX	100	i	***	1222

### SCHEDULE P - PART JL - OTHER (INCLUDING CREDIT, ACCIDENT AND HEALTH, INTERNATIONAL)

In a wind to the control of the cont

7.   1965   2012   2122   21	1964 1967 10. 1968	163   100 164   101 165   100 166   100 167   101 168   100	E REEK E REEK E REEK E REEK	HHHH	EXER	XXXX	EEEE EEEE	RESE		*****		TERE .	1111 1221 1211 1211 1211 1211 1211
--	--------------------------	--	-----------------------------	------	------	------	--------------	------	--	-------	--	--------	--

### SCHEDULE F - PART IN - RETHEURANCE A

T-													
10	١.	1900	XXXX	EXXX	XXXX	EXTRE	****	HHHH	HERE	***		REER	. HERE
11		1909	EXXX	EXER	ERRE	XXXX	REER	****	ENER	REER	EXXX	XXXX	RRER
ı			l				l			L			

### SCHEDULE P - PART IN - REINSURANCE &

_														
lı.	٥.	1900	XXXX	2002	EXES		****	XXXX	2333	XXXX		i	****	X2X3
	ī.	1909	****	REER	***	ERRE	HERE	2222	XXXX	REEL	REE		ERRE	****
- (			1	1		i I					_			اــــــا

### SCHEDULE P - PART 30 - RETHERMANCE C

Т		T			I							
10.	1908 1909	XXXX XXXX	REEL	REER	XXXX	HERE	XXXX XXXX	NAME .	XXXX	.CJE	****	EXXX
- 1		1	l .	1 _	1						 	

### SCHEDULE P - PART 3P - REINSURANCE D

1. Prior 2. 1980 3. 1981 4. 1982 5. 1983	2222 2222 2222 2222 2222 2222 2222 2222 2222	1773 1773	KHRK						**** **** **** ****	1111 1211 1211 1212 1212
6. 1984 7. 1985 8 1986 9. 1987	EXES EXES EXES EXES	HEER HEER HEER HEER HEER HEER HEER HEER	**** **** ****	HERE HERE HERE HERE	#### #### ####	XXXX XXXX	***		1131 1131 1131	1212

Note: Net of Salvage and subrogation received.

### SCHOOLS F - PART CA - ROMONISE/PANCHOUSE

Years	800.8	AND INCURRED	BUT NOT 1888	OFFICE PROPERTY	ES ON LONGES	AND ALLOCAT	D 2070425	AT YEAR DE	0000 CHGT	1201
Inchical nate	1900	1901	1982	1903	1984	1985	1906	1987	1984	1989
1. Prior 2. 1980 3. 1981 4. 1982 4. 1983 6. 1984 7. 1985 8. 1984 9. 1987 10. 1988 11. 1989		EXER EXER EXER EXER EXER EXER EXER EXER	EXER EXER EXER EXER EXER EXER	EXER EXER EXER EXER EXER EXER	EEEE FEEE EEEE EEEE EEEE	EXER EXEC EXEC EXEC EXEC EXEC EXEC EXEC	1112 1112 1113	me mi	au a	

## SCHEDULE P - PART 68 - PRIVATE PASSINGER AUTO LIABILITY/MEDICAL

1. Prior 2. 1940 3. 1981 4. 1982 5. 1983 6. 1984 7. 1985 8. 1986 9. 1987 10. 1988 11. 1989		XXXX XXXX XXXX XXXX XXXX XXXX XXXX XXXX	1111 1111 1111 1111 1111 1111	HERE SERVE SERVE SERVE SERVE SERVE	411 1112 1111 1111 4111	ENTE ENTE ENTE ENTE ENTE	IIII IIII IIII	2002	1334	
--	--	--	--	---	-------------------------------------	--------------------------------------	----------------------	------	------	--

#### SCHEDULE P - PART 6C - CONSECUAL AUTO/TRUCK LIABILITY/HEDICAL

1. Prior 2. 1980 3. 1981 4. 1982 5. 1983 6. 1984 7. 1985 8. 1986 9. 1987 10. 1988 11. 1989		IZZZ CRES ZZZZ EZZZ EZZZ EZZZ EZZZ ZZZZ ZZZZ Z		FLIE FLIE FLIE FLIE FLIE FLIE FLIE FLIE		CELL ELECT TELES TELES	1111 1112 1221	rini mir	XXX	
--	--	---	--	--	--	---------------------------------	----------------------	-------------	-----	--

### SCHEDULE P - PART 6D - HORRERS' COMPENSATION

4. 1982 # 5. 1983 # 6. 1984 # 7. 1985 # 8. 1986 # 9. 1987 # 10. 1988 # 7	***  **  **	X XXXX X XXXX X XXXX X XXXX X XXXX X XXXX	ERE EXER ERE EXER ERE EXER ERE EXER ERE EXER	EXE EXE EXE EXE	INIX EXXE	AXXX XXXX	****	
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#### SCHEDULE P - PART 6E - COMMERCIAL MULTIPLE PERIL

1. Prior 2. 1980 3. 1981 4. 1982 5. 1983 6. 1984 7. 1985 8. 1986 9. 1987 10. 1988 11. 1989		11111 11111 11111 11111 11111 11111 11111 11111 11111 11111 11111 11111 11111 11111	SERNE MENER SERNE ARRE SERNE ARRE SERNE MENER SERNE SERNE	ANNA ANNA ANNA	EXEL XXIX	
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### SCHOOLS 9 - PART OF - MEDICAL HALPFACTICE

		N/A	NO INCURE	BUT NOT REP	ORTED RESERV	25 OF LOSSE	NO ALCON		AT YEAR OF	0 (000 CHCT	(ED)
L	ucritaq oemm neta u neticp eete	1900	1961	1902	1903	1984	1965	1986	1987	1900	1909
1. 2. 3.	Prior 1980 1981	****									
4. 5.	1982 1983 1984	1212 1212	1111	****	2007						•
7. 8.	1985 1986	HERE EXER	****	RERE	1323	1773; 1771	2002				
10. 11.	1967 1988 1989	HEEK HEEK HEEK	NEER NEER NEER	HANK HANK HANK	1115 511 112	1172	11101	EXE EXE EXE	13.23 13.23	FEER	

#### SCHEDULE 9 - PART 6G - SPECIAL LIABILITY (OCEAN MARINE, ALICENT (ALL PERILS), BOILER AND RECHIRER)

Prior
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### SCHEDULE P - PART 6H - OTHER LIABILITY

Prior
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#### SCHEDULE P - PART 61 - SPECIAL PROPERTY (PIRE, ALLIED LINES, INLAND MARINE, EASTEDIANE, GLASS, SURGIAN) AND THEFT)

Prior 1980 1 1981 1982 1983 1984 1985 1986 1987 10 1988	HERR HERR HERR HERR HERR HERR HERR HERR	HANT ARRE ARRE ARRE ARRE ARRE ARRE ARRE ARR	#### #### #### #### #### #############	京文末里 京京京皇 京京京皇 京文京宗 京京京史 京文京元	EXER FERE FERE FERE FERE	HERE FREE FREE FREE	ANN ANN ANN ANN ANN ANN ANN ANN ANN ANN	XXXX	1772	
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### SCHEDULE P - PART 63 - AUTO PHYSICAL DANGE

1.	Pt 106 1980 1981 1982	1212 1213	****								
6. 7.	1983 1984 1985 1986 1987	22.22 22.22 22.22 22.23 22.23	#### #### #### ####	TERE TERE TERE TERE	2222 2222 2222 2222	IXXI IXXI	MAX 1117	ente			
10. 11.	1988 1989	****	XXXX XXXX	EXXX XXXX	NAME OF TAXABLE PARTY.	ERE	****	KERE	1222	2,712	

### SCHOOLER P - PART SR - PIDELITY, SURETY, PINNICIAL GUARANTY, REPORTS GRANNY

70	150		AND INCUMEND	1 101 100	1	1	1	EU LAFOGES	AL IEAR DA	O TOOD CHOT	(FED)
in	mured energinese	1960	1961	1902	1983	1984	1985	1986	1987	1968	1989
:	Pt10f 1980										
:	1961	RENE	1	í	1	ĺ	1			1	ł
	1902	XXXX	2272		1	ļ	1	ł		]	ľ
•	1903	****	1311		MAN	{	ļ.	1	<b>{</b>	1	l .
•	1965	1222	EXER	EEEE	XXXX	1222	ļ	i	i	}	ļ
	1906	IZZZ	EXXX	HIN	EEEE	EXXX	4334	}		1	1
	1987	THE R	ERRE	EXXX	REEL	1222	****	EXXX	Į.	l	ļ
٥.	1986	KAKE	ILXI XXXX	1111	2222	1212	NAME .	HERE	1112		1

### SCHEDULE P - PART 6L - OTHER (INCLIDING CHEDIT, ACCOUNT AND HEALTH, INTERNATIONAL)

1. Prior 2. 1960 3. 1961 4. 1962 5. 1963 6. 1964 7. 1965 8. 1966 9. 1967 10. 1968 11. 1969	1522 1232 1522 1232 1522 1232 1522 1232 1522 1232 1532 1232 1532 1232	2015 2111 211 2017 2111 21 2017 2111 2017 2111 2017 2111	1 1111 1 1 1111 1 1 1111 1	1111 1111 1111 1111 1111 1111 1111 1111	1111 1111	
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#### SCHEDULE P - PART GH - RETHRURANCE A

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-{1	10.	1986	ESTE	REXX	XXXX	1001	III I	1717	1001	2322		
- [1	и.	1989	ESTE	IIII	XXXX	XXXX	1222	XXXX	1110	XXXX	1110	l 1

### SCHOOLE P - PART ON - RETHERMICE B

7												,
1	10.	1965	EXXE	EXXE	RXXX	XXXX	EXXX	EXXX	XXXX	LEXT		į ,
- 1	11.	1969	2213	REER	****	44	EXEC	HERE	XXXX	N.S.M.	11772	,

### SCHEDULE P - PART 60 - RETHERRANCE C

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10. 1968	2022	1111	EXEK EXEK	1111	erei IIX	EEEE	XXXX	EXX	2200	

### SCHEDULE P - PART 6F - REINSTRANCE D

### SCHEDULE P INTERROGATORIES

1.	Comp rese	utation of excess statutory reserves over statement rves. See Instructions for explanation and formulas.
	(a)	Auto Liability (private passenger and commercial)
		1989 \$ ( %) 1988 \$ ( %) Total \$
	(b)	Other Liability
		1989 \$ ( %) 1988 \$ ( %) 1987 \$ Total \$
	(c)	Medical Malpractice
		1989 \$ ( %) 1988 \$ ( %) 1987 \$ ( %) Total \$
	(d)	Workers' Compensation
		1989 \$ ( %) 1988 \$ ( %) Total \$
	(e)	Credit Total \$
	(f)	All Lines Total (Report here and Page 3)  Total \$
2.	Stat poli 15% subm	ms-made policies; Schedule P - Part 5. e the amount of current year premiums earned on claims-made cies. If this amount is more than \$100,000 and greater than of current year premiums earned in that line, then you must it a Supplemental Schedule P - Part 5; see instructions.
	(a)	Other Liability - claims made premiums \$ - Part 5 required Yes () No ()
		Medical Malpractice - claims-made premiums \$ - Part 5 required Yes () No ()
	(c)	Commercial Multiple Peril - claims-made premiums \$
3.	expe sala rent sala and whet	term "Loss expense" includes all payments for legal nses, including attorney's and witness fees and court costs, ries and expenses of investigators, adjustors and field men, s, stationery, telegraph and telephone charges, postage, ries and expenses of office employees, home office expenses all other payments under or on account of such injuries, her the payments are allocated to specific claims or are located. Are they so reported in this statement? Answer:
4.	recein we recein to to to to to to to to to to to to to	unallocated loss expense payments paid during the most int calendar year should be distributed to the various years which losses were incurred as follows: (1) 45% to the most int year, (2) 5% to the next most recent year, and (3) the ince to all years, including the most recent, in proportion the amount of loss payments paid for each year during the recent calandar year. If the distribution in (1) or (2) duces an accumulated distribution to such year in excess of of the premiums earned for such year, disregarding all initializations made under (3), such accumulated distribution and be limited to 10% of premiums earned and the balance ributed in accordance with (3). Are they so reported in Statement? Answer:

5.	Do any lines in Schedule P include reserves which are reported gross of any discount to present value of future payments, but are reported net of such discounts on page 10?  Yes ( ) No ( )
	If Yes, proper reporting must be made in the Notes to Financial Statements, as specified in the Instructions. Also, the discounts must be reported in Schedule P - Part 1, columns 30 and 31.
	Schedule P must be completed gross of non-tabular discounting. Work papers relating to discount calculations must be available for examination upon request.
	Discounting is allowed only if expressly permitted by the state insurance department to which this Annual Statement is being filed.
6.	What were the net premiums in force at the end of the year for:
	(in thousands of dollars) Fidelity
	Surety
7.	Claim count information is per claim reported (check one) per claimant per claimant explain in question 8.
8.	The information provided in Schedule P will be used by many persons to estimate the adequacy of the current loss and expense reserves, among other things. Are there any especially significant events, coverage, retention or accounting changes which have occurred which must be considered when making such analyses (An extended statement may be attached)?